

## Funding options overview

### Asset Care Single Premium Whole Life

<b>Policy structure</b>	Single-premium whole life insurance
<b>Issue ages (age last birthday)</b>	<ul style="list-style-type: none"> <li>• Single and joint: 35–80</li> <li>• Maximum 25-year age difference between unrated joint insureds</li> </ul>
<b>Source of premium</b>	Simple reallocation of CDs, stocks, mutual funds, money markets, savings accounts or cash; transfers of existing life insurance via 1035 exchange
<b>Guarantees</b>	<ul style="list-style-type: none"> <li>• No additional premium required*</li> <li>• Cash value growth</li> <li>• Death benefit (if not used for LTC)</li> </ul> <p>*Additional premiums for Continuation of Benefits Rider may be required if chosen at point of sale</p>
<b>Benefit triggers</b>	<ul style="list-style-type: none"> <li>• On a monthly basis, the death benefit can be accelerated for qualifying LTC expenses.</li> <li>• All are reimbursement contracts. Qualification is based on receiving care because the chronically ill individual is either: <ul style="list-style-type: none"> <li>— unable to perform two of six ADLs for a period that is expected to last at least 90 days, or</li> <li>— severely cognitively impaired.</li> </ul> </li> </ul>
<b>Long-term care benefits</b>	<ul style="list-style-type: none"> <li>• Care in a LTC facility (all levels)</li> <li>• Care in an assisted living facility</li> <li>• Home health care, including homemaker service</li> <li>• Hospice care</li> <li>• Adult day care</li> <li>• International facility</li> <li>• Respite care</li> <li>• Bed reservation</li> <li>• Care coordination</li> <li>• Caregiver training</li> <li>• Supportive equipment</li> </ul> <p>(Benefit details can be found in the Outline of Coverage, including information on policy exclusions and limitations. Producers must provide the Outline of Coverage to applicants.)</p>
<b>Long-term care elimination period</b>	<ul style="list-style-type: none"> <li>• Benefits for LTC are available to be paid as soon as 0 days after home health care begins.</li> <li>• All other facility care requires 90 days of care within 270 calendar days before benefits will be paid.</li> </ul>
<b>Minimum face amount</b>	\$50,000 (differs in CA, SD, WA and WI)
<b>Acceleration of benefits (AOB) duration options</b>	50 months, 33 months, 25 months* *25 months not available on joint policies
<b>Continuation of benefits (COB) Rider</b>	<ul style="list-style-type: none"> <li>• This optional rider can extend LTC benefits if the Acceleration of Benefits balance (AOB balance) has been reduced to zero for qualifying LTC expenses.</li> <li>• COB durations: <ul style="list-style-type: none"> <li>— Lifetime</li> <li>— 50 months base = 50 months of extended benefits</li> <li>— 33 months base = 33 months of extended benefits</li> <li>— 25 months base* = your choice of 25 or 50 months of extended benefits</li> </ul> </li> </ul> <p>*Not available on joint policies</p>
<b>COB funding frequency</b>	<ul style="list-style-type: none"> <li>• Single premium, or</li> <li>• Recurring premium (5-pay, 10-pay, 20-pay or pay-to-95)</li> </ul>
<b>Access to cash value</b>	Loans made at 7.4% in advance
<b>Type of policy for tax purposes</b>	<ul style="list-style-type: none"> <li>• Modified endowment contract (MEC).</li> <li>• Loans and withdrawals taxable to the extent of gain in the policy. See the Tax Treatment section of this guide for more information.</li> </ul>

