No one looks forward to spending personal savings on their health care needs. However, some of us may not be planning effectively to avoid it.

Improvements in medical care, longer life spans and rising health care costs are forcing us to rethink how we plan for long term care. Long term care coverage is an often overlooked, but important, part of a solid financial plan.

You may not need long term care until you’re well into retirement, but now is the time to plan for it. The Long Term Care Rider, available on select permanent life insurance policies from Transamerica Premier Life Insurance Company, can provide funds to help cover long term care costs if you need them, and leave a legacy to your family if you don’t.

The Long Term Care Rider is an acceleration of the base policy’s death benefit. Benefits paid under the rider will reduce the policy’s death benefit and policy value. Consideration should be given to whether your life insurance needs would still be met if rider benefits are paid out in full.
Do I Need Long Term Care Insurance?

There is a good chance you do.

70% of people turning age 65 can expect to use some form of long term care in their lives.\(^1\)

Long term care is not just for the elderly.

37% of those receiving long term care are under the age of 65.\(^1\)

Long Term Care Factors\(^2\)

You should carefully consider the factors that can increase your individual need for long term care coverage today, and long term care in the future, including:

<table>
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<tr>
<th>Factor</th>
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<tr>
<td><strong>Age:</strong></td>
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<tr>
<td>As you get older you may become more dependent on family or others for your daily support.</td>
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<tr>
<td><strong>Living Arrangements:</strong></td>
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<tr>
<td>If you live alone, you’re more likely to need paid care than if you’re married, or single and living with a partner.</td>
</tr>
<tr>
<td><strong>Gender:</strong></td>
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<tr>
<td>Women outlive men by about five years on average, so they are more likely to live at home alone when they are older.</td>
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<tr>
<td><strong>Health Status:</strong></td>
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<tr>
<td>Poor diet and exercise habits increase your chances of needing long term care.</td>
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<tr>
<td><strong>Family History:</strong></td>
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<tr>
<td>Your family history, such as whether your parents or grandparents had chronic conditions, may increase the likelihood of needing additional care later in life.</td>
</tr>
</tbody>
</table>

National Clearinghouse for Long-Term Care Information, U.S. Department of Health and Human Services:

\(^1\)http://longtermcare.gov/the-basics/ (August 2012)

\(^2\)http://longtermcare.gov/the-basics/who-needs-care/ (August 2014)
Long Term Care Can Be Costly

Care facilities, cost of caregivers and other expenses can add up fast.

Health insurance or Medicare can help pay for the cost of immediate medical expenses. But if you become chronically ill and need ongoing care you may need something more.

Family members may be able to provide some support, but as your needs increase, you may need to pay for additional services and care. Paying for these expenses may be manageable in the short term, but the costs associated with a chronic illness can quickly deplete the resources you’ve worked your entire life to build.

Average Cost for One Year of Care

The cost of long term care will depend on the type and amount of care you need and the provider you use. It can also depend on where the care is received. For example:

- In a Nursing Home: .......... $83,580 (private room)
- At Home: ...................... $19,656 (home health aide, 18 hours per week)

National Clearinghouse for Long-Term Care Information, U.S. Department of Health and Human Services:

The Long Term Rider May Be Right For You

Traditional long term care (LTC) policies, also known as stand-alone LTC policies, can provide important benefits and options. However, there are other long term care strategies that may be more appropriate for you.

Life Insurance With LTC
Our approach to LTC coverage combines life insurance with an optional long term care rider. The LTC Rider can provide monthly benefits to help pay for long term care. You also have added peace of mind knowing that your life insurance policy will provide a death benefit whether you need long term care or not.

Not only does life insurance with the LTC Rider provide these important benefits; the Rider frequently costs less than similar coverage amounts under a stand-alone long term care policy.

HELPS YOU PAY FOR LONG TERM CARE IF YOU NEED IT AND PROVIDES A FEDERAL INCOME TAX-FREE DEATH BENEFIT IF YOU DON’T.

For tax information please see page 16.
Why LTC Coverage From Transamerica?

For over a century and a half, Transamerica companies have been helping Americans protect their families with life insurance. That tradition continues today. When you purchase the LTC Rider from Transamerica, your claims will be administered by the company’s LTC operations, which has over 25 years of experience handling long term care claims.

Transamerica offers more than just innovative products and exceptional service, we offer a commitment to help you protect your family and protect your dreams.

