

IMPORTANT - PLEASE READ

The Special Election Options described in this document will only be made available if they are approved by the Court that is supervising this class action settlement.

Additionally, the Special Election Options described in this document also are subject to review by state insurance regulators and any limitations imposed by state Partnership Plan requirements.

Even if the Special Election Options are approved by the Court and permitted by your state's insurance regulator, the availability of particular Special Election Options also will depend on each policyholder's individual circumstances, including specific policy terms, benefits, and premiums.

The Special Election Options [and monetary amounts] in this template Special Election Letter are for illustration purposes only. The specific information, including the Special Election Options and monetary amounts, in the Special Election Letter sent to any particular policyholder may vary based on that policyholder's state and/or individual circumstances.

Each of the Special Election Options described in this document will not necessarily be available to every settlement class member.

APPENDIX D

SPECIAL ELECTION LETTER

YOUR ACTION IS REQUIRED

You could get a cash payment up to \$[X.XX] and reduce or eliminate your premiums by adjusting your policy's coverage as offered below!

Response required by [], 202[].

Dear [Name],

Your long term care insurance policy is part of the class action settlement in *Halcom et al. v. Genworth Life Insurance Company et al.*, Civil Action No. 3:21-CV-19-REP pending in the United States District Court of the Eastern District of Virginia. This letter includes information about your rights under the settlement. It is not a rate increase notice.

<if in force with Non-Forfeiture Status>

[You have previously elected a paid-up option that required no further premium payments. As part of this settlement, you can elect a damages payment of \$2,500, and retain your current paid-up benefit. Nothing about your current coverage will change if you elect to receive the payment.]

<if in Fully Paid-Up Status>

[Your policy is fully paid-up and requires no further premium payments. As part of this settlement, we are making options available to you that allow you to reduce your current level of benefits in return for a damages payment. **Please keep in mind that you are not required to choose any of these options to reduce your benefits, and you may keep your policy as is and not be required to make any further premium payments.** Before making an election or deciding to keep your policy as is, we strongly encourage you to discuss the settlement options and the valuable coverage offered by your fully paid-up policy with your financial advisor, family members, or a member of our Customer Service Team by calling [800 883.1127]].

<if in force, NOT with Non-Forfeiture or Fully Paid-Up Status>

[As a result of the settlement, we are making special settlement options available for you to reduce or eliminate future premiums in return for adjusting your policy's benefits, while still providing meaningful coverage. Most options also provide for a one-time cash payment to you. You are not required to choose any of these options, and you may instead keep your policy as is.]

<if additional increases planned>

[As you evaluate these choices, please be aware that as of [mm/dd/yyyy], we plan to seek cumulative rate increases of approximately [XXX%] on policies with lifetime benefits and [XXX%] on policies with limited benefits in the state where your policy was issued. Any future premium rate increase will be subject to approval by the state in which the [policy] was issued and, if approved, may be approved for less than the amount requested by Genworth. If you decide to keep your existing coverage, or if you decide to select a settlement option that requires you to continue paying premium, your policy will be subject to premium rate increases in the future. Please also review the important disclosures provided as part of the settlement about our premium rate increase plans and our reasons for seeking such increases later in this letter.]

<if LSPO>

[As you evaluate these choices, please be aware that because you have previously elected a Lifetime Stable Premium Option, we will not seek further premium rate increases on your policy.]

<if no additional increases planned or SPO>

[As you evaluate these choices, please be aware that we do not have immediate plans to seek premium rate increases on your [policy] and policies like yours [<if SPO> that have a Stable Premium Option] [<if no additional increases planned in state> in the state where your [policy] was issued], although future premium rate increases are possible [<if SPO> after the expiration of your premium rate guarantee period]. Any future premium rate increase will be subject to approval by the state in which the policy was issued and, if approved, may be approved for less than the amount requested by Genworth. If you decide to keep your existing coverage or if you decide to select a settlement option that requires you to continue paying premium, your policy may be subject to premium rate increases in the future.]

<if Class Member has not already been notified of a new approved scheduled rate increase and one is pending>

[In addition to the future rate increase plans, you should also consider that a new XX% premium rate increase is scheduled to take effect on your policy on XX/XX/XXXX [and will be phased in over X years].]

<if a reduced paid-up option or LSPO available>

[Any future premium rate increases would not be applicable if you choose a settlement option with a reduced paid-up benefit (Option 1 [or [Option 2]] [<if LSPO available>] or the Lifetime SPO Settlement Option).]

