

> Accelerated Benefit Riders *(applies to California only)*

INCREASED COMPETITIVENESS WITH ACCELERATED BENEFITS

At United of Omaha, we offer Accelerated Benefits for Terminal Illness and Chronic Illness. These riders give clients an option to access a portion of their death benefit early. This money can provide a little more comfort during a difficult time or can be used to help cover the costs of long-term care.

HERE'S HOW IT WORKS

- > Our **Chronic Illness Rider** provides benefits if the insured is unable to perform 2 of 6 Activities of Daily Living for 90 consecutive days or has severe cognitive impairment. The maximum benefit for this rider is the lesser of \$500,000 or 80 percent of the face amount
- > Our **Terminal Illness Rider** provides benefits if the insured provides evidence that their life expectancy is 12 months or less. The maximum benefit for this rider is the lesser of \$1,000,000 or 80 percent of the face amount, limited to one acceleration of benefits for terminal illness

The Chronic Illness and Terminal Illness benefits are available on GUL, GUL Plus, GUL Express, Income Advantage IUL and AccumUL Plus, and only the Terminal Illness benefit is available on Term Life Answers.

A \$1 million benefit is one of the highest benefit amounts you will find in the industry for a terminal illness rider on term.

Calculating the Benefit Amounts

At the time of each accelerated benefit request, the requested acceleration amount is reduced by a \$100 flat charge. For Terminal Illness and Chronic Illness, it is also reduced by an actuarial discount rate. The Chronic Illness benefit has an additional component that is based on the insured's life expectancy.

A HYPOTHETICAL EXAMPLE: CHRONIC ILLNESS	
Policy Death Benefit (as of first accelerated benefit request)	\$500,000
Maximum 80% Acceleration Allowed (cumulative)	\$400,000
Requested Acceleration	\$100,000
- Actuarial Discount of 13.5% (4.5% discount rate x 3-year current life expectancy)	\$13,500
- Flat Charge	\$100
Acceleration Amount	\$86,400

A Comparison: Chronic Illness vs. Long-Term Care

Below is a side-by-side comparison that can help you understand the differences.

	UNITED OF OMAHA'S CHRONIC ILLNESS RIDER	LONG-TERM CARE
Upfront Cost	If the client never needs the Chronic Illness benefit, they will never be charged	LTC generally has a recurring charge every year, regardless of whether the client ever uses the benefit
Benefit Amount Flexibility	At the time of claim, the client decides how much benefit they need and it is available in a lump sum with no restrictions on the use of the benefit	The benefit is often predetermined at the time the policy is issued as a monthly percent of face amount (i.e., 1%, 2%, or 4%). There is typically no option to take a lump sum or to increase the benefit amount
Benefit Period Flexibility	Multiple accelerations are allowed (no more than once every 12 months), with the timing of acceleration requests at the discretion of the policyowner	Benefit is typically paid for a set number of months, which are defined at issue
Expenses Covered	There are no restrictions on the use of the benefits	LTC only allows the benefit to be used to cover qualified LTC expenses
LTC Continuing Education Requirements	No LTC continuing education is required to sell a product with a Chronic Illness Rider	State-specific LTC continuing education is often required to be eligible to sell products with LTC
Additional Underwriting	No additional underwriting required; this rider is automatically included with all policies at issue	Often requires additional LTC underwriting to qualify for LTC
Substandard Restrictions	Availability of the rider is not restricted based on risk class of the insured	LTC is often not available for an insured with higher substandard table ratings
LTC expense reimbursement vs. ADB benefits paid without receipts	Benefits depend on the life policy value. Benefits will reduce the death benefit and that use of the proceeds is unrestricted	LTC benefits are based on benefit levels and a pool of money selected at the time of purchase

This is a life insurance benefit that also gives clients the option to accelerate some or all of the death benefit in the event that the insured meets the criteria for a qualifying event described in the policy.

This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement policy.