



QUALITY OF LIFE...INSURANCE®

The value of living benefits when faced with life's challenges

QOL

“Imagine, where you will get a large check at a time when you're in need of financial assistance?”

Josie Banaag, American General Life Insurance Company customer

The value of living benefits

Fordyce and Josie Banaag have well-defined priorities, and planning for their retirement and their future is at the top of their list. During a routine meeting with their financial advisors, Fred and Mel Delgado, Fred suggested replacing the traditional life insurance policy Fordyce had with a Quality of Life... Insurance® policy issued by American General Life Insurance Company.

In addition to the death benefit protection his traditional policy offered, the Quality of Life... Insurance® would also offer built-in living benefits under the Chronic Illness, Critical Illness and Terminal Illness riders available on all Quality of Life... Insurance policies®, while lowering Fordyce's monthly payments. What attracted the couple most to the policy was that they could get the benefits while they were both still living if they needed them. Josie and Fordyce took the advice of their advisors and bought the policy.

Out of Work

Two months later, Fordyce suffered from a heart attack. Frank and Mel went

to visit Fordyce in the hospital and to console a very distraught Josie. Fordyce was to have a quadruple heart bypass surgery and would be out of work for a minimum of six months.

Not only was Josie terribly worried about Fordyce, she was also worried about how they were going to pay their mounting bills.

Financial Preparation

Fred suggested they make a claim on the Quality of Life... Insurance® policy they had purchased just two months earlier. Fordyce and Josie were worried that they might not qualify, because they had only made a couple of payments. Fred and Mel assured them they would contact American General Life Insurance Company to see what could be done. They received their answer right away: In the short time they had been paying into the policy, the Banaags qualified for over \$40,000* from the policy. Fordyce and Josie were both elated and excited; the money provided much needed financial relief during a time when Fordyce and Josie needed it most, and allowed Fordyce to focus on his recovery and not have to focus on his bills.

* Fordyce Banaag'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, member company of AIG.

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

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.



Quality of Life...Insurance®

Your Money. Your Insurance. Your Choice.

www.qualityoflifeinsurance.com

Policies issued by American General Life Insurance Company (AGL), Houston, TX. Policy Form Numbers: ICC19-19311, 19311, ICC19-19310, 19310, ICC15-15442, 15442, ICC19-19646, 19646, ICC16-16760, 16760; Rider Form Numbers: ICC14-14012, 14012, ICC14-14001, 14001, ICC15-15602, 15602, ICC15-15603, 15603, ICC15-15604, 15604, AGLA 04CHIR, AGLA 04CRIR, AGLA 04TIR, 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, ICC18-18004, 18004, ICC15-15992, 15992. Issuing company AGL is responsible for financial obligations of insurance products and is a member 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. Please refer to your policy.

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