Your options are outlined below and are only available to you in this settlement. These options are separate and different from any reduced benefit options that may be available in connection with a premium rate increase. As you evaluate these options, you should consider if your circumstances have changed since you purchased your policy and review the Important Information about Your Settlement Options included with this letter.

<representative template options to be shown for Class Members in premium-paying status, if available>

[Options 1 and 2:

Pay no more premiums and receive a reduced paid-up benefit amount, which would be available to pay your future claims. **Option 1** includes an *enhanced* paid-up benefit equal to twice the difference between the total amount of premiums you have paid and the amount of claims payments made to you, if any. **Option 2** provides a lower *basic* paid-up benefit (the amount of premiums you've paid through December 31, 2016 plus premiums you have paid on or after January 1, 2021, less any claims payments made to you to date, if any), but it also provides for a **one-time cash payment of [###]**. For details on these paid-up benefits, see the Important Information about your Settlement Options included with this letter. If you choose either of these options, you will not be subject to any future rate increases.

Options 3, 4 and 5:

These options provide for a **one-time cash payment** to you. They may also provide for reduced premiums in return for certain reductions to your policy's current benefits. Although your premiums and benefits will be reduced under these options, your new reduced premiums would still be subject to future rate increases. **Option 3** reduces your premiums, removes the Inflation Benefit, which provides for certain annual benefit increases, and reduces your Daily Benefit Amount to your original Daily Benefit Amount.¹ **Option 4** reduces your premiums and lowers your existing benefit period and reduces your current Daily Benefit Amount by 25%. **Option 5** provides **<For Class Members who do not already have Lifetime Stable Premium Option or Stable Premium Option with Class Policies issued by States that have approved Lifetime Stable Premium Option or Stable Premium Option as an offering>** [[a Lifetime Stable Premium Option with a 30% reduction in your current Daily Benefit Amount, a three-year Benefit Period, an extended Elimination Period, a 1% Compound Inflation Benefit, and a guarantee that your premiums will never increase again] or [a Stable Premium Option with a 30% reduction in your current Daily Benefit Amount, a three-year Benefit Period, an extended Elimination Period, a 1% Compound Inflation Benefit, and a guarantee that your premiums will not increase until at least January 1, 2028]]. **<For Class Members with a Lifetime Stable Premium Option or Stable Premium Option>** [an option to keep your [Lifetime] Stable Premium Option and reduce your current Daily Benefit Amount by 40%.].]

<representative template options to be shown for Class Members in Fully-Paid Up status, if available>

[Option 1 provides a *basic* paid-up benefit (the amount of premiums you've paid through December 31, 2016 plus premiums you have paid on or after January 1, 2021, less any claims payments made to you to date, if any), but it also provides for a **one-time cash payment of [###]**. For details on this paid-up benefit, see the Important Information about your Settlement Options included with this letter.

Option 2 lowers your existing benefit period and reduces your current Daily Benefit Amount by 25%, but it also provides for a **one-time cash payment of [###].]**

If you wish to choose one of the special settlement options you **MUST** sign and return by mail (postmarked by the return deadline), fax, or email the completed enclosed form indicating your choice by: [MONTH DAY, YEAR]. If you want to keep your policy as is, you need not do anything. Please note that if we don't hear from you by [MONTH DAY, YEAR], your policy will stay the same and you will no longer be entitled to these special settlement options, including those that result in a payment to you.

¹ If you have made changes to your policy that resulted in a recalculated original Daily Benefit Amount, the recalculated original Daily Benefit Amount will be used in connection with this Special Election Option.

The chart below shows how each of these options compares to your current premiums and benefits.* For additional definitions of terms in the chart, please see the included Important Information about Your Settlement Options.

