Accelerated Benefit Rider for Long Term Care Services

Building Financial Security

Life insurance products underwritten by:
Genworth Life and Annuity Insurance Company, Genworth Life Insurance Company, Richmond, VA

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Accelerated Benefit Rider for Long Term Care Services

When added to our Foundation Builder Index UL or Asset Builder Index UL policies, the Accelerated Benefit Rider for Long Term Care Services provides clients income tax-free access to their policy’s current specified amount (face amount) if needed to pay for covered long term care services.

Your client can include this important coverage at policy issue for a two, three or four-year coverage period.

Index Universal Life Insurance from Genworth

**Foundation Builder Index UL**
provides affordable death benefit protection backed by an up to 30-year no-lapse guarantee, plus the opportunity to build cash value for future financial flexibility

**Asset Builder Index UL**
provides death benefit protection plus the opportunity to build cash value as a source of tax-free supplemental income in later years

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1 Payments for incurred covered long term care expenses are income tax-free under Internal Revenue Code section 104(a)(3).
Key Benefits

Today, almost 70% of people over 65 will need long-term care services and support at some point. That sobering statistic comes with a potentially steep and growing price tag. You can help your clients prepare for that possibility, and manage the reality if necessary.

Three Solutions. One Policy.

Our Accelerated Benefit Rider for Long Term Care Services is a cost-effective way to combine the security of index universal life insurance with long term care (LTC) coverage into a single policy.

If your client requires long term care services, the entire current specified amount is available. These funds are paid as income tax-free accelerated benefits up to the monthly maximum and the lifetime maximum in total. If the client doesn’t need the entire amount or never requires long term care, the remaining specified amount can be paid as a death benefit.

FINANCIAL FLEXIBILITY:

1. A death benefit helps provide security for loved ones in the event of your client’s death

2. Access to Policy Value for a tax-free income supplement in later years

3. The current specified amount may also be used to pay for covered long term care expenses

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3 A withdrawal may be free of federal income tax or "tax free." If the policy is not a Modified Endowment Contract (MEC), then, except for certain changes in the policy during the first 15 policy years and especially during the first five policy years that cause cash distributions that may be taxable even if they do not exceed investment in the contract (Basis), withdrawals are not taxable to the extent that they do not exceed Basis. Policy loans are free of federal income tax when taken except if the policy is or becomes a MEC. If the policy is a MEC, a distribution (withdrawal or policy loan, including any increase in the policy loan balance because of unpaid loan interest) is taxable to the extent that Policy Value exceeds Basis. A 10% penalty tax may apply to distributions from a MEC if the policyholder is under age 59½. Basis is premium paid minus any long term care rider charges and minus nontaxable amounts previously recovered through policy distributions. Assignment or pledge of a MEC as security for a loan would also be a taxable event. If the policy becomes a MEC, then any distribution (withdrawal or policy loan) taken in the policy year in which the policy becomes a MEC and in subsequent policy years is taxable the same as a distribution from a MEC. Any distribution taken within two years prior to the policy becoming a MEC may also be taxable the same as a MEC. Termination, other than by reason of the insured’s death, of a life insurance policy with a policy loan balance may be deemed a distribution of the outstanding policy loan balance, resulting in possible adverse tax consequences for a policy that is not a MEC. Consult a tax adviser about possible tax consequences. We are not responsible for any adverse tax consequences.
Comprehensive Features

**International Coverage** pays for covered LTC costs for up to:

- Four years if your client travels or resides outside the United States
- 50% of the accelerated monthly maximum benefit for out-of-country nursing facility care
- 25% of the accelerated monthly maximum benefit for home and community care services abroad for no more than 365 service days

The accelerated monthly maximum benefit is the policy’s current specified amount divided by the number of months in the coverage period selected by your client. No benefit will be paid after four years from the first claim. Assisted living facility coverage and Privileged Care Coordination Services are not available outside the United States.