If you are between the ages of 18 and 75, and need life insurance protection and a way to plan for long term care expenses, the LTC Rider can provide up to $1,000,000 of benefits to help with future expenses.
The Protection You Need

Transamerica’s Long Term Care Rider is designed to accelerate your policy’s death benefit and provide benefits to the policy owner that can help offset long term care expenses.

How the LTC Rider Works:
The Long Term Care Rider must be elected at issue when purchasing an eligible permanent life insurance policy from Transamerica Premier Life.

If the insured becomes Chronically Ill, his or her condition is then assessed by a Licensed Health Care Practitioner, who helps determine an appropriate Plan of Care.*

A 90-day elimination period is satisfied when the following conditions are met:

» The insured is certified as Chronically Ill
» A Plan of Care is established
» Expenses for qualifying LTC services, in accordance with the Plan of Care, have been incurred on each of 90 separate days

Elimination Period Days:
» Do not need to be consecutive
» Do not need to be met within a specified period of days
» Need to be satisfied one time only

After eligibility for benefits under the rider are met and the elimination period has been met, the rider’s monthly benefits are paid directly to the policy owner. These benefits are generally income tax free** in accordance with the terms of the rider.

* All care and services must be consistent with the insured’s current Plan of Care and must be in accordance with accepted medical and nursing standards of practice. A Plan of Care and Proof of Loss documentation must be submitted.

** Rider benefits may be income tax free when received. Since the maximum income tax free LTC benefits are based on benefits paid from all sources, benefit payments from the rider could be taxable if LTC benefit payments are received from other sources. Benefits paid to owners of certain business related policies may be taxable. Please consult a qualified tax advisor. For tax information please see page 16.
When You Need It

Whether you have used some, none or all of the LTC benefits, there is potential to receive life insurance benefits under the policy.

What if I never receive LTC benefits?
Your beneficiaries will receive the full death benefit, minus any outstanding loans.

What if I am currently receiving LTC benefits?
Your beneficiaries will receive the death benefit, minus any paid LTC benefits and outstanding loans. Also, while receiving benefits, the LTC Rider charges will be waived (other policy charges will continue to be assessed), the policy will not lapse, and you are not required to pay the Minimum No Lapse Premium.

What if I have exhausted the LTC benefits?
The LTC Rider can provide your beneficiaries with a Residual Death Benefit. The Residual Death Benefit is equal to the lesser of: (a) 10% of the lowest face amount of the base policy since inception, less any outstanding policy loans; or (b) $10,000.
The LTC Rider can provide control: the control to choose a benefit amount that can help you cover expenses, stretch out your benefits as long as possible, or leave as much (or as little) of your death benefit to your beneficiaries as you choose.

We know needs change. If they do, the LTC Rider allows you the flexibility to adjust the amount of your monthly benefit once each year.

Flexibility And Control

You decide how little or how much of your benefit you want to receive.
The Choice Is Yours

The LTC Rider benefits will be paid monthly in the amount you choose, between the minimum of $500 and the maximum benefit. The maximum benefit allowed per month is the lesser of 2% of the Long Term Care specified amount, or the daily amount allowed under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), times the number of days in the month. As of 2015, the maximum daily amount allowed under HIPAA is $330. In most states, the minimum benefit amount we allow per month is $500.

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<th>Minimum Monthly Benefit</th>
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<td>$500</td>
<td>the lesser of:</td>
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<td></td>
<td>2% of the LTC specified amount</td>
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<td></td>
<td>OR</td>
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<td></td>
<td>the daily amount allowed under HIPAA times the number of days in the month</td>
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</tbody>
</table>
Qualifying For Benefits

Eligibility Requirements
To be eligible for monthly long term care benefits, the following conditions must be satisfied by the insured:

» Be certified as a Chronically Ill individual
» Have an approved Plan of Care in place
» Satisfy the 90-day elimination period

Chronically Ill Defined
In order to be deemed as Chronically Ill, a Licensed Health Care Practitioner must certify that 1) the insured has a Severe Cognitive Impairment that requires Substantial Supervision to protect the insured from threats to health and safety or 2) the insured is unable to perform, without Substantial Assistance, at least two or more of these activities of daily living for an expected period of at least 90 days:

» Bathing
» Continence
» Dressing
» Eating
» Toileting
» Transferring

Generally, an on-site assessment will be conducted to obtain additional information about the insured’s condition. Transamerica will arrange the assessment at no cost to the policy owner.
Your Needs, Your Way

If you are like most people, you would rather stay in your home and receive care than receive care in a facility.