	Your Current Benefits	Option 1 Enhanced Reduced Paid-Up Benefit	Option 2 Basic Reduced Paid-Up Benefit Plus Cash Payment	Option 3 Remove Inflation Benefit & Revert to Original Benefit Levels Plus Cash Payment	Option 4 Reduce Benefit Period from [Lifetime] to [x] Years & Reduce Lifetime & Daily Benefit Amount, Plus Cash Payment	Option 5 [Lifetime]SPO -Set Level of Reduced Benefits, plus Reduced Daily Benefit Amount, a [Lifetime][Limited] Premium Guarantee Plus Cash Payment
Cash Payment	N/A	None	[\$9,875.95]	[\$5,503.96]	[\$2,011.76]	[\$6,368.36]
Daily Benefit Amount	[\$270.38]	[\$270.38]	[\$270.38]	[\$107.00]	[\$202.79]	[\$189.27]
Inflation Benefit	[Compound 5%]	[None]	[None]	[None]	[Compound 5%]	[Compound 1%]
Elimination Period	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care
Benefit Period	[Unlimited]	[N/A]	[N/A]	[Unlimited]	[6 years]	[3 years]
Total Lifetime Benefit	[Unlimited]	[\$61,886.91]	[\$21,067.51]	[Unlimited]**	[\$444,110.10]**	[\$207,250.65]**
[Annual Premium]	[\$2,792.19]	Pay no further premiums.	Pay no further premiums.	[\$1,416.20]	[\$2,289.25]	[\$1,200.10]

*Benefits, premiums and payment amounts in this chart are subject to confirmation and may change based on changes you make to your policy, including, for example, your receipt of any claim payments, your payment of any additional premium, or changes you make to your benefits. For more details, see the Important Information about your Settlement Options included with this letter.

**This is the amount available to you for future claims. It is the Total Lifetime Benefit less past claims paid under the policy.

Settlement options are only available to you if your policy is still in force or in non-forfeiture status at the time your election is postmarked for mailing or sent to us by fax or email. If your policy lapses but is still in the period during which your policy can be automatically reinstated by paying any past-due premium, you will need to reinstate your policy by paying the past-due premium before you may select one of these options.

We encourage you to discuss the options with your financial advisor, family members, or a member of our Customer Service Team by calling [800 883.1127].

YOUR ACTION IS REQUIRED

[Genworth Life Insurance Company's] [Genworth Life Insurance Company of New York's] ("Genworth's") Plans for Significant Additional Future Rate Increases

As part of the *Halcom class action settlement*, we have agreed to provide additional information on our current plans to seek future rate increases on [PCS I/ PCS II] long term care insurance policies. This information should assist you in evaluating which of the options best meets your needs going forward. Based on our expectations as of [Date], we plan to request multiple rate increases in most states. [[We plan to seek cumulative rate increases of approximately [XXX%] on policies with lifetime benefits and [XXX%] on policies with limited benefits in the state where your policy was issued.] or [While we do not have immediate plans to seek rate increases on your policy and policies like yours [[that have a Stable Premium Option] or [in the state where your policy was issued]], future premium increases are possible [after the expiration of your premium rate guarantee period.]] or [We will not seek rate increases on your [policy] and [policies] like yours that previously selected a Lifetime Stable Premium Option.] or [You previously elected a paid-up option that requires no further premium payments, and Genworth's plans for future premium increases do not apply to your policy and policies like yours. or **You have previously entered a Fully Paid-Up Status and no further premiums are due on your policy, and Genworth's plans for future premium increases do not apply to your policy and policies like yours.**]] [[The plan to request future rate increases noted above is in addition to a [XX]% increase [that is currently scheduled to be implemented over the next X years]. That increase was previously allowed in your state but has not yet taken effect for your policy. [The plans for future rate increases are in addition to any previous increase that is currently being phased in over a number of years for your policy.]]. Future rate increases are important to Genworth's ability to pay future claims. The inability to obtain future rate increases may impair Genworth's ability to do so.

As explained further below, it is possible the actual rate increases we seek will be larger or more numerous than currently planned. As you review your special settlement options, you should know that [A.M. Best, a global credit rating agency focused on evaluating the claims paying ability of insurance companies, currently rates Genworth's financial strength as C++, indicating A.M. Best's view that Genworth has a "marginal ability to meet [its] ongoing insurance obligations"].

You should also know that based on our projections, rate increase requests that exceed these percentages would be actuarially justified.

These planned rate increases will only take effect as permitted by applicable state insurance regulators. Based on our experience, we expect that most states will continue to grant some portion or all of the requested rate increases. However, there are some states that have capped the allowable annual increase or placed other limits on increases on policies issued in their states. In states that do not grant the full increases requested, our current plan is to continue to file for rate increases up to the full amount of our original request. [Again, these rate increases will not affect your policy as your policy is fully paid-up and no more premiums are due.]

[Importantly, our requested rate increases may be higher or lower than our current plans, and/or we may also seek additional future rate increases, which are not contemplated in our current plans. Reasons for such increases may include, for example, the performance of these policies and/or if economic conditions differ from our current projections.]

