

# GENWORTH LIFE INSURANCE COMPANY of New York

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## NURSING HOME AND HOME CARE INSURANCE - REQUIRED DISCLOSURE STATEMENT

Accelerated Benefit Rider for Long Term Care Services, Form ULRABRIPGLI NY (11/05) and  
Extension of Benefits Rider for Nursing Home and Home Care Insurance, Form ULREBRIPGLI NY (11/05), if applicable  
**(Complete and Retain for Your Records)**

**CAUTION:** The issuance of the Accelerated Benefit Rider for Long Term Care Services (referred to as the "Accelerated Benefit Rider") and Extension of Benefits Rider for Nursing Home and Home Care Services (referred to as the "Extension of Benefits Rider"), if applicable, is based upon the responses to the questions on the Application. A copy of the Application will be attached to the issued Policy. If the Owner's and/or Insured's (if the Owner is not the Insured) answers fail to include all material information requested, the Company has the right to deny benefits or rescind the Rider(s). The best time to clear up any questions is now, before a claim arises! If for any reason, any of the Owner's or Insured's answers are incorrect, contact the Company at the Service Center Address shown above.

**NOTICE TO BUYER:** The Riders described in this Disclosure Statement may not cover all of the costs associated with long term care which may be incurred by the Insured during the period of coverage. The buyer is advised to periodically review the conditions and limitations of the Policy and the Riders.

### 1. INDIVIDUAL COVERAGE.

The Accelerated Benefit Rider and the Extension of Benefits Rider, if applicable, described in this Disclosure Statement are attached to, and made a part of, an individual life insurance policy.

### 2. PURPOSE OF DISCLOSURE STATEMENT.

This Disclosure Statement provides a very brief description of the important features of the Riders. You should compare this Disclosure Statement to Disclosure Statements of coverage for other policies and riders available to you.

**This is not an insurance contract but only a summary of coverage.** Only the Riders and the individual life insurance policy contain governing contractual provisions. This means that the Riders and the policy set forth in detail the rights and obligations of both the Owner and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR POLICY AND RIDERS CAREFULLY!**

### 3. FEDERAL TAX CONSEQUENCES.

The Riders described in this Disclosure Statement are intended to be a federally tax-qualified long term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

**EXTENSION OF BENEFITS RIDER ONLY - AS WITH ALL TAX MATTERS, THE OWNER SHOULD CONSULT A PROFESSIONAL TAX ADVISOR TO ASSESS THE EFFECT OF THIS RIDER.**

### 4. TERMS UNDER WHICH THE RIDERS MAY BE CONTINUED IN FORCE OR DISCONTINUED.

**RENEWABILITY. - THESE RIDERS ARE GUARANTEED RENEWABLE.** This means that the Insured has the right to continue the nursing home and home care insurance in force by the timely payment of premiums and the Company has no unilateral right to make any change in any provision of this Rider while the insurance is in force except, however, the premium rates may be revised by the insurer on a class basis.

**WAIVER OF MONTHLY DEDUCTION BENEFIT.** The Accelerated Benefit Rider includes a benefit that waives all Monthly Deductions for the Policy and all Riders when benefits are payable under: (1) the Home Care Benefit; (2) the Nursing Facility Benefit; (3) the Assisted Living Facility Benefit; or (4) the Bed Reservation Benefit. This waiver begins with the first Monthly Deduction to be made following the date such benefits are first paid. It stops when the Insured is no longer receiving Covered Care for which such benefits are payable.

### 5. TERMS UNDER WHICH THE COMPANY MAY CHANGE RIDER CHARGES.

The Company may change the rates charged for the Riders. Subject to rate requirements applicable in the State of New York, and approval by the New York Insurance Department, any rate change will be made only when the Company changes the rates on a class basis for all riders on the same form as this Rider that are delivered in the same state as this Rider. The Company will notify the Owner at least 60 days before the Policy's Anniversary on which such change would take effect. The rate change will never exceed guaranteed maximum rates shown in the Policy for the corresponding Policy Anniversary.