## Asset Care with Return of Premium

<b>Policy structure</b>	Single-premium whole life insurance
<b>Issue ages (age last birthday)</b>	<ul style="list-style-type: none"> <li>• Single and joint: 35–80</li> <li>• Maximum 25-year age difference between unrated joint insureds</li> </ul>
<b>Source of premium</b>	Simple reallocation of CDs, stocks, mutual funds, money markets, savings accounts or cash; transfers of existing life insurance via 1035 exchange
<b>Return of premium</b>	<ul style="list-style-type: none"> <li>• The ROP benefit ensures clients can access their funds whether they're used for LTC expenses, passed on as a death benefit, or returned to the owner minus any prior distributions.</li> <li>• The return of premium benefit applies to the base life policy premium, the acceleration of benefits premium and the continuation of benefits premium. It does not apply to the Inflation Protection premium on the Acceleration of Benefits Rider or the Inflation Protection premium on the Continuation of Benefits Rider.</li> </ul>
<b>Guarantees</b>	<ul style="list-style-type: none"> <li>• No additional premium required</li> <li>• Cash value growth</li> <li>• Death benefit (if not used for LTC)</li> </ul>
<b>Benefit triggers</b>	<ul style="list-style-type: none"> <li>• On a monthly basis, the death benefit can be accelerated for qualifying LTC expenses.</li> <li>• All are reimbursement contracts. Qualification is based on receiving care because the chronically ill individual is either: <ul style="list-style-type: none"> <li>— unable to perform two of six ADLs for a period that is expected to last at least 90 days, or</li> <li>— severely cognitively impaired.</li> </ul> </li> </ul>
<b>Long-term care benefits</b>	<ul style="list-style-type: none"> <li>• Care in a LTC facility (all levels)</li> <li>• Care in an assisted living facility</li> <li>• Home health care, including homemaker services</li> <li>• Hospice care</li> <li>• Adult day care</li> <li>• International facility</li> <li>• Respite care</li> <li>• Bed reservation</li> <li>• Care coordination</li> <li>• Caregiver training</li> <li>• Supportive equipment</li> </ul> <p>(Benefit details can be found in the Outline of Coverage, including information on policy exclusions and limitations. Producers must provide the Outline of Coverage to applicants.)</p>
<b>Long-term care elimination period</b>	<ul style="list-style-type: none"> <li>• Benefits for LTC are available to be paid as soon as 0 days after home health care begins.</li> <li>• All other facility care requires 90 days of care within 270 calendar days before benefits will be paid.</li> </ul>
<b>Minimum face amount</b>	\$50,000 (differs in CA, SD, WA and WI)
<b>LTC maximum monthly payout options</b>	50 months
<b>Continuation of benefits (COB) Rider</b>	<ul style="list-style-type: none"> <li>• This optional rider can extend LTC benefits if the Acceleration of Benefits balance (AOB balance) has been reduced to zero for qualifying LTC expenses.</li> <li>• COB duration: <ul style="list-style-type: none"> <li>— 50 months base = 50 months of extended benefits</li> </ul> </li> </ul>
<b>COB funding frequency</b>	Single premium only
<b>Access to cash value</b>	Loans made at 7.4% in advance
<b>Type of policy for tax purposes</b>	<ul style="list-style-type: none"> <li>• Modified endowment contract (MEC).</li> <li>• Loans and withdrawals taxable to the extent of gain in the policy. See the Tax Treatment section of this guide for more information.</li> </ul>

**Asset Care Recurring Premium Whole Life**

<b>Policy structure</b>	Recurring-premium whole life insurance
<b>Issue ages (age last birthday)</b>	<ul style="list-style-type: none"> <li>• Single and joint: 35–80</li> <li>• Maximum 25-year age difference between unrated joint insureds</li> </ul>
<b>Source of premium</b>	Use current income, cash, savings or simple reallocation of CDs, stocks, mutual funds, money markets; transfers of existing life insurance via 1035 exchange
<b>Premium modes</b>	5-pay, 10-pay, 20-pay or pay-to-95 (Pay-to-95 is based on the age of the older insured on a joint contract.)
<b>Guarantees</b>	<ul style="list-style-type: none"> <li>• Cash value growth</li> <li>• Death benefit (if not used for LTC)</li> </ul>
<b>Benefit triggers</b>	<ul style="list-style-type: none"> <li>• On a monthly basis, the death benefit can be accelerated for qualifying LTC expenses.</li> <li>• All are reimbursement contracts. Qualification is based on receiving care because the chronically ill individual is either: <ul style="list-style-type: none"> <li>— unable to perform two of six ADLs for a period that is expected to last at least 90 days, or</li> <li>— severely cognitively impaired.</li> </ul> </li> </ul>
<b>Long-term care benefits</b>	<ul style="list-style-type: none"> <li>• Care in a LTC facility (all levels)</li> <li>• Care in an assisted living facility</li> <li>• Home health care, including homemaker services</li> <li>• Hospice care</li> <li>• Adult day care</li> <li>• International facility</li> <li>• Respite care</li> <li>• Bed reservation</li> <li>• Care coordination</li> <li>• Caregiver training</li> <li>• Supportive equipment</li> </ul> <p>(Benefit details can be found in the Outline of Coverage, including information on policy exclusions and limitations. Producers must provide the Outline of Coverage to applicants.)</p>
<b>Long-term care elimination period</b>	<ul style="list-style-type: none"> <li>• Benefits for LTC are available to be paid as soon as 0 days after home health care begins.</li> <li>• All other facility care requires 90 days of care within 270 calendar days before benefits will be paid.</li> </ul>
<b>Minimum face amount</b>	\$50,000 (differs in CA, SD, WA and WI)
<b>LTC maximum monthly payout options</b>	50 months, 33 months, 25 months* *25 months not available on joint policies
<b>Continuation of benefits (COB) Rider</b>	<ul style="list-style-type: none"> <li>• This optional rider can extend LTC benefits if the Acceleration of Benefits balance (AOB balance) has been reduced to zero for qualifying LTC expenses.</li> <li>• COB durations: <ul style="list-style-type: none"> <li>— Lifetime</li> <li>— 50 months base = 50 months of extended benefits</li> <li>— 33 months base = 33 months of extended benefits</li> <li>— 25 months base* = your choice of 25 or 50 months of extended benefits</li> </ul> </li> </ul> <p>*Not available on joint policies</p>
<b>COB funding frequency</b>	<ul style="list-style-type: none"> <li>• Matches that of base policy</li> </ul>
<b>Access to cash value</b>	<ul style="list-style-type: none"> <li>• Loans made at 7.4% in advance</li> </ul>
<b>Type of policy for tax purposes</b>	<ul style="list-style-type: none"> <li>• Can vary on a case-by-case basis</li> <li>• Loans and withdrawals taxable to the extent of gain in the policy. See the Tax Treatment section of this guide for more information.</li> </ul>