Sincerely,

[]



Genworth Life
 Genworth Life of New York
 Administrative Office:
 3100 Albert Lankford Drive
 Lynchburg, VA 24501

Important Information about Your Settlement Options

from Genworth Life Insurance Company and
 Genworth Life Insurance Company of New York

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Definitions

These are summary definitions of terms used in the accompanying *Halcom* class action settlement letter, the Coverage Options Form, and this important information document. Please see your policy for complete definitions and details.

Cash Payment	The payment you will receive as a result of selecting a special Settlement Option that provides for a cash payment. The payment arises from the class action settlement and is not a policy benefit.
[Annual] Premium	This is the amount you must pay [every year], [twice a year], [each quarter], or [each month] in a timely manner to keep your policy in effect. If you select a settlement option with reduced premiums, your new premium will generally take effect as of the beginning of the next policy month after we receive your signed selection. Each policy month generally begins on the same day of the month as your policy anniversary date. Any future rate increases will be based on your new reduced premium amount. <If Policy is in a Fully Paid-up or Non-forfeiture Status> [Since your policy is paid-up [under a non-forfeiture benefit], premiums are not required and future increases will not apply to your policy.]
Daily Benefit Amount (DBA)	The daily limit on the combined total for all benefit payments subject to the Daily Benefit Amount. It is called the "Daily Payment Maximum" in the policy.
Inflation Benefit	A benefit that increases your policy's benefits each year as shown in your policy. In the policy, it is called a "Benefit Increases" provision.
Insured Person	The policyholder named in the policy schedule, and another insured person, if any, who is also named in the policy schedule.
Elimination Period	This is generally the number of days for which each Insured Person must incur expenses that qualify for payments under policy benefits subject to the Elimination Period, before we will commence paying benefits. See the policy [<if LSPO or SPO Special Election Option is available to Class Member> and the sample [<if LSPO>Lifetime] Stable Premium option endorsement] for complete details on the Elimination Period.
Benefit Period	This is generally the minimum period of years your policy will provide coverage. While the Benefit Period is not a policy definition, it is used to determine your policy's Total Lifetime Benefit.
Total Lifetime Benefit	The combined total amount we will pay as benefits under this policy. It is also called the "Lifetime Payment Maximum."

Benefit values are approximate

Benefit values presented in the accompanying letter and Coverage Options Form are approximate due to rounding and certain timing considerations. If you select one of the settlement options, you will receive a written confirmation from us showing your new benefit values. Covered benefits payable at the time of a claim will be calculated in accordance with your policy.

Considerations related to adjusting your coverage

All of the settlement options available to you may not be of equal value.

If you have a Partnership policy, reducing your coverage may result in a loss of Partnership status, a change in your asset protection type, and may reduce your overall protection.

Benefits are payable only when you meet the terms and conditions for receiving benefits under your policy.

If you remove an Inflation Benefit from your policy, your Daily Benefit Amount and Total Lifetime Benefit will not increase.

Your Benefit Period is the period of time that is used to calculate the Total Lifetime Benefit. Your coverage is based on this Total Lifetime Benefit, not a certain period of time. If your Daily Benefit Amount and/or the Benefit Period are reduced, the Total Lifetime Benefit payable under your policy will automatically be reduced because the policy maximum is a function of the Daily Benefit Amount and the Benefit Period. In addition, other benefit amounts may be reduced.

Adjustments to premium

If you select a settlement option that eliminates an Inflation Benefit or otherwise reduces your coverage, for all options other than a reduced paid-up benefit option, your new premium will be determined as follows: Your new premium will be the same as what it would have been (at the time your settlement option becomes effective and including all premium increases) if your policy had included the reduced benefits since it first took effect. This premium is subject to change in accordance with the terms of your policy.

Premium payments by automatic withdrawal/third-party account/online banking

If you are using automatic withdrawals, the new required premium will be automatically deducted from your bank checking account. If you are using a third-party account, or online banking to pay your premiums, please be sure to make the proper adjustments and arrangements for paying the new required premium amount.

Total Lifetime Benefit is reduced by benefit payments

Any benefits paid or payable are deducted from the reduced Total Lifetime Benefit. This means the combined maximum policy benefits available for all insureds under the policy will be the new Total Lifetime Benefit less claims paid under the policy. Therefore, if you have previously been on claim, carefully consider whether reducing your benefits is appropriate for your circumstances. [(Note that the new Total Lifetime Benefit for any reduced paid-up option will already reflect the reduction of past claims.)]

