

Access your death benefits while living.

Accelerated Access Solution[®]

Chronic Illness Protection Rider



Optional living benefit rider for Guaranteed Universal Life Insurance
and protection and accumulation-focused Index Universal Life Insurance

BROCHURE NOT FOR USE IN CALIFORNIA

Policies issued by American General Life Insurance Company (AGL), Houston, TX except in New York,
where issued by The United States Life Insurance Company in the City of New York (US Life).

Put your life insurance to work



What are the odds...

of actually having a chronic illness?

About 60% of Americans live with at least one chronic illness.

Chronic Disease in America, CDC, June 2022

ABOUT
60%

Don't most people have Medicare...

to pay for something like this by the time it happens?

Beyond 100 days, Medicare pays \$0 for long-term care services.

Medicare's Limited Nursing Home Coverage, Elder Law, January 2022

NOT COVERED

If you became chronically ill...

will you have the financial freedom to choose which kind of treatment you want: the cheapest or the highest quality?

A healthy couple retiring at 65 can expect healthcare costs upwards of...

Retiree Health Care Cost Estimate, Fidelity Investments, May 2022

\$315^K
OUT-OF-POCKET

Ask yourself...

- Do I need life insurance to protect myself and my family?
- Would I prefer those life insurance benefits available in life or death, instead of the additional cost of a "use it or lose it" long-term care policy?
- After seeing a friend or family member suffer a health care event, am I prepared for how expensive it can be?
- Am I in generally good health, but want possibilities for future care as I age and my health changes?
- If I am certified as chronically ill, would I want to tap into my life insurance benefits for necessary treatment?

Chronic Illness Protection Rider



Think life insurance only pays out to your loved ones when you die? Not anymore.

Access your own life insurance benefits while living.

By adding the **Accelerated Access Solution (AAS)** chronic illness rider to a select life insurance policy, you can potentially access your income tax-free life insurance benefits, if certified as having a chronic illness.¹

Should an eligible chronic illness occur, you can be paid monthly benefits until that illness improves or your AAS benefit is exhausted—whichever happens first. See full rider for details¹

It's a good option for consumers who understand the value and security of combining death benefit and chronic illness protection into one.

AAS helps provide freedom of choice

Unlike many long-term care reimbursement policies, it can be used to pay for any expense – even those unrelated to the illness. The use of accelerated death benefits is unrestricted:

- Adult daycare
- Assisted living or nursing home
- Massage therapy
- Prescription drugs
- Home maintenance (lawn, handyman, etc.)
- Home improvements (new furniture, upgraded shower, ramp installation, etc.)
- Gas for transportation to and from treatments
- Cash in the pocket of a friend or loved one taking time off work to assist in your care

¹ If the annual amount received by the policy owner for chronic illness benefits from all applicable sources exceeds the actual cost of care in a year or exceeds the IRS per diem exclusion limit aggregated for the portion of the year during which the Insured Person was certified as being chronically ill, some of the benefits may be taxable. Policy owners should consult their own tax advisors regarding how receipt of the benefit will apply to their own tax situation.

How it works

Using your benefit

- **Multiple benefit payment options** – three options available for monthly disbursement:
 - 2% of the AAS benefit per month
 - 4% of the AAS benefit per month
 - IRS maximum per diem amount at time claim begins (the 2023 rate is \$420/day, which equates to \$12,775/month for a thirty-day month)
- **Waiver of monthly deduction** – if you file an approved chronic illness claim to access your money via your AAS rider, then you will not be responsible for paying policy deductions while you continue to access those benefits
- **Flexible options with total benefit amount** – select any amount between 50%-100% of the base policy life insurance benefit amount²
- **Care coordination services available** – variety of optional and free support services available to you at time of claim
- **Control how your own claim money is spent** – money goes directly into your pocket, not the health provider or care facility
- **You get what you pay for** – your potential total AAS benefit matches the amount you select at time of purchase exactly, no need to guess what your total payout might be after fees and deductions.
- **More flexibility than a “use it or lose it” long-term care policy** – benefits are paid no matter what... either to the insured if they become chronically ill, or to your beneficiaries at the time of your death.³
- **No receipts required** – you don’t need to show or tell us how you spend your money
- **No waiting period** – chronic illness benefits are available for activation as soon as the policy is issued, subject to eligibility

Becoming eligible

To activate the rider, an insured person must be certified

by a licensed health care practitioner to be considered a “chronically ill person.” One of the following health impairment criteria must be met for a period of at least 90 consecutive days:

1. The insured is unable to perform, without substantial assistance from another person, at least two of the Activities of Daily Living (ADLs):
 - Bathing
 - Eating
 - Contenance
 - Toileting
 - Dressing
 - Transferring
2. The insured requires substantial supervision from threats to health and safety due to a severe cognitive impairment (similar to Alzheimer’s and other forms of irreversible dementia) that is measured by clinical evidence and standardized tests measuring:
 - Short-term or long-term memory
 - Orientation as to people, places or time, and
 - Deductive or abstract reasoning

Once all criteria are met, monthly benefits may begin.⁴

Getting paid

Once the insured meets the health impairment criteria and benefits have been approved for payment, the following will occur in order:

1. Payment of Accelerated Access Solution benefits, which are designed to be received income-tax-free⁵ will begin.
2. Monthly deductions will be waived for as long as the policy owner meets the chronic illness requirements.
3. The life insurance benefit will be reduced by each Accelerated Access Solution benefit amount paid to the policy owner.
4. At death, any remaining life insurance benefit will be paid to your policy beneficiary income-tax-free.⁵

Remember: AAS must be added to the life insurance policy at the time of purchase in order to be valid.⁶ The monthly cost of the rider will vary based on the AAS benefit amount selected, issue age, gender and underwriting class.

Chronic conditions do not need to be considered “life-long” or permanent in order to be eligible.

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

³ Assumes all remaining premiums are paid on time and in full.

⁴ Insured must be certified as chronically ill by a licensed health care practitioner and meet all eligibility requirements.

⁵ Based on current federal income tax laws, policy owners should consult a qualified tax advisor.

⁶ The free Terminal Illness Rider must be added to the policy in addition to the Accelerated Access Solution rider.

Before you buy

Pick your payout

With AAS you have three choices for monthly benefit payouts, but you must select which option you prefer at the time of purchase:

- 2% of your AAS benefit
- 4% of your AAS benefit
- or the IRS per diem amount at the time of claim

For all three chronic illness benefit scenarios, any life insurance benefit amounts unused/unpaid to you after your chronic illness claim will be available to be paid to your beneficiary at the time of your death.⁷

Our most innovative feature in the AAS is the IRS per diem payout option. It allows you to purchase just the amount of coverage needed – no more and no less. AAS is the only product currently in the market providing the maximum monthly benefit allowable by law (the per diem) in an indemnity policy with tax-free benefits.

⁷ Assumes all remaining premiums are paid on time and in full.

Hypothetical AAS benefits: \$250,000 policy

A \$250,000 Index Universal Life policy is purchased with a (100%) \$250,000 Accelerated Access Solution benefit.

EXAMPLE (Figure 1)

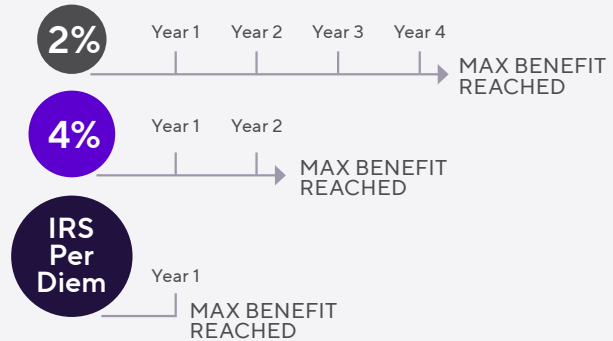
Payout Option	Rate* Type	Monthly Payout Maximum	Full \$250,000 Benefit Realized
2%	Fixed	\$5,000	4 yrs, 2 months
4%	Fixed	\$10,000	2 yrs, 1 month
IRS Per Diem	Variable	\$20,833.33	1 year

* All payouts subject to the IRS Per Diem cap on the date of activation.

Faster access

The IRS per diem option potentially gives you the fastest access to more of your money – paying out your total benefit (if needed) in the shortest period of time.

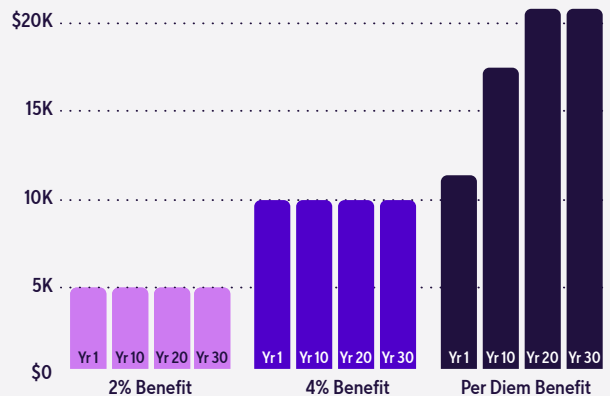
SPEED OF TOTAL PAYOUT (Figure 2)



Higher payouts

The IRS per diem option is also the only option that could potentially increase the monthly amount paid to you the longer you wait to activate it.