### 6. TERMS UNDER WHICH THE RIDERS MAY BE RETURNED AND RIDER CHARGES REFUNDED.

**Unconditional 30-Day Free Look:** The Owner has 30 days to return the Rider(s) to the Company if the Owner is not satisfied with the Rider(s) for any reason. The Rider(s) may be returned to the Service Center at the above address or to any life insurance agent appointed by the Company. Immediately upon return of the Rider(s) or denial of the Application for the Rider(s), the Policy and Rider(s) will be deemed void from the beginning; and any rider charges will be returned, if the Policy and the Rider(s) are returned, and reversed if only the Extension of Benefits Rider is returned.

The Rider(s) do not contain provisions providing for a refund or partial refund of the charges for the Rider(s) or Optional Inflation Protection Benefit charges, if applicable, upon the death of the Insured or upon the surrender of the Rider(s).

**7. EXTENSION OF BENEFITS RIDER ONLY - THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.**

If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from the insurance company. Neither Genworth Life Insurance Company nor its agents represent Medicare, the federal government, or any state government.

**8. NURSING HOME AND HOME CARE COVERAGE.**

Policies and riders of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventative, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community, or in the home. These services are referred to as Covered Care and are more fully defined in the Accelerated Benefit Rider.

These Riders provide coverage in the form of reimbursement for expenses incurred by the Insured for Covered Care. Payment is subject to limitations, and all other terms and conditions of the Policy and Riders.

**The Extension of Benefits Rider is categorized as Nursing Home and Home Care Insurance. The Accelerated Benefit Rider is not subject to the minimum requirements of New York Law pertaining to Long Term Care Insurance and does not qualify for the New York State Long Term Care Partnership Program, and is not a Medicare Supplement Policy. Both Riders are intended to be qualified long term care insurance for federal tax law.**

**9. BENEFITS PROVIDED BY THE RIDERS**

Benefits are provided under the Accelerated Benefit Rider until that Rider's Lifetime Maximum has been exhausted. The Extension of Benefits Rider, if applicable, extends the benefits provided by the Accelerated Benefit Rider after the Lifetime Maximum of the Accelerated Benefit Rider has been exhausted.

The Company will pay benefits to the Owner as reimbursement for expenses incurred by the Insured for Covered Care, subject to the terms and conditions of the Rider then in effect. Some Covered Care expenses, as described below, are subject to a Monthly Maximum, and benefits paid for such Covered Care for any one month will not exceed the applicable Monthly Maximum in effect. The total benefits paid under the Riders will not exceed the applicable Lifetime Maximum as defined in each Rider.

**ELIGIBILITY FOR THE PAYMENT OF BENEFITS:** For benefits to be payable under these Riders:

- the Insured must be a Chronically Ill Individual;
- the Company must receive a Current Eligibility Certification for the Insured; and
- the Company must receive ongoing proof which demonstrates that the Covered Care the Insured receives is needed due to his or her continually being a Chronically Ill Individual. The proof can be based on information from care providers, personal physicians, and other Licensed Health Care Practitioners.

**CONDITIONS FOR PAYMENT:** Benefits will be paid as reimbursement for incurred Covered Care expenses that meet all of the following conditions:

- the Owner must elect to claim benefits under the Rider(s);
- the payment of any benefit amount under the Accelerated Benefit Rider must be approved by any irrevocable Beneficiary;
- the Covered Care is provided pursuant to a written Plan of Care prescribed by a Licensed Health Care Practitioner;
- the Insured has not exhausted any limits applicable to the specific benefits claimed;
- the Insured meets all additional requirements for the specific benefits claimed;
- the Extension of Benefits Rider, if applicable, will begin paying benefits only after the Lifetime Maximum of the Accelerated Benefit Rider has been exhausted; and
- the Policy and applicable Rider(s) must be in force on the date the expense, fee, or charge for an item of Covered Care is incurred. This does not apply when coverage is provided under an Extended Benefits provision, or the Nonforfeiture Benefit. An expense, fee, or charge will be considered to be incurred on the day on which the Covered Care is received.

Once the Company determines that the Insured is eligible for benefits, the Insured's eligibility for benefits will continue for as long as the Insured continues to be a Chronically Ill Individual, and has not exhausted the applicable Lifetime Maximum. The Company reserves the right to perform periodic reassessments of the Insured's eligibility, but no more frequently than 90 days.

