



ACCELERATED ACCESS SOLUTION:

Do your clients worry about the possibility of future chronic illness?

By adding the Accelerated Access Solution® (AAS) rider to a Secure Lifetime GUL3, Max Accumulator+ or Value+ Protector policy, your client can access income tax-free death benefits if diagnosed with a chronic illness.^{1,2}

92% OF OLDER ADULTS

have at least one chronic condition, and 77% have at least two.³

EVERY **40** SECONDS AN

American has a heart attack⁴—50% of heart attack victims survive more than five years⁵

EVERY **40** SECONDS AN

American suffers a stroke⁶

\$260,000

healthcare costs in retirement for an average retiring 65-year old couple⁷

60% OF AMERICANS

are concerned about paying for healthcare in retirement⁸

Problem: Chronic Illness Hits Close to Home

Henry* is a 55 year old husband and father who is in good health and has seen first-hand how a chronic illness can adversely affect a family's financial plan. His brother Edward, who has been dealing with the aftermath of a stroke, has experienced a significant depletion in his financial assets due to the incredible costs of his care.

Edward had to access his retirement savings to pay medical bills, buy a wheelchair, adapt his house with ramps and an electric stairwell lift and pay for his day-to-day physical care. This leaves his spouse Emily with dramatically smaller retirement resources when Edward passes away. To make matters worse, Emily's Social Security income will drop by 1/3 to 1/2 of the couple's total at the time of Edward's death.

Henry wants to protect his family's assets and create flexible financial options in the event a chronic illness should occur.

Solution: Life Insurance You Don't Have to Die to Use

Henry purchases a \$250,000 Secure Lifetime GUL 3 life insurance policy with the AAS rider to provide the flexibility and protection he seeks. The base policy can provide funding in the event of a chronic illness diagnosis offering Henry an option that protects his retirement portfolio from being depleted by medical expenses and physical day-to-day care and assistance.* * The death benefit remaining after Henry passes away can help his surviving spouse with additional assets to offset the reduction in Social Security income that occurs when one spouse dies.

*Not an actual case, and is a hypothetical representation for illustrative purposes only. **This is not a restricted list.

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Policies issued by American General Life Insurance Company member of American International Group, Inc. (AIG)

With the optionality built into the policy he has the following choices:

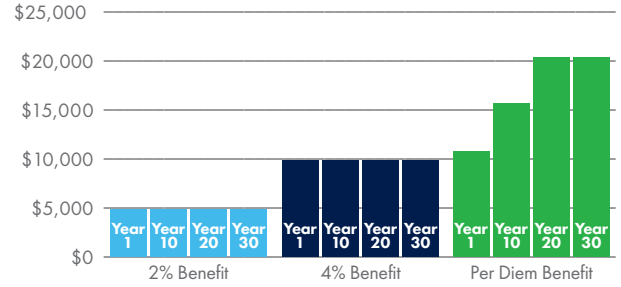
- Choose an Accelerated Access Solution total benefit amount anywhere between \$125,000 and \$250,000
- Three monthly benefit payment amounts options as shown in the chart at right.

Henry chose the 100% total benefit option giving him a \$250,000 Accelerated Access Solution benefit. He also chose the per diem benefit payment option at the time of purchase.

Fast Forward

Twenty years later when Henry was 75 and in retirement, he suffered a heart attack and activated the rider to access a portion of the death benefit each month². Because he chose the per diem option, the monthly benefit amount had increased to approximately \$20,833.33 in the year he went on claim, and was payable for up to 12 months. The Accelerated Access Solution allowed his family to use the funds to pay for his medical and physical care and helped to protect Henry's retirement assets for his surviving spouse.

Monthly Benefit Options: \$250,000 Death Benefit



NOTE: IRS caps the maximum daily rate each year. For 2018, the maximum per diem is \$360/day or \$10,950/month for a thirty-day month. In Figure 3 (above), hypothetical per diem increases based on IRS 2017 per diem in year 1, and increasing 4% each year thereafter. Whether or not the IRS per diem limit will change over time is not guaranteed. Hypothetical representation for illustrative purposes only.