ACTIVATION AT YEARS 1, 10, 20, 30 (Figure 3)



Note: IRS caps the maximum daily rate each year. For 2023, the maximum per diem is \$420/day or \$12,775/month for a thirty-day month. In Figure 3 (right), hypothetical per diem increases based on IRS 2023 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.

Disclosures Applicable to:

- **Critical Illness Accelerated Death Benefit Rider**
- **Chronic Illness Accelerated Death Benefit Rider**
- **Terminal Illness Accelerated Death Benefit Rider**

(1) When filing a claim for Qualifying Critical Illness under a Critical Illness Accelerated Death Benefit Rider, for Qualifying Chronic Illness under a Chronic Illness Accelerated Death Benefit Rider or for Qualifying Terminal Illness under a Terminal Illness Accelerated Death Benefit Rider, the claimant must provide to the Company a completed claim form and then-current Certification which must be received at its Administrative Center.

(2) If a benefit under the Critical Illness Accelerated Death Benefit Rider is payable, the Company will provide the Owner with one (1) opportunity to elect a Critical Illness Accelerated Benefit Amount as to the occurrence of the Qualifying Critical Illness in question. To make such an election, the Owner must complete an election form and return it to AGL within the Election Period set forth in the rider (i.e., within 60 days of the owner's receipt of the election form).

The Company will not provide a later opportunity to elect a Critical Illness Accelerated Benefit Amount under a Policy as to the same occurrence of a Qualifying Critical Illness.

(3) If a benefit under the Chronic Illness Accelerated Death Benefit Rider or under the Terminal Illness Accelerated Death Benefit Rider is payable, the Company will provide the Owner with an opportunity to elect a Chronic Illness Accelerated Benefit Amount as to the Qualifying Chronic Illness in question or to elect a Terminal Illness Accelerated Death Benefit Amount as to the Qualifying Terminal Illness in question, as applicable. To make an election, the Owner must complete an election form and return it to AGL within 60 days of the Owner's receipt of the election form.

(4) **Under certain circumstances where an insured's mortality (i.e., our expectation of the insured's life expectancy) is not significantly changed by a Qualifying Critical Illness or a Qualifying Chronic Illness and, notwithstanding the Minimum Accelerated Benefit Amount provision, the accelerated benefit may be zero.**

(5) See your policy for applicable requirements concerning claim and election forms for accelerated death benefits.

(6) Benefits payable under an accelerated death benefit rider may be taxable. Neither American General Life Insurance Company nor any agent representing it is authorized to give legal or tax advice. Please consult a qualified legal or tax advisor regarding questions concerning the information and concepts contained in this material.

(7) Generally, we will send you an IRS Form 1099-LTC if you receive an accelerated death benefit on account of a Chronic Illness or a Terminal Illness. We will send you an IRS Form 1099-R if you receive an accelerated death benefit on account of a Critical Illness.

The sum that will be included in Box 2 (Accelerated death benefits paid) of IRS Form 1099-LTC or in Box 1 (Gross distribution) of IRS Form 1099-R will be the actual sum you received by check or otherwise minus any refund of premium and/or loan interest included with our benefit payment plus any unpaid but due policy premium, if applicable, and/or pro rata amount of any loan balance.

(8) The maximum amount of life insurance death benefits that may be accelerated as to an Insured Person under all accelerated benefit riders is the lesser of the existing amount of such death benefits or a lifetime maximum of \$2,000,000 (\$3,000,000 with AAS).

(9) See your policy for details.

NOT Long-Term Care Insurance

The activities of daily living are bathing, continence, dressing, eating, toileting, and transferring.

This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet 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.

An accelerated death benefit such as the Chronic Illness Accelerated Benefit Rider and long-term care insurance provide very different kinds of benefits:

Generally, an accelerated death benefit is a rider to or other provision in a life insurance policy that permits the policy owner to accelerate some or potentially all of the death benefit of a life insurance policy if the insured meets the definition of having a chronic illness as defined in the rider or policy provision. Acceleration of death benefits and payments under such an accelerated death benefit will reduce the death benefit of the policy and reduce other policy values as well, potentially to zero. If the entirety of the insurance amount is accelerated, the policy terminates.

A Long Term Care insurance policy is any insurance policy, certificate, or rider providing coverage for diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services that are provided in a setting other than an acute care unit of a hospital. Long-term care insurance includes all products containing any of the following benefit types: coverage for institutional care including care in a nursing home, convalescent facility, extended care facility, custodial care facility, skilled nursing facility, or personal care home; home care coverage including home health care, personal care, homemaker services, hospice, or respite care; or community-based coverage including adult day care, hospice, or respite care. Long-term care insurance includes disability based long-term care policies but does not include insurance designed primarily to provide Medicare supplement or major medical expense coverage.