<if in premium-paying status> Selecting an Enhanced or Basic Reduced Paid-up Benefit

If you select a settlement option with a reduced paid-up benefit, your Total Lifetime Benefit will be reduced, any Inflation Benefit provision will be removed from your policy, and you will no longer have to pay policy premiums. Both the enhanced and basic reduced paid-up benefit options are types of Nonforfeiture Benefits, and will be treated as such under the terms of your policy or policies.

For the settlement option that includes the enhanced reduced paid-up benefit, and no cash payout, the new Total Lifetime Benefit will equal 200% of the difference between the sum of all premiums paid under the policy (excluding any waived premium), and the amount of all benefits paid or payable under the policy for expenses incurred prior to the date the settlement option takes effect. The total paid-up benefit amount available under this option is capped at the Class Member's current actual lifetime benefit at the time his or her election is processed. This option will not include any damages payment.

[For the settlement option that includes the basic reduced paid-up benefit, as well as a cash payout, the new Total Lifetime Benefit will equal 100% of the sum of all premiums paid under the policy (excluding any waived premium) through December 31, 2016 and on or after January 1, 2021, minus the amount of all benefits paid or payable under the policy for expenses incurred prior to the date the settlement option takes effect]. The total paid-up benefit available under this option shall not exceed the Class Member's actual lifetime benefit at the time his or her election is processed less the Class Member's damages payment under this option.

Continuation of the policy under the enhanced reduced paid-up benefit [or the basic reduced paid-up benefit] is subject to the following conditions: (a) the policy will be continued under a paid-up status (with no further premium becoming due), subject to all of the terms and conditions of the policy; (b) except as stated below, and subject to the reduced Total Lifetime Benefit, the policy will have the same benefits, Elimination Period, and other policy limits in effect on the date the settlement option takes effect, (c) any Inflation Benefit that was in effect under the policy will no longer apply, which means the new Total Lifetime Benefit will not increase, and (d) coverage will end and the policy will terminate when the total benefits paid under the policy after the settlement option takes effect equals the Total Lifetime Benefit for the reduced paid-up benefit as of the date the settlement option takes effect.

Please note: selecting a reduced paid-up benefit will significantly reduce the policy benefits available to you.

<if in Fully Paid-Up Status> Selecting a Basic Reduced Paid-up Benefit

If you select a settlement option with a paid-up benefit, your Total Lifetime Benefit will be reduced and any Inflation Benefit provision will be removed from your policy. The reduced paid-up benefit option is a type of Nonforfeiture Benefit, and will be treated as such under the terms of your policy or policies.

[The new Total Lifetime Benefit will equal 100% of the sum of all premiums paid under the policy (excluding any waived premium) through December 31 and on or after January 1, 2021, minus the amount of all benefits paid or payable under the policy for expenses incurred prior to the date the settlement option takes effect. The total paid-up benefit available under this option shall not exceed the Class Member's actual lifetime benefit at the time his or her election is processed less the Class Member's damages payment under this option. Continuation of the policy under the basic reduced paid-up benefit is subject to the following conditions: (a) the policy will be continued under a paid-up status (with no further premium becoming due), subject to all of the terms and conditions of the policy; (b) except as stated below, and subject to the reduced Total Lifetime Benefit, the policy will have the same benefits, Elimination Period, and other policy limits in effect on the date the settlement option takes effect, (c) any Inflation Benefit that was in effect under the policy will no longer apply, which means the new Total Lifetime Benefit will not increase, and (d) coverage will end and the policy will terminate when the total benefits paid under the policy after the settlement option takes effect equals the Total Lifetime Benefit for the reduced paid-up benefit as of the date the settlement option takes effect.

<if LSPO or SPO Special Election Option is available> Understanding the <if LSPO> Lifetime] Stable Premium option

The <if LSPO>Lifetime] Stable Premium option is designed to mitigate the impact of future increases by changing your benefits, while also guaranteeing that <if LSPO>you will not have another premium rate increase for the life of your [policy]<else>your new premium will not increase until at least [January 1, 2028].] <if LSPO>By electing the Lifetime Stable Premium option, your Policy changes from guaranteed renewable to non-cancellable, meaning that, subject to the terms of the [policy], you will have the right to continue the [policy] as long