



ACCELERATION OF LIFE INSURANCE DEATH BENEFIT FOR QUALIFIED LONG TERM CARE SERVICES RIDER DISCLOSURE STATEMENT

GENERIC EXAMPLE OF ACCELERATION OF DEATH BENEFIT FOR QUALIFIED LONG TERM CARE SERVICES

The following is a generic example of the Acceleration of Life Insurance Death Benefit for Qualified Long Term Care Services. It is designed to demonstrate the monthly death benefit acceleration based on a Specified Amount of \$350,000 at the time that qualifying conditions for monthly benefits were met.

Assumptions

- Male 45, Preferred Non Smoker
- \$7,000 of death benefit is accelerated for chronic illness beginning in year 11 (age 55).
- Monthly benefits were assumed to begin at the start of year 11. The Cash Value, Cash Surrender Value, Specified Amount, and Death Benefit are illustrated immediately following the monthly payment.

Accelerated Condition

The Insured is diagnosed as chronically ill.

Benefit Payment

The benefit is payable monthly.

Assumed Administrative Expense Charge

\$0 (We will never assess an administrative expense charge.)

Assumed Amount to be Accelerated

\$7,000

Total Accelerated Benefits

\$77,000 (These are the prior monthly benefits paid out.)

Loan Repayment

\$0

Effect of the Accelerated Benefit Payment on this generic example

The Cash Value, Cash Surrender Value, Specified Amount, and Death Benefit are reduced as shown below.

	Amount Prior to Payment	Amount After Payment
These values are generic based on the assumptions listed above.		
Specified Amount	\$273,000	\$266,000
Death Benefit	\$273,000	\$266,000
Account Value	\$46,239	\$45,053
Cash Surrender Value	\$35,989	\$34,803
Indebtedness	\$10,000	\$10,000

The remaining death benefit will typically be paid only if the Cash Surrender Value is sufficient to keep the policy in force. Additional premiums may be necessary to cover future monthly deductions.

Additional Disclosures about the Acceleration of Life Insurance Death Benefit for Qualified Long Term Care Services Rider

Although receipt of the Acceleration of Life Insurance Death Benefit for Qualified Long Term Care Services Rider is intended to qualify for favorable tax treatment, you should still consult your personal tax advisor. **NEW YORK REGULATION REQUIRES US TO NOTIFY YOU THAT RECEIPT OF ACCELERATED DEATH BENEFITS MAY AFFECT ELIGIBILITY FOR PUBLIC ASSISTANCE PROGRAMS AND MAY BE TAXABLE.**

The Acceleration of Life Insurance Death Benefit for Qualified Long Term Care Services Rider is **NOT** long term care or nursing home insurance. The amount this rider pays you may not be enough to cover medical, nursing home or other bills. You may use the money you receive from this benefit for any purpose.

Receipt of the accelerated death benefit under this rider **MAY AFFECT MEDICAID** and **SUPPLEMENTAL SECURITY INCOME ("SSI")** eligibility. Without exercising your option to accelerate benefits, the mere fact that you own this rider will not in and of itself affect your eligibility for these government programs. However, exercising the option to accelerate benefits and receiving the benefit before you apply for these programs, or while you are receiving government benefits, may affect your initial or continued eligibility. Contact the Medicaid Unit of your local Department of Public Welfare and Social Security Administration Office for more information.