If you are interested in long-term care, nursing home or home care insurance, you should consult with an insurance agent licensed to sell that insurance, inquire with the insurance company offering the accelerated death benefits, or visit the California Department of Insurance Internet Web site (www.insurance.ca.gov) section regarding long-term care insurance.

If you choose to accelerate a portion of your death benefit, doing so will reduce the amount that your beneficiary will receive upon your death.

Receipt of accelerated death benefits may affect eligibility for public assistance programs, such as Medi-Cal or Medicaid. Prior to electing to receive the accelerated death benefit, you should consult with the appropriate social services agency concerning how receipt of accelerated death benefits may affect that eligibility.

If the policy terminates, the Chronic Illness Accelerated Death Benefit Rider will also terminate.

LTC expense reimbursement vs. ADB benefits are paid without receipts. LTC benefits are based on benefit levels and a pool of money selected at the time of purchase, and ADB benefits depend on the life policy value. ADB benefits will reduce the death benefit that the policyholder's heirs will receive, and the use of the ADB proceeds is unrestricted, whereas LTC benefits will not reduce the death benefit that the policyholder's heirs will receive and the policyholder must use LTC benefits for LTC services.

Accelerated Access Solution (AAS)

The Accelerated Access Solution (AAS) is an optional living benefit rider that is available on the insurance policy issued by American General Life Insurance Company in the state of California. The Accelerated Access Solution is a life insurance rider that accelerates a portion of a policy's death benefit when an insured meets the health impairment criteria set forth in the rider.⁸ Control over how money is spent is up to the policy holder; there are no receipts required and no restrictions on what the money is used for once the policy owner has been certified as eligible to receive AAS benefits. Benefits are paid directly to the policyholder for as long as the criteria are met, or until the AAS benefit amount is exhausted, whichever occurs first. Acceleration of death benefits and payments under such an accelerated death benefit will reduce the death benefit of the policy and reduce other policy values as well, potentially to zero. If the entirety of the insurance amount is accelerated, the policy terminates.

Payout Options

Multiple benefit payment options are available with two options for monthly disbursement at the time of purchase:

- 2% of AAS benefit, or the applicable maximum monthly amount if less
- 4% of AAS benefit, or the applicable maximum monthly amount if less than the maximum monthly amount is \$10,000 increased annually by 4% until the time of claim.
- Alternatively, you have the option at the time of claim to receive the accelerated benefit in a lump sum payment in lieu of the benefits payable under the monthly payment option you selected. Such lump sum benefit will be subject to an actuarial discount that is determined by the company at the time you become eligible for benefits under the rider.⁹

Benefit Payment

Once the insured meets the health impairment criteria and benefits have been approved for payment, they may select their disbursement. There is a maximum benefit payable under the monthly disbursement option that we'll notify the insured of at their time of claim. The insured may also select a smaller amount than the maximum monthly benefit. A lump sum option is available as well; which can be substituted for monthly benefits.

Tax Implications

There are no restrictions or limitations on the use of the accelerated death benefit proceeds under the Chronic Illness Accelerated Death Benefit Rider. The accelerated benefits payable under this rider are generally intended for favorable tax treatment under Section 101(g) of the Internal Revenue Code. There may be tax consequences in some situation in accepting an accelerated benefit payment amount, such as where payments exceed the per diem limitation under the Internal Revenue Code. You should consult your personal tax advisor to assess the impact of this Benefit prior to accepting the Benefit.

⁸ Insured must be certified as chronically ill by a Licensed Health Care Practitioner and meet all eligibility requirements and the condition need not be permanent.

⁹ The Company will determine the actuarial discount applicable to a given lump sum payment using factors including, but not limited to the Company's assessment of the expected future mortality of the Insured and an interest rate determined as described in the rider.

Life insurance you don't have to die to use

Protect your loved ones, and your own right to choose. Add the optional **Accelerated Access Solution** to your life insurance policy and get income tax free¹⁰ access to your death benefits while living, if certified with a chronic illness. Remaining life insurance policy benefits continue to pay beneficiaries, as planned, after you die.¹¹

Two forms of protection in one policy.

¹⁰ Based on current federal income tax laws, policy owners should consult a qualified tax advisor. Subject to IRS per diem limits

¹¹ Assumes all remaining premiums are paid on time and in full.



NOT A DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | MAY LOSE VALUE | NO BANK OR CREDIT UNION GUARANTEE | NOT FDIC/NCUA/NCUSIF INSURED

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