

PRODUCT GUIDE

Accelerated Death Benefit Rider for Critical, Chronic and Terminal Illness

Mutual Trust's Accelerated Death Benefit (ADB) Rider for Critical, Chronic and Terminal Illness enables policyowners to accelerate a portion of the policy's eligible face amount if the insured has been certified in writing by a physician to be critically, permanently chronically or terminally ill. A policy can have an ADB Rider that only includes the terminal illness provision if it is ineligible for the critical and/or chronic illness provision.

Rider Specifications*

CRITICAL ILLNESS PROVISION

Availability: Horizon GuaranteeTM, Horizon ValueTM and Horizon LegacyTM

Issue Ages: 0–75 (Elections cannot be made until insured's attained age is 18.)

Requirements at Issue for Insured:

- Age 75 or less
- Rated at Table 4 or less
- The face amount at issue is not less than \$50,000—base and PUA rider(s) combined

Underwriting Requirements: No change in underwriting requirements

Qualifying Event: Critical Illness means that the insured has been certified in writing by a physician within the last 12 months as having been diagnosed with or diagnosed to require one of the following:

- Cancer
- Kidney Failure
- Heart Attack
- Stroke
- Major Organ Transplant

The date of the critical illness diagnosis must be after the effective date of the rider. Mutual Trust must receive written certification from a physician that the Insured has a critical illness before making an Accelerated Death Benefit payment.

CHRONIC ILLNESS PROVISION

Availability: Horizon GuaranteeTM, Horizon ValueTM and Horizon LegacyTM

Issue Ages: 0–75 (Elections cannot be made until insured's attained age is 18.)

Requirements at Issue for Insured:

- Age 75 or less
- Rated at Table 4 or less
- The face amount at issue is not less than \$50,000—base and PUA rider(s) combined

Underwriting Requirements:

- No change in underwriting requirements for ages 70 and below
- Ages 71 and higher require an addendum to the paramedical exam

Qualifying Event: Permanent chronic illness means that the insured has been certified through a written certification by a physician within the last 12 months as:

- Being unable to perform at least two Activities of Daily Living (eating, bathing, dressing, toileting, transferring or continence) without substantial assistance from another person due to a loss of functional capacity for a period of at least 90 consecutive days, or

(continued on next page)

* See rider provisions for full details. Accelerated Death Benefit for Critical and/or Chronic Illness is not long-term care insurance nor is it intended to replace long-term care insurance.

Rider Specifications* (Continued)

CHRONIC ILLNESS PROVISION (CONTINUED)

- Requiring substantial supervision by another person for a period of at least 90 consecutive days to protect the insured from threats to health and safety due to a physician's diagnosis of a severe cognitive impairment.

TERMINAL ILLNESS PROVISION

Availability: Horizon Guarantee™, Horizon Value™, Horizon Legacy™ and SelecTerm

Qualifying Event: Terminal illness is a non-correctable medical condition for which the insured's life expectancy, assuming ordinary and reasonable medical care, is 12 months or less.

Payments for Chronic & Terminal Illness: Payment may be single lump sum, or series of equal payments occurring semi-annually, quarterly, or monthly.

General Information

Election Amounts:

	Critical Illness	Chronic Illness	Terminal Illness
Minimum Election	Lesser of 5% of the eligible face amount or \$2,500	Lesser of 5% of the eligible face amount or \$10,000 annually	Lesser of 50% of the eligible face amount or \$10,000
Maximum Election	Lesser of 10% of the eligible face amount or \$25,000	24% of the eligible election up to \$240,000 annually. This amount may be lower for a final election.	Lesser of 50% of the eligible face amount or \$250,000

Cost: No additional premium for critical, chronic, and/or terminal illness provisions. Administrative and reduction fees are taken at time of acceleration. See rider provisions for full details.

Payment Options: Payment for chronic and terminal illness accelerations may be single lump sum, or series of equal payments occurring semi-annually, quarterly, or monthly. Critical illness accelerations may be taken in lump sum only.

Requirements at Issue for Insured: If the policy does not meet the issue requirements listed for the critical and chronic illness provisions above, it will be issued with an accelerated death benefit with terminal illness only. If the policy meets all of the critical and chronic illness issue requirements listed above, the policy will be issued with a rider that includes all three qualifying events (terminal, chronic and critical illness).

Combination of Benefits: An insured may take multiple benefits with the following conditions:

- The critical, chronic and terminal illness provisions **cannot** be exercised within 12 months of a prior accelerated death benefit payment.
- The critical and chronic illness provisions **cannot** be exercised after the terminal illness provision has been exercised.
- The critical illness provision **can** be exercised after the chronic illness provision has been exercised.
- The chronic illness provision **can** be exercised after the critical illness provision has been exercised.
- The terminal illness provision **can** be exercised after the chronic and/or critical illness provision has been exercised.
- The maximum amount eligible for any acceleration is based on the face amount available after prior accelerated death benefit payments.

Unlike conventional life insurance proceeds, amounts payable as ADBs COULD BE TAXABLE under some circumstances. Payments may affect eligibility for, or amounts of, Medicaid or other benefits provided by federal, state, or local government. The federal, state, or local tax consequences resulting from payment of ADBs will depend on the specific facts and circumstances. Advice and guidance should be obtained from a personal tax advisor prior to the receipt of any ADB payments.



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