**PRIVILEGED CARE® COORDINATION SERVICES:** These services are intended to help identify care needs and community resources available to deliver care when the Insured is a Chronically Ill Individual. These services are furnished by a team of Privileged Care Coordinators provided by the Company at its own expense. The Company will pay for these services when the Insured receives them while Rider coverage is in force. These payments will NOT count against any payment maximum.

Privileged Care Coordination Services will provide the Insured with a team of Privileged Care Coordinators who will review the Insured's specific situation and develop a Plan of Care to meet the Insured's needs. Privileged Care Coordinators will:

- assess the Insured's functional, cognitive and personal needs for care and services on an ongoing basis;
- work with the Insured to identify the specific services and care providers the Insured requires;
- develop and suggest initial and subsequent Plans of Care to assist the Insured in meeting the Insured's needs;
- provide the initial and ongoing Current Eligibility Certifications; and
- monitor the Insured's care needs on an ongoing basis to help the Insured receive appropriate care.

The Company should be contacted immediately when the services of a Privileged Care Coordinator are desired. The Company will then make arrangements for a Privileged Care Coordinator to contact the Insured and begin providing the Insured with these services.

A *Privileged Care Coordinator* is a Nurse or licensed social worker who is: qualified by training and experience to assess and coordinate the overall care needs of a Chronically Ill Individual; and meets standards satisfactory to the Company that pertain to quality assurance, reporting and record maintenance requirements.

**Privileged Care Coordination Services Are Voluntary:** The Insured is not required to use Privileged Care Coordination Services. However, the Company will not cover the expense of any of the following from by a Licensed Health Care Practitioner who is not a Privileged Care Coordinator: creation of a Plan of Care; providing a Current Eligibility Certification; or assistance in coordinating services.

Payment for these services is NOT subject to any payment limits. Payment for these services does not qualify for any waiver of Monthly Deductions.

Payment Limitations: Privileged Care Coordination Services will not be provided in connection with the International Coverage Benefit.

**HOME CARE BENEFIT:** The Company will pay for expenses the Insured incurs for the following Covered Care:

- Adult Day Care Services;
- Nurse and Therapist Services;
- Home Health Aide and Personal Care Services;
- Homemaker Services;
- Chore Services; and
- Hospice Care.

These services must be: (1) received in the Insured's Home, unless they are Adult Day Care Services or Hospice Care; (2) necessary to enable the Insured to continue to stay safely at Home, unless the services are in a facility providing Hospice Care; (3) necessary because the Insured alone is not able to perform them due to the Insured being a Chronically Ill Individual; and (4) consistent with the needs addressed in the Insured's Plan of Care. Providers of these services do not need to be affiliated with a home health care agency.

Payment Limitations: Payment of this Benefit is subject to the applicable Lifetime Maximum and the applicable Monthly Maximum.

**NURSING FACILITY BENEFIT:** The Company will pay for expenses the Insured incurs for Covered Care (including room and board, but not prescription drugs) provided by a Nursing Facility while the Insured is confined there as a resident inpatient. This includes expenses for: (1) private duty nursing care provided by a Nurse who is not employed by the facility; and (2) all levels of care (including skilled, intermediate and custodial care) provided by the Nursing Facility. The expenses must be consistent with the level of charges normally made for other resident inpatients receiving similar care in that facility.

Payment Limitations: Payment of this Benefit is subject to the applicable Monthly Maximum, and the applicable Lifetime Maximum.

**ASSISTED LIVING FACILITY BENEFIT:** The Company will pay the expenses the Insured incurs for Covered Care (including room and board, but not prescription drugs) provided by an Assisted Living Facility while the Insured is confined there as a resident inpatient. The expenses must be consistent with the level of charges normally made for other resident inpatients receiving similar care in that facility.

Payment Limitations: Payment of this Benefit is subject to the applicable Monthly Maximum, and the applicable Lifetime Maximum.

**BED RESERVATION BENEFIT:** The Company will continue to pay benefits under the Nursing Facility Benefit and the Assisted Living Facility Benefit while the Insured: (1) is temporarily absent during a stay in a Nursing Facility or Assisted Living Facility; and (2) is charged to reserve the Insured's accommodations in that facility. The temporary absence can be for any reason. This includes, but is not limited to, a hospital stay or when the Insured spends holidays or other time with his or her family.