Life Insurance You Don't Have to Die to Use

Asset Protector, available on Secure Lifetime GUL 3 and Value+ Protector policies, provides a unique package of living benefits that allow access to death benefits while living. The Asset Protector product suite includes two riders: the Accelerated Access Solution which allows income-tax-free access to death benefits if diagnosed with a chronic illness, plus the Lifestyle Income Solution[®] which allows access to death benefits for any reason after age 85.

Learn more at [RetireStronger.com](https://www.retirestronger.com)

¹ Based on current federal income tax laws, policy owners should consult a qualified tax advisor.

² Insured must be certified as chronically ill by a licensed physician and meet all eligibility requirements.

³ <https://www.ncoa.org/news/resources-for-reporters/get-the-facts/healthy-aging-facts> —

Accessed 02/27/2017

⁴ http://professional.heart.org/idc/groups/ahamah-public/@wcm/@sop/@smd/documents/downloadable/ucm_491265.pdf

⁵ <http://www.nytimes.com/health/guides/disease/stroke/print.html>

⁶ <https://www.cdc.gov/stroke/facts.htm>

⁷ <https://www.fidelity.com/about-fidelity/employer-services/health-care-costs-for-couples-in-retirement-rise>

⁸ <http://www.plansponsor.com/Most-Americans-Concerned-About-Health-Care-Costs-in-Retirement/>

IMPORTANT CONSUMER DISCLOSURES REGARDING ACCELERATED BENEFIT RIDERS

An Accelerated Death Benefit Rider (ABR) is not a replacement for Long Term Care Insurance (LTCI). It is a life insurance benefit that gives you the option to accelerate some of the death benefit in the event the insured meets the criteria for a qualifying event described in the policy. The rider does not provide long-term care insurance subject to California insurance law, is not a California Partnership for Long-Term Care program policy. The policy is not a Medicare supplement. ABRs and LTCI provide different types of benefits. An ABR allows the insured to access a portion of the life insurance policy's death benefit while living. ABR payments are unrestricted and may be used for any purpose. LTCI provides reimbursement for necessary care received due to the inability to perform activities of daily living or cognitive impairment. LTCI coverage may include reimbursement for the cost of a nursing home, assisted living, home health care, homemaker services, adult day care, hospice services or respite care for the primary caretaker and the benefits may be conditioned on certain requirements or meeting an elimination period or limited by type of service, the number of days or a maximum dollar limit. Some ABRs and all LTCI are conditioned upon the insured not being able to perform two or more of the activities of daily living or being cognitively impaired. This ABR pays proceeds that are intended to qualify for favorable tax treatment under section 101(g) of the Federal Internal Revenue Code. The federal, state, or local tax consequences resulting from payment of an ABR will depend on the specific facts and circumstances, and consequently advice and guidance should be obtained from a personal tax advisor prior to the receipt of any payments. ABR payments may affect eligibility for, or amounts of, Medicaid or other benefits provided by federal, state, or local government. Death benefits and policy values, such as cash values, premium payments and cost of insurance charges if applicable, will be reduced if an ABR payment is made. ABR payments may be limited by the contract or by outstanding policy loans.



Policies issued by American General Life Insurance Company (AGL), Policy Form Numbers 15442, ICC15-15442, 15442-10 REV0815, 16760, ICC16-16760, 15646, ICC15-15646; Rider Form Numbers, 13600-5, ICC13-13600, 82012, 82410, 88390, 15990, ICC15-15990, 15972, 13601, ICC13-13601, 82001, ICC15-15600, 15600, 15600-7, 13600-5 except in New York, where issued by The United States Life Insurance Company in the City of New York (US Life), Rider Form Number 17600N. Issuing companies AGL and US Life are responsible for financial obligations of insurance products and are members of American International Group, Inc. (AIG). Guarantees are backed by the claims-paying ability of the issuing insurance company. AGL does not solicit business in the state of New York. Products may not be available in all states and product features may vary by state. There may be a charge for each rider selected. See the rider for details regarding the benefit descriptions, limitations and exclusions. Riders are not available in all states. Please review the policy and outline of coverage for your state.

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