**Incidental Care and Services** are intended to enable the Insured to remain safely in his or her home and are stated in, and furnished in accordance with, the Plan of Care. These services include:

- Caregiver Training - Pays to train an unpaid friend or relative to provide care.
- Emergency Medical Response Systems
- Home Modifications, Assistive Devices and Supportive Equipment - Pays for the cost of home modifications such as ramps and grab bars.

**Respite Care** will pay for temporary care while the primary, unpaid caregiver takes a break. The maximum benefit is 30 days per calendar year.

**Bed Reservation** is available if a client temporarily leaves a facility. The bed reservation benefit will hold a bed for up to 60 days per calendar year.

**Informal Caregivers** can be friends or neighbors who can help with health care tasks, personal hygiene, managing medications, homemaker and chore care, performing Activities of Daily Living (ADLs) and supervision when the insured has severe cognitive impairment. Informal caregivers do not have to be from an agency and can be hired independent of other LTC services.

Valuable Services at No Additional Cost

**Privileged Care® Coordination Services** is available to assist your clients as soon as they are eligible for benefits and qualify for covered care. The team can conduct assessments of functional and cognitive capabilities and personal need for care and services, identify local specific services and care providers, and develop a personalized plan of care for a client.

**Caregiver Support Services** provide information and referral services to help the Insured’s immediate family members find and coordinate high-quality, cost-effective in-home or facility care. Care advocates will help evaluate the situation over the phone and research local providers, potentially saving your clients time and money.

Your client can research options online with a national database of more than 90,000 care providers or they can work over the phone with their own dedicated care advocate. An in-person evaluation by a registered nurse is also available for an additional fee.

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4 No benefits will be paid for Incidental Care and Services expenses once the total amount paid for such services equals three (3) times the Monthly Maximum in effect at that time.
Just the Facts

The Accelerated Benefit Rider for Long Term Care Services:

• Is only available with Death Benefit Option 1
• Is available for two, three or four-year coverage periods
• Can only be added at policy issue for clients age 18-65, but can be dropped after issue
• Is not available with the Accelerated Death Benefit Rider for Terminal Illness
• Rates are based on attained age and net amount at risk, where the net amount at risk is the current specified amount less the current Policy Value

We estimate that approximately 30% of clients who purchase Asset Builder Index UL or Foundation Builder Index UL will add this rider.

Ideal prospects are 35-65 years of age and want to protect their assets and lifestyle from the impact of a long term care event.
We’re There at Their Moment of Truth

When they really need it, we put your clients in control with a flexible benefit that pays for care in a variety of settings. Together, we’ll help them get the care they need in the way they prefer.

Care at Home and in the Community
The Accelerated Benefit Rider for Long Term Care Services can help reimburse the cost of services from formal or informal caregivers like friends or neighbors who provide care to help your client stay at home.

Care in an Assisted Living Facility
An assisted living facility may be right if your client needs help with ADLs, but doesn’t need nursing home care. Covered expenses can include:

- Personal care services associated with ADLs or severe cognitive impairment
- Medication monitoring
- Meals and room charges

Care in a Nursing Facility
If a nursing facility is required, we can help pay for:

- All levels of care
- Therapist services
- Room and board charges

Licensing and Training Requirements
Producers must have earned a “Health Authority” designation on their state insurance license prior to offering the Accelerated Benefit Rider for Long Term Care Services to clients.

This rider is considered long term care insurance in most states. A majority of these states also require that producers participate in general ongoing long term care insurance training.

Covered Services
- Diagnostic
- Preventive
- Therapeutic
- Curing
- Treating
- Mitigating
- Rehabilitative
- Maintenance
- Personal Care

Activities of Daily Living (ADLs)
- Bathing
- Continence
- Dressing
- Eating
- Toileting
- Transferring

Covered Expenses
- Home and community care
- Assisted living facilities
- Nursing home facility
- Home modifications and equipment
- Adult day care
- Cost of caregiver training
- Hospice care and facility
- Respite care to relieve qualified caregivers
- International coverage
Trust our Experience and Expertise

When it comes to buying life and long term care insurance, you and your clients have options. Here are reasons to consider Genworth:

**History**
Our roots go back to 1871 with the founding of The Life Insurance Company of Virginia. We pioneered long term care insurance in the early 1970s.