Payment Limitations: Payment of this Benefit is subject to the applicable Monthly Maximum, and the applicable Lifetime Maximum. Payment will not exceed 60 days per Policy Year.

**RESPITE CARE BENEFIT:** When the Insured receives Respite Care, the Company will pay the following Benefits: (1) the Nursing Facility Benefit; (2) the Assisted Living Facility Benefit; (3) the Bed Reservation Benefit; and (4) the Home Care Benefit.

*Respite Care* means short-term care that is provided to the Insured in order to relieve the person who normally provides the Insured with unpaid, informal care in the Insured's Home. The Insured's Plan of Care must state: (1) the name of the unpaid caregiver for whom respite is being provided; (2) the period of respite; and (3) the Covered Care the Insured will require to replace that care normally provided by the unpaid caregiver. Respite Care can be received in the Insured's Home, or during a temporary stay in a Nursing Facility or Assisted Living Facility.

Payment Limitations: Payment of this Benefit is subject to, the applicable Monthly Maximum, and the applicable Lifetime Maximum. Payment will not exceed 30 days per Policy Year. This Benefit will not be payable at the same time as any other Benefit except when the Company pays for Privileged Care Coordination Services or Caregiver Training. Payment of benefits will not exceed the number of days shown in the Policy Schedule for this benefit.

**CAREGIVER TRAINING BENEFIT:** The Company will pay for expenses the Insured incurs for training an unpaid, informal caregiver to care for the Insured in the Insured's Home. All the following conditions apply to this Benefit: (1) the Company will not pay to train someone who will be paid to care for the Insured; and (2) the training can be received while the Insured is confined in a hospital, Nursing Facility, or Assisted Living Facility only if it is reasonably expected that the training will make it possible for the Insured to go Home where the Insured can be cared for by the person receiving the training.

Payment Limitations: This Benefit is not subject to a Monthly Maximum; but is subject to a lifetime maximum equal to 20% of the then applicable Monthly Maximum. This Benefit is subject to any applicable Lifetime Maximum.

**SUPPORTIVE EQUIPMENT BENEFIT:** Benefits will be payable for Supportive Equipment if it is specified and provided in accordance with the Insured's Plan of Care. The Company will pay for expenses, including installation fees, labor and related costs, the Insured incurs for the purchase or rental of Supportive Equipment, if such equipment is: (1) intended to assist the Insured in living at Home by relieving the Insured's need for direct physical assistance; and (2) specified and provided in accordance with the Insured's Plan of Care stating that the equipment is expected to enable the Insured to remain at Home for at least 90 days after the date of purchase or first rental.

*Supportive Equipment* includes items such as the following: pumps and other devices for intravenous injection; ramps to permit movement from one level of a residence to another; grab bars to assist in toileting, bathing or showering; and stair lifts for going between levels of the Insured's Home. Supportive Equipment does not include either: equipment that will, other than incidentally, increase the value of the residence in which it is installed; or artificial limbs, teeth, medical supplies, or equipment placed in the Insured's body, temporarily or permanently.

Payment Limitations: Expenses incurred for the purchase or rental of Supportive Equipment will be reimbursed subject to a lifetime maximum benefit equal to 2 times the then applicable Monthly Maximum. Payment of this Benefit is not subject to a Monthly Maximum. This Benefit is subject to the applicable Lifetime Maximum.

**ALTERNATIVE CARE BENEFIT:** *(For expenses not otherwise covered. Prior approval by the Company is required.)* The Company will pay for expenses the Insured incurs for care, treatment, services, supplies or other items not specifically covered by another Benefit under a Rider when all of the following conditions are met:

- They are clearly specified in the Insured's Plan of Care and in a separate written mutual agreement between the Company, the Owner, any irrevocable Beneficiary, as applicable, and if appropriate, the Insured or the Insured's physician.
- They are cost-effective alternatives to Benefits specifically available under this Rider.
- They are for Qualified Long Term Care Services.
- They are incurred while such mutual agreement is in effect.
- They are incurred while the Insured's insurance is in force under the Policy and the Rider.
- The expenses are not otherwise covered under another Benefit in the Rider.
- Prior approval from the Company is received for such items.

Examples include, but are not limited to: in-home safety devices; community-based services that provide meals in the Home for disabled individuals (such as Meals on Wheels); equipment in the Insured's Home that is not covered under the Supportive Equipment Benefit; rental or lease of emergency medical response devices; and other care, treatment, services, supplies, or other items designed to help the Insured remain at Home.