The LTC Rider from Transamerica can provide for care in either location. It gives you the flexibility to make that decision on your own and confidence knowing that your benefit will not vary depending on the type of care you elect.

Whichever you choose, the monthly benefit from the Long Term Care Rider can help pay for services in the following qualified facilities:

» Home Care Services
» Nursing Home Facilities
» Skilled Nursing Facilities
» Assisted Living Facilities
» Hospice Care Facilities
» Adult Day Care Centers, or
» Any qualified Long Term Care Facility

Long term care needs will vary in each situation. There is no guarantee that the rider benefits will cover all long term care costs.
What Is Not Covered?

Long Term Care services will not be covered if the care, confinement or services are performed by a member of the owner’s or insured’s immediate family. Qualified Long Term Care services also do not include care, confinement or services required:

» For the treatment of alcoholism or drug addiction.
» For attempted suicide or intentionally self-inflicted injury.
» As a result of participation in a felony, riot or insurrection.

Qualified Long Term Care services do not include care, confinement or services:

» Provided in a government facility (unless otherwise required by law) or under any governmental programs (except Medicaid).
» Paid or payable under Medicare or under any state or federal workers compensation, employer’s liability or occupational disease law, or any motor vehicle no fault law, for which no charge is normally made in the absence of insurance.

This Rider may not cover all the expenses associated with your long term care needs.
What Else Do I Need To Know?

How much long term care coverage can I purchase?
The minimum LTC Rider specified amount is $100,000 and must be equal to the base policy’s face amount elected at the time of application. The maximum LTC Rider specified amount cannot exceed $1,000,000. Any reductions in the policy face amount will result in a decrease of the LTC Rider specified amount as well. No increases to the base policy’s face amount will be allowed.

What if I no longer need the LTC Rider?
If at any time you feel you no longer need the LTC Rider, you may cancel the LTC Rider while keeping your life insurance protection in force. If you have not received benefits under the LTC Rider, cancellation does not affect your policy’s death benefit or surrender value.
Questions
If you have any questions about the Long Term Care Rider, please ask your insurance agent/producer or call our Customer Service Center at 1-800-238-4302. This is a toll-free number. This brochure is not intended to be a full description of the Long Term Care Rider.

This rider is intended to be a federally tax-qualified long term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986, as amended. Since the maximum income tax-free LTC benefits are based on benefits paid from all sources, benefit payments from the rider could be taxable if LTC benefit payments are received from other sources.

This rider is guaranteed renewable. This means we may not, on our own, cancel or reduce the coverage it provides. This rider will remain in force subject to this rider’s provisions, as long as the policy, to which it is attached, remains in force and the required charges for this rider are paid. Rider charges are subject to change as described in the Rider Charges provision of this rider. The Company may increase the charges for this rider.

This rider should not be the sole basis to purchase any life insurance policy. The life insurance policy and the rider are subject to separate underwriting. All Long Term Care coverage and premium amounts are subject to underwriting approval.

The name of the rider may not actually be Long Term Care Rider in certain states.

This is a solicitation for long term care insurance and an insurance agent/producer will contact you.

Rider charges are deducted from the policy value each month. Charges are based on the insured’s age, gender, risk class and face amount band and will vary each month.

Please see the rider for complete details regarding exclusions and limitations.

The Company and its agents and representatives do not give tax or legal advice. This material and the concepts presented here are for informational purposes only and should not be construed as tax or legal advice. Any tax and/or legal advice you may require or rely on regarding this material should be based on your particular circumstances and should be obtained from an independent professional advisor.

The Grace Period for this rider is 65 days. If any amount due is not paid within 30 days from the date that it was due, we will send a notice to you, the Insured and the person or persons designated by you to receive such notice at the addresses provided to us. You will have an additional 35 days to pay the amounts due after we have mailed the Notice. During the Grace Period this rider will stay in effect.

Transamerica Financial Foundation IUL, a flexible-premium index universal life insurance policy, and the Long Term Care Rider are underwritten and issued by Transamerica Premier Life Insurance Company, Cedar Rapids, IA. Policy Form # ICC12 IUL06 or IUL06. Long Term Care Rider Form # ICC12 LTCR03 or LTCR03. Rider form number, availability, provisions and benefits may vary by state.