**Size and Strength**
Genworth Life and Annuity Insurance Company and Genworth Life Insurance Company have over $728 billion of life insurance in force as of December 2012.

**Innovation**
Genworth is an industry leader in the development of life insurance and long term care insurance products. Our years of experience have allowed us to design products and services to fit our customers’ needs and budgets, and help protect them and their loved ones.

**Service**
In 2012, Genworth won DALBAR’s Annuity Service Award for the seventh consecutive year and its Life Service Award for the second consecutive year. The DALBAR Award signifies achievement of the highest tier of service to customers within the financial services industry. Genworth scored higher than all other life insurance firms tested.
<table>
<thead>
<tr>
<th>Client Profile</th>
<th>Colony Term The Traditional Term Solution</th>
<th>GenGuard® UL The No-Lapse Guarantee Solution</th>
<th>Life Ready℠ UL II The Current Assumption Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration-specific needs traditionally met by term life insurance</td>
<td>Lifetime coverage and dial-down coverage</td>
<td>Willing to accept interest rate and cost of insurance rate risk in exchange for an affordable combination of death benefit protection, competitive cash value accumulation and adapt-ability</td>
<td></td>
</tr>
<tr>
<td>Type of Insurance</td>
<td>Term life insurance</td>
<td>Universal life insurance</td>
<td>Universal life insurance</td>
</tr>
<tr>
<td>Competitive Planned Premium Scenarios</td>
<td>Level-pay scenario for 10, 15 and 20 years</td>
<td>Single-pay, short-pay, and level-pay scenario, up to age 121 (policy will continue through insured’s lifetime if policy in-force at age 121)</td>
<td>Minimum planned premium to carry to age 121, coverage to age 100 also available (policy will continue through insured’s lifetime if policy in-force at age 121)</td>
</tr>
<tr>
<td>Competitive Guaranteed Death Benefit</td>
<td>10, 15 and 20 years</td>
<td>Based on client needs, dials down to any duration/age</td>
<td>10 years for ages 25-84, otherwise varies by age</td>
</tr>
<tr>
<td>Minimum Specified Amount</td>
<td>$50,000</td>
<td>$25,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Cash Value</td>
<td>No cash value</td>
<td>Focus on death-benefit guarantees¹</td>
<td>Cash value growth without a long-term secondary guarantee</td>
</tr>
<tr>
<td>Issue Ages²</td>
<td>10-year: 0-80 15-year: 0-75 20-year: 0-65</td>
<td>0-80</td>
<td>No Nicotine Use: 0-90 Nicotine Use: 16-90</td>
</tr>
<tr>
<td>Signed Illustration Required</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Available on Life Quick Request℠</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>360°LifeView℠ Underwriting</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Accepts 1035 Exchanges</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Accepts 1035 Exchanges with Loan</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Target/Commissions</td>
<td>Competitive commissionable premiums</td>
<td>Competitive rolling target</td>
<td>• Competitive target • No rolling target</td>
</tr>
</tbody>
</table>