Any such agreement will not waive any of the rights the Owner or the Company has under this Rider. The agreement may be discontinued at any time without affecting the right to Rider Benefits otherwise available.

Payment Limitations: The agreement will state any time period and payment maximums. Payment of this Benefit is also subject to the applicable Lifetime Maximum and all other Rider provisions and conditions.

**INTERNATIONAL COVERAGE BENEFIT:** The Company will pay for expenses the Insured incurs for Covered Care while confined as a resident inpatient in an Out-of-Country Nursing Facility (as defined in the Accelerated Benefit Rider). The Company must be provided with satisfactory proof, at the Owner's expense, that the Insured meets the Rider Benefit Eligibility and other proof of loss requirements. This Benefit is in lieu of all other Benefits and reimbursement otherwise provided by this Rider for expenses incurred during the period for which payment is made under this Benefit.

**Payment Limitations:** Payment of this Benefit is subject to the applicable Lifetime Maximum, a calendar month maximum equal to 75% of the applicable Monthly Maximum; and a lifetime maximum payment period of no more than 48 months under both Riders combined. This Benefit will not be payable at the same time as any other Benefit; nor will it qualify for the Waiver of Monthly Deduction Benefit.

## **DEFINITIONS OF TERMS**

*Activities of Daily Living (ADLs)* means the following functions:

- *Bathing:* Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.
- *Dressing:* Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
- *Toileting:* Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- *Transferring:* Moving into or out of a bed, chair or wheelchair.
- *Continence:* The ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- *Eating:* Feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by feeding tube or intravenously.

*Adult Day Care Services* means a program of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the Home. The program must be operating either under appropriate licensure or certification, if required, or for six (6) or more individuals.

*Chore Services* means assistance with the following light work activities: (a) minor household repairs related to the Insured's safety at Home (such as to handrails and safety rails, stairs, or floors); (b) taking out the garbage; and (c) simple cleaning tasks to remove unsafe debris or dirt in the Insured's Home. Chore Services do not include any type of: residential upkeep; construction; renovation or routine home preservation (such as painting); lawn or yard care; snow removal; vehicle or equipment maintenance; or similar tasks.

*Chronically Ill Individual* means a person who has been certified by a Licensed Health Care Practitioner as:

- being unable to perform, without Substantial Assistance (either Standby Assistance or Hands-on Assistance) from another individual, at least two (2) Activities of Daily Living due to a loss of functional capacity. In addition, this loss of functional capacity must, at first, be expected to exist for a period of at least 90 days; or
- requiring Substantial Supervision to protect the person from threats to health and safety due to Severe Cognitive Impairment.

*Covered Care* means only those Qualified Long Term Care Services for which these Riders pays benefits.

*Current Eligibility Certification* is a Licensed Health Care Practitioner's written certification, made within the preceding 12-month period, that the Insured meets the above requirements for being a Chronically Ill Individual.

*Family Member* means: the Insured's spouse or Domestic Partner; and the following relatives of the Insured or the Insured's spouse or Domestic Partner: (1) parent; (2) grandparent; (3) child; (4) grandchild; (5) brother; (6) sister; (7) aunt; (8) uncle; (9) first cousin; (10) nephew or niece. This includes adopted, in-law and step-relatives. *Domestic Partner* means a person who lives with the Insured in a domestic partner relationship; provided that the Insured has completed and returned a declaration of domestic partnership in a form and manner acceptable to the Company.

*Home Health Aide and Personal Care Services* means assistance the Insured receives with: (a) simple health care tasks; (b) personal hygiene; (c) managing medications; (d) help in performing Activities of Daily Living; and (e) supervision the Insured needs when he or she has Severe Cognitive Impairment.

*Homemaker Services* means assistance with one or more of the following tasks: (a) meal planning and preparation; (b) doing laundry; and (c) light house cleaning, such as: (1) vacuuming; (2) dry mopping; (3) dishwashing; (4) cleaning the kitchen or bath; and (5) changing soiled bedding.

