

**"To be able to enjoy life while you're still here is a blessing that cannot be matched."**

– Chris Edwards, American General Life Insurance Company customer

## Offering quality of life in difficult situations

Chris Edwards was enjoying life with his family and looking forward to his eventual retirement. In 2011, he met with his financial advisor who showed him the Quality of Life... Insurance® product from American General Life Insurance Company. As a healthy, active man, Chris initially questioned his need for the type of coverage offered in a Quality of Life policy and its riders. Once Chris's advisor explained the many advantages of this coverage, Chris decided to purchase a Quality of Life policy.

Two years later, Chris began experiencing health problems, and in September of 2013, was diagnosed with bone marrow cancer (multiple myeloma). By the following January, Chris had completed his chemo treatment but was advised by his physician that a bone marrow transplant was his best treatment option. However, the medical expenses had become an overwhelming financial burden for Chris and his family.

Chris contacted his financial advisor who reminded him of the Accelerated Benefit Rider that was automatically included with his Quality of Life...Insurance policy. They discussed his qualifying critical illness and the options available to him under his policy. Chris chose to accelerate his life insurance benefit, using the available accelerated

rider, and accept the company's offer in cash instead of the full life insurance payment at his death. Chris qualified for a benefit\* of \$627,000 from his policy.

With the money received, Chris was able to focus on his health and his family. Chris could now afford surgery and a long period of recovery near the hospital following his transplant. In addition to paying his medical expenses, Chris used the accelerated benefit to buy a lake house mortgage free, help his son with the down payment on a home of his own, and walk his daughter down the aisle at the wedding of her dreams.

Sadly, Chris passed away in January of 2016, after fighting a tough cancer battle for more than two years. According to his financial advisor, he never gave up, but, his body finally gave out. The advisor said that Chris was thankful that he purchased a policy from American General Life and was equally as appreciative of his own guidance and concern. According to the advisor, Chris was grateful that he was able to enjoy life and take care of his loved ones as he battled his illness. The agent thanked the company for the personal attention that was extended to them.

\* Chris Edward's benefit amount is not typical, but was based on his personal health situation. Your results will vary. This is not a paid testimonial and does not represent the experience of all clients, nor does it guarantee future performance or success. The speaker is not affiliated with the Company. Policies issued by **American General Life Insurance Company** (AGL), Houston, TX.

#### 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.
- (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](http://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.



The use of accelerated death benefits is unrestricted.

IRS caps the maximum daily rate each year. The 2022 maximum is \$390/day or \$11,863/month. Subsequent years may be higher.

Policies issued by **American General Life Insurance Company (AGL)**, Houston, TX. Policy Form Numbers ICC21-19311 Rev0321, 19311, ICC21-19310 Rev0321, 19310, ICC15-15442, 15442, ICC19-19646, 19646, ICC22-22191, 22191, ICC16-16760, 16760; Rider Form Numbers ICC14-14012, 14012, ICC14-14001, 14001, ICC16-16420, 16420, ICC15-15600, 15600, 13600-5, ICC18-18012, 18012, ICC16-16420, 16420, 15972, ICC14-14002, 14002, ICC15-15990, 15990, 14306, 07620, 15996, 15997, ICC15-15994, 15994, ICC18-18004, 18004, ICC15-15992, 15992, ICC15-15602, 15602, ICC15-15603, 15603, ICC15-15604, 15604, AGLA 04CHIR-CA (0514), AGLA 04CRIR, AGLA 04TIR. **AGL does not solicit, issue or deliver policies or contracts in the state of New York.** Guarantees are backed by the claims-paying ability of the issuing insurance company and each company is responsible for the financial obligations of its products. Products may not be available in all states and features may vary by state. Please refer to the policy for more information.

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