¹Based on client needs, dials down to any duration/age.
²Notes:
- 10-year: 0-80
- 15-year: 0-75
- 20-year: 0-65
<table>
<thead>
<tr>
<th><strong>Asset Builder Index UL</strong></th>
<th><strong>Foundation Builder Index UL</strong></th>
<th><strong>Total Living Coverage®</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Protection and Accumulation Solution</td>
<td>The Flexible Protection Solution</td>
<td>The Linked Benefits Solution</td>
</tr>
<tr>
<td>Clients seeking death benefit protection plus a source of tax-free supplemental income in later years</td>
<td>Clients seeking affordable death benefit protection backed by an up to 30-year no-lapse guarantee, plus the opportunity to build cash value for future financial flexibility</td>
<td>Combination of life insurance and long term care protection</td>
</tr>
<tr>
<td>Universal life insurance (with optional index interest crediting)</td>
<td>Universal life insurance (with optional index interest crediting)</td>
<td>Universal life insurance (with long term care benefits)</td>
</tr>
<tr>
<td>Overfund to optimize Policy Value accumulation</td>
<td>Minimum level planned premium to provide needed death benefit coverage</td>
<td>Single pay with lifetime guarantee²</td>
</tr>
<tr>
<td>15 years</td>
<td>Maximum of 30 years and minimum of 15 years, varies by age</td>
<td>Through lifetime Residual Death Benefit</td>
</tr>
<tr>
<td>$100,000</td>
<td>$100,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Opportunity for significant cash value accumulation through multiple interest-crediting options</td>
<td>Opportunity for cash value accumulation through multiple interest-crediting options</td>
<td>Strong current cash value with lifetime return-of-premium after policy year 2</td>
</tr>
<tr>
<td>0-80 (18-80 in Oregon)</td>
<td>0-80 (18-80 in Oregon)</td>
<td>18-79</td>
</tr>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>TLC Quick Request</td>
</tr>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>No</td>
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<td>No</td>
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<tr>
<td>Accelerated Benefit Rider for Long Term Care Services</td>
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<tr>
<td>Accelerated Death Benefit Rider for Terminal Illness</td>
<td>Accelerated Death Benefit Rider for Terminal Illness</td>
<td>Extension of Benefits Rider for Long Term Care Services</td>
</tr>
<tr>
<td>Accidental Death Benefit Rider</td>
<td>Accidental Death Benefit Rider</td>
<td>Guaranteed Minimum Benefit Rider</td>
</tr>
<tr>
<td>Children’s Level Term Insurance Rider</td>
<td>Children’s Level Term Insurance Rider</td>
<td>Return of Premium Rider</td>
</tr>
<tr>
<td>Overloan Protection Rider</td>
<td>Overloan Protection Rider</td>
<td></td>
</tr>
<tr>
<td>Waiver of Monthly Deduction Rider</td>
<td>Waiver of Monthly Deduction Rider</td>
<td></td>
</tr>
<tr>
<td>Competitive commission on base policy and long term care rider rolling targets</td>
<td>Competitive commission on base policy and long term care rider rolling targets</td>
<td>Competitive commission on entire premium</td>
</tr>
</tbody>
</table>

1. Death benefit guarantee refers to a conditional guarantee that, if the conditions are met, can keep the policy in force even if Policy Values do not. Certain policy rights, if exercised, can end the guarantee.

2. Subject to state variations. Issue ages are age nearest birthday (Total Living Coverage is age last birthday) and may be limited by underwriting in certain states. Minimum issue age in OR is 18. Minimum issue age for Nicotine Use premium classes is 16.

3. Signed guaranteed projection is required with 1035 exchange. 1035 exchanges with loans are not accepted.

4. If no policy loans or partial withdrawals have been taken, and none are taken in the future, we will guarantee that the policy will not lapse. The Total Living Coverage built-in Guaranteed Minimum Benefit Rider (GMBR) helps protect your client from falling interest rates and rising costs of insurance by guaranteeing that a death benefit and long term care benefits are available. GMBR benefit levels automatically become effective if the net cash surrender value is insufficient to pay the cost of insurance and sufficient premium is not paid by the end of the grace period.