*Hospice Care* means services that are designed to: (a) provide palliative care to the Insured; or (b) alleviate the Insured's physical, emotional and spiritual discomforts because the Insured is experiencing the last phases of life due to a terminal disease (diagnosed with six (6) months or less to live). Hospice Care can be provided in: (a) the Insured's Home; or (b) a separate facility that is licensed or certified to provide Hospice Care by the state in which it is located. Room and board expenses provided in such a facility will be a Covered Care expense under these Riders. Hospice Care does not include coverage for prescription drugs.

*Insured* means the person named as the Insured in the application for this Rider. Insured does not include any other persons who may be covered by an added benefit Rider.

*Licensed Health Care Practitioner* means any of the following who is not a Family Member: (a) a physician as defined in Section 1861(r)(1) of the Social Security Act; (b) a registered professional Nurse; (c) a licensed social worker; or (d) any other individual who meets such requirements as may be prescribed by the Secretary of the Treasury, has any appropriate State license, and is acting within the scope of that license.

*Lifetime Maximum* means the maximum amount of benefits payable for Covered Care under each Rider. Initially the applicable Lifetime Maximum is the amount for which application has been made. This amount may be increased over time in accordance with any inflation protection benefit increases; and decreased due to benefit payments and, with respect to the Accelerated Benefit Rider, partial withdrawals.

*Medicaid* means any state medical assistance program under Title XIX of the Social Security Act as it is now and as it may be amended.

*Medicare* means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 as then constituted or later amended.

*Monthly Maximum* means the maximum used for determining the amount the Company will pay for Covered Care expenses incurred under all of the following Benefits combined: (a) the Home Care Benefit; (b) the Nursing Facility Benefit; (c) the Assisted Living Facility Benefit; (d) the Bed Reservation Benefit; (e) the Respite Care Benefit; and (f) the International Coverage Benefit. The Monthly Maximum is also used to determine the maximum amounts payable for benefits in these Riders. Initially the Monthly Maximum is the amount for which application has been made. This amount may be increased over time in accordance with any inflation protection benefit increases; and decreased under the Accelerated Benefit Rider due to partial withdrawals.

*Nurse* means someone who is licensed as a Registered Graduate Nurse (RN), Licensed Practical Nurse (LPN), or Licensed Vocational Nurse (LVN), and is operating within the scope of that license.

*Nurse and Therapist Services* means services provided in the Insured's Home by: a Nurse; or a licensed physical, occupational, respiratory, or speech therapist.

*Plan of Care* means a written, individualized plan for care and support services for the Insured that: (a) has been developed as a result of an assessment and incorporates any information provided by the Insured's personal Physician; (b) has been prescribed by a Licensed Health Care Practitioner; (c) fairly, accurately and appropriately addresses the Insured's long term care and support service needs; and (d) specifies the following: (1) the type, frequency and duration of all services required to meet those needs; (2) the providers appropriate to furnish those services; and (3) an estimate of the appropriate cost of such services.

*Qualified Long Term Care Services* means the necessary diagnostic, preventative, therapeutic, curative, treatment, mitigation, and rehabilitative services, and Maintenance or Personal Care Services which are: (a) required if the Insured becomes a Chronically Ill Individual; and (b) provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

Important Note: To be eligible for payment under these Riders, it is not sufficient for services to be only Qualified Long Term Care Services. Such services must also: (a) be care or support services for which this Rider pays benefits; and (b) satisfy all requirements for Benefit eligibility and payment.

*"Maintenance or Personal Care Services"* as used above and elsewhere in these Riders means any care the primary purpose of which is the provision of needed assistance with any of the disabilities as a result of which the Insured is a Chronically Ill Individual, including protection from threats to health and safety due to Severe Cognitive Impairment.

*Severe Cognitive Impairment* is a loss or deterioration in intellectual capacity that is: (a) comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and (b) measured by clinical evidence and standardized tests that reliably measure impairment in the person's: (1) short-term or long-term memory; (2) orientation as to people, places, or time; (3) deductive or abstract reasoning; (4) judgment as it relates to safety awareness.

*Substantial Assistance* is either:

- *Hands-on Assistance*, which is the physical assistance (minimal, moderate or maximal) of another person without which the Insured would be unable to perform the Activity of Daily Living; or
- *Standby Assistance*, which is the presence of another person within arm's reach of the Insured that is necessary to prevent, by physical intervention, injury to the Insured while he or she is performing the Activity of Daily Living.