## Asset Care Annuity Funding Whole Life

<b>Annuity policy structure</b>	An annuity which funds a 10-pay whole life insurance policy with accelerated death benefits for qualifying LTC expenses using an income rider; can be funded with either qualified or non-qualified funds
<b>Issue ages (age last birthday)</b>	<ul style="list-style-type: none"> <li>• Single and joint: 59 1/2–80</li> <li>• Maximum 25-year age difference between unrated joint insureds</li> </ul>
<b>Source of premium</b>	1035 exchange of existing nonqualified annuities or qualified money, direct transfer or rollover of an existing IRA, cash
<b>Guarantees</b>	<ul style="list-style-type: none"> <li>• No additional premium required</li> <li>• Cash value growth</li> <li>• Death benefit (if not used for LTC)</li> </ul>
<b>Benefit triggers</b>	<ul style="list-style-type: none"> <li>• On a monthly basis, the death benefit can be accelerated for qualifying LTC expenses.</li> <li>• All are reimbursement contracts. Qualification is based on receiving care because the chronically ill individual is either: <ul style="list-style-type: none"> <li>— unable to perform two of six ADLs for a period that is expected to last at least 90 days, or</li> <li>— severely cognitively impaired.</li> </ul> </li> </ul>
<b>Long-term care benefits</b>	<ul style="list-style-type: none"> <li>• Care in a LTC facility (all levels)</li> <li>• Care in an assisted living facility</li> <li>• Home health care, including homemaker services</li> <li>• Hospice care</li> <li>• Adult day care</li> <li>• International facility</li> <li>• Respite care</li> <li>• Bed reservation</li> <li>• Care coordination</li> <li>• Caregiver training</li> <li>• Supportive equipment</li> </ul> <p>(Benefit details can be found in the Outline of Coverage, including information on policy exclusions and limitations. Producers must provide the Outline of Coverage to applicants.)</p>
<b>Long-term care elimination period</b>	<ul style="list-style-type: none"> <li>• Benefits for LTC are available to be paid as soon as 0 days after home health care begins.</li> <li>• All other facility care requires 90 days of care within 270 calendar days before benefits will be paid.</li> </ul>
<b>Minimum face amount</b>	\$50,000 (differs in CA, SD, WA and WI)
<b>LTC maximum monthly payout options</b>	50 months, 33 months, 25 months* *25 months not available on joint policies
<b>Continuation of benefits (COB) Rider</b>	<ul style="list-style-type: none"> <li>• This optional rider can extend LTC benefits if the Acceleration of Benefits balance (AOB balance) has been reduced to zero for qualifying LTC expenses.</li> <li>• COB durations: <ul style="list-style-type: none"> <li>— Lifetime</li> <li>— 50 months base = 50 months of extended benefits</li> <li>— 33 months base = 33 months of extended benefits</li> <li>— 25 months base* = your choice of 25 or 50 months of extended benefits</li> </ul> </li> </ul> <p>*Not available on joint policies</p>
<b>COB funding frequency</b>	10-pay (funded via the annuity withdrawals)
<b>Access to cash value</b>	Loans made at 7.4% in advance
<b>Type of policy/contract for tax purposes</b>	<ul style="list-style-type: none"> <li>• Can vary on a case-by-case basis</li> <li>• Loans and withdrawals taxable to the extent of gain in the policy/contract. See the Tax Treatment section of this guide for more information.</li> </ul>

## Product details

### LTC benefits

- Care in a LTC facility (all levels), hospice care, adult day care, respite care (1x the AOB maximum benefit limit per calendar year)
- Care in an assisted living facility
- Home health care, including hospice care and homemaker services
- Bed reservation (30 days per calendar year)
- Care coordination and caregiver training
- Supportive equipment
- International facility coverage
- Review your state's outline of coverage for a specific and complete list of policy exclusions and limitations.

### Acceleration of Benefits (AOB)

The AOB provides monthly benefit payments for qualifying long-term care expenses. These benefit payments will reduce the policy's face amount and cash value.

The minimum benefit duration is chosen at the point of application:

- 50 months
- 33 months
- 25 months\*

\*The 25 month option is not available on joint life policies.

### Elimination period

Benefits for LTC are available to be paid as soon as 0 days after home health care begins.

All other facility care requires 90 days of care within 270 calendar days before benefits will be paid.

### Other information

Pre-existing conditions are covered if fully disclosed at application. Asset Care benefits are not excluded if the chronically ill individual has LTC costs due to a mental or nervous disorder.

## Optional riders

### Continuation of Benefits Rider

Asset Care includes a Continuation of Benefits Rider that protects against the costs of extended qualifying care. The rider may be added to any Asset Care base policy with an additional premium at application. International Facility and Care Coordination benefits are not available on the rider.

Premiums can't increase, and only the policy owner can terminate the rider.

Rider benefits start after the base policy LTC benefits are reduced to zero.

### Two choices of extended benefit periods are offered:

- Limited
- Lifetime

### The limited period depends on the maximum monthly LTC option:

- 50 months base = 50 months of extended benefits
- 33 months base = 33 months of extended benefits
- 25 months base\* = your choice of 25 or 50 months of extended benefits

\*Not available on joint policies

On a joint policy, the lifetime benefit applies to both insureds for one premium rate.

Inflation protection and nonforfeiture benefits may be available on this rider for an extra premium.

Payments can be made on a single premium, 5-pay, 10-pay, 20-pay or lifetime (pay-to-95) basis depending on the funding option chosen.

### Inflation Protection Rider

Asset Care offers an Inflation Protection Rider (IPR) to help protect against the rising cost of qualifying LTC expenses. This optional benefit, available with an additional premium, guarantees the base policy LTC benefit will increase. This increase in turn increases the monthly maximum benefit for LTC. IPR premiums can't be cancelled.

Premiums can't increase, and only the policyowner can terminate the rider.

Options include 3 percent or 5 percent compound interest, for 20 years or a lifetime. If selected for both the base coverage and COB Rider, the interest rates and duration must match. The premiums are guaranteed never to increase.

### Single Premium Drop-in Rider

The Single Premium Drop-in Rider allows clients to make up to two additional premium drop-ins within six months of policy issue. The minimum amount per drop-in is \$10,000 with a maximum of \$100,000. The maximum face amount that can be purchased by the drop-ins may not exceed \$250,000. Clients will be underwritten for the assumed total face amount including initial premium and all drop-ins.

**Note:** The Single Premium drop-in Rider is only available on the Recurring Premium Whole Life funding option.

### Base/Rider Pay Modes

	Base Premium Modes	COB Rider pay options	Base IPR pay options	COB IPR pay options
<b>Asset Care Single Premium Whole Life</b>	Single premium	Single, 5-pay, 10-pay, 20-pay, pay-to-95	Must match base premium mode	Must match COB Rider
<b>Asset Care with Return of Premium</b>	Single premium	Must match base premium mode	Must match base premium mode	Must match COB Rider
<b>Asset Care Annuity Funding Whole Life</b>	Annuity: Single premium Life: 10-pay	Must match life base premium mode (i.e., 10-pay)	Must match life base premium mode (i.e., 10-pay)	Must match COB Rider
<b>Asset Care Recurring Premium Whole Life</b>	5-pay, 10-pay, 20-pay, pay-to-95	Must match base premium mode	Must match base premium mode	Must match COB Rider