5. For Guideline Premium Limitation Tested policies only.
Exclusions

Benefits are not paid for any expenses incurred for any covered care:

- Provided by immediate family members. An exception is made if the family member is a regular employee of the organization providing the service, the organization received payment for the service and the immediate family member receives only compensation normally provided to employees in that job.
- Provided by or in a Veteran's Administration or federal government facility, unless a valid charge is made to you or your estate.
- Provided outside the United States, its territories and possessions unless specifically provided for by a benefit.
- Resulting from alcoholism or drug addiction, except for an addiction to a prescription medication when administered in accordance with the advice of a physician.
- Resulting from a self-inflicted injury or attempted suicide.

Federal Tax Considerations

Generally, life insurance death benefits are payable to a beneficiary income tax free. In addition, the law provides that cash values that accumulate within a life insurance policy grow on an income tax-deferred basis and are not subject to income tax until withdrawn from the policy or if the policy terminates.

A benefit payment reduces the policy's Specified Amount and requires us to adjust the Guideline Single Premium (GSP) and Guideline Level Premium (GLP). The Internal Revenue Service has not provided guidance on the method for making adjustments to reflect such benefit payments. We expect to reduce the GSP and GLP in the same proportion as the Specified Amount is reduced. While we believe this adjustment method is reasonable, its selection in preference to other possible adjustment methods is not intended to be tax advice. You should consult your tax advisor about the income-tax consequences of receiving accelerated benefits for long term care services.

Important Information

To accurately present the products you must fully understand their features, benefits and limitations, which are explained in detail in the products' latest feature guides. Only the policy contains the actual terms and conditions of coverage. Policy terms and provisions will prevail.

All products, their riders, and benefits are subject to the terms and conditions of their policy forms and to state availability and issue limitations. Terms and conditions may vary by state.

The name Colony used with life insurance products is a Genworth service mark. Colony Term is a term life insurance policy with level premiums guaranteed for an initial period of 10, 15, or 20 years. After the level premium period, premiums are not guaranteed and increase annually subject to maximums stated in the policies. Benefits for all policies cease at the policy anniversary nearest the insured’s 98th birthday (in MD, the insured’s 95th birthday). Colony Term is subject to Policy Form No.1420 (96) et al. or Policy Form No.1421 et al. (Genworth Life & Annuity) or Policy Form No. GE-1420 et al. (Genworth Life).

GenGuard® UL and Life Ready™ UL II are flexible premium adjustable life insurance policies (commonly known as universal life insurance).

GenGuard® UL is subject to Policy Form No. ICC09GA1000 or GA1000-0609 et al. (Genworth Life & Annuity) or ICC09GL1000 or GL1000-0609 et al. (Genworth Life).

Life Ready™ UL II is subject to Policy Form No. GLAUULR10087 et al. (Genworth Life & Annuity) or GIULUR10087 et al. (Genworth Life).

Total Living Coverage® is universal life insurance with long term care benefits and is subject to Policy Form No. ICC12-GL5000 and Rider Form Nos. ICC12-GL500R, ICC12-GL501R, ICC12-GL502R, and ICC12-GL503R or Policy Form No. GL5000 0212 et al. and Rider Form Nos. GL500R 0212 et al., GL501R 0212 et al., GL502R 0212 et al., and GL503R 0212 et al. (Genworth Life). This applies to the new Total Living Coverage product launched in 2012.

Asset Builder Index UL is subject to Policy Form No. ICC12GA1004 or ICC12GA1005 (Genworth Life and Annuity Insurance Company, Richmond, VA) or Policy Form No. ICC12GL1004 or ICC12GL1005 (Genworth Life Insurance Company, Richmond, VA).

Foundation Builder Index UL is subject to Policy Form No. ICC13GA1006 or ICC13GA1007 (Genworth Life & Annuity) or Policy Form No. ICC13GL1006 or ICC13GL10007 (Genworth Life).

The Accelerated Benefit Rider for Long Term Care Services is underwritten by Genworth Life & Annuity and is subject to issue limitations and Rider Form No. ICC12GA109R or by Genworth Life and is subject to issue limitations and Rider Form No. ICC12GL109R.

All guarantees are based on the claims-paying ability of the issuing insurance company.