*Substantial Supervision* means continual supervision (which may include verbal cueing, prompting, gestures, or other demonstrations) by another nearby person that is necessary to protect the severely cognitively impaired individual from threats to his or her health or safety (such as may result from wandering).

## **10. LIMITATIONS AND EXCLUSIONS.**

### **PRE-EXISTING CONDITIONS**

There are no pre-existing conditions limitations.

### **NONELIGIBLE FACILITIES/PROVIDERS**

A Nursing Facility, Assisted Living Facility, or Out-of-Country Nursing Facility is not covered unless it meets the applicable definition for such facility as defined in the Accelerated Benefit Rider. Those definitions exclude the Insured's Home and any facility which is a hospital or clinic, a subacute care or rehabilitation hospital or unit, or a place which operates primarily for the treatment of alcoholism, drug addiction, or mental illness. The Insured's *Home* means the Insured's primary place of residence in the area the Insured uses principally for independent residential living. This could be: a house; a condominium; an apartment; a unit in a congregate care community; or a similar residential environment.

## **NONELIGIBLE LEVELS OF CARE**

Coverage is not based on the level of care; but is for care furnished, for a specific covered reason, by or through covered facilities and providers. Care from family members is not covered.

## **EXCLUSIONS AND EXCEPTIONS**

No payment will be made for any expenses incurred for any room and board, care, treatment, services, equipment or other items:

- Provided by a Family Member, unless: (a) the Family Member is a regular employee of the organization that is providing the services; and (b) such organization receives payment for the services; and (c) the Family Member receives no compensation other than the normal compensation for employees in her or his job category.
- For which no charge is normally made in the absence of insurance.
- Provided outside of the United States of America, its territories and possessions, except as described in the International Coverage Benefit.
- Provided by or in a Veterans Administration or federal government facility, unless a valid charge is made to the Insured or the Insured's estate, or unless otherwise required by law.
- Provided for alcoholism and drug addiction, but not addiction that results from the administration of those substances in accordance with the advice and written instructions of a duly licensed physician.
- Resulting, directly or indirectly, from: (a) war or act of war, whether declared or not; or (b) attempted suicide or an intentionally self-inflicted injury.

**Note:** The Company will pay benefits for Alzheimer's disease or demonstrable organic brain disease, subject to the same exclusions, limitations and provisions otherwise applicable to other Covered Care provided under the Riders.

### **Non-Duplication**

Benefits will be paid only for expenses for Covered Care that are in excess of the amount paid under Medicare (including amounts that would be reimbursed but for the application of the a deductible or coinsurance amount) and any other federal, state or other governmental health care program or law (except Medicaid).

## **THE ACCELERATED BENEFIT RIDER MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH THE INSURED'S LONG TERM CARE NEEDS.**

### **11. RELATIONSHIP OF COST OF CARE AND BENEFITS.**

Because the cost of long term care services will likely increase over time, the Owner should consider whether and how the benefits of this plan may be adjusted. One of the following Optional Inflation Protection Benefits for the Extension of Benefits Rider may be selected at the time of application. Increases will be available to pay for expenses incurred on or after the date of the increases and while Rider coverage is in force. Benefit Increases cease when the Optional Inflation Protection Benefit terminates.

The available benefit amounts for the Extension of Benefits Rider Optional Inflation Protection Benefit are as follows:

**3% or 5% Simple Optional Inflation Protection Benefit:** If one of these Options is in effect, the applicable Monthly Maximum will be increased on each Policy Anniversary by an amount equal to the selected percentage of the Monthly Maximum initially applicable. The remaining applicable Lifetime Maximum will increase by the same proportion that the applicable Monthly Maximum increased.

**3% or 5% Compound Optional Inflation Protection Benefit:** If one of these Options is in effect, the applicable Monthly Maximum will be increased on each Policy Anniversary by an amount equal to the selected percentage of the applicable Monthly Maximum in effect immediately prior to the increase. The remaining applicable Lifetime Maximum will increase by the same proportion that the applicable Monthly Maximum increased.

Once an Option is in effect, it cannot be changed to another Option; nor can an Option be added. If an Optional Inflation Protection Benefit is selected, Rider charges will be higher; but they will not increase due to a change in age or the automatic benefit increases. At the end of this Disclosure Statement is a graphic comparison of the benefit levels of riders that increase benefits over the coverage period with a rider that does not increase benefits. A relative cost comparison chart illustrates initial premiums for those types of riders.

### **12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.**

Once insurance is in force, coverage is provided if the Insured is clinically diagnosed as having Alzheimer's disease or related degenerative and dementing illnesses and meets the "Eligibility for the Payment Benefits" and "Conditions for Payment" requirements described in the Accelerated Death Benefit for Long Term Care Services Rider.

### **13. RIDER CHARGES.**

The monthly charges for the Rider(s) and the Optional Inflation Protection Benefit, if applicable, for the Extension of Benefits Rider, if applicable, will be deducted each month from the Policy Value of the Policy to which the Rider(s) are attached. The initial charges will be shown in the Schedule of the issued Policy.

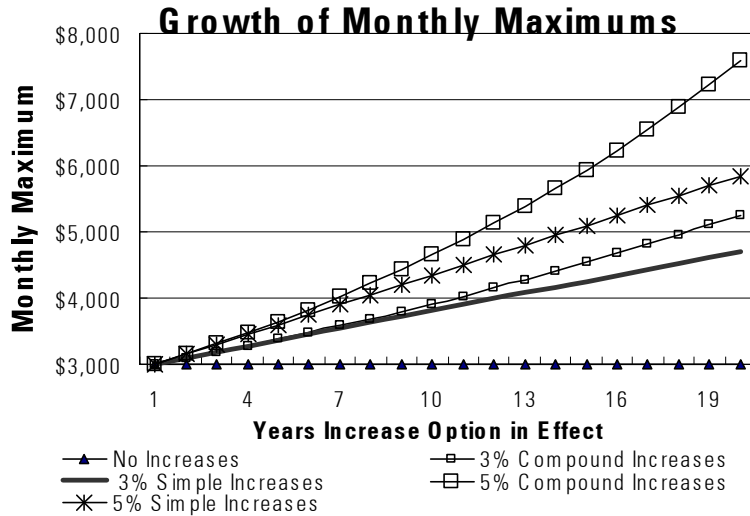
### **14. ADDITIONAL FEATURES.**

The issuance of the Riders is subject to medical underwriting.

The Extension of Benefits Rider also provides, subject to stated conditions, an optional Nonforfeiture Benefit which applies if the Rider terminated due to lapse or surrender after having been in force for at least three (3) years. It will

continue Rider coverage with a reduced Lifetime Maximum equal to the greater of: (a) the Monthly Maximum under the Rider at the time of termination; and (b) the sum of all monthly charges paid by the Owner for the Rider, less the amount by which any Return of Premium Benefit provided by Rider, if applicable, exceeds the Cash Surrender Value on the date of termination. A similar optional Contingent Nonforfeiture Benefit is available as an alternative if the Rider terminates in the event of a substantial cumulative increase in rider charges.

**15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING THE ACCELERATED BENEFIT RIDER OR THE EXTENSION OF BENEFITS RIDER.**



**Relative Cost of Optional Inflation Protection Benefits**

24 month Extension of Benefits Rider

Preferred No Nicotine Life Premium Class/Standard Rider Rate Classification with Maximum Couples Discount  
Based on Specified Amount of \$150,000 with Return of Premium Benefit

| Increase Option | Issue Age 45 |        | Issue Age 55 |        | Issue Age 65 |        | Issue Age 75 |        |
|-----------------|--------------|--------|--------------|--------|--------------|--------|--------------|--------|
|                 | Male         | Female | Male         | Female | Male         | Female | Male         | Female |
| None            | 100%         | 100%   | 100%         | 100%   | 100%         | 100%   | 100%         | 100%   |
| 3% Simple       | 131%         | 135%   | 132%         | 136%   | 132%         | 136%   | 144%         | 143%   |
| 5% Simple       | 159%         | 167%   | 164%         | 172%   | 156%         | 162%   | 186%         | 184%   |
| 3% Compound     | 159%         | 166%   | 151%         | 157%   | 145%         | 150%   | 153%         | 151%   |
| 5% Compound     | 280%         | 301%   | 237%         | 252%   | 200%         | 209%   | 219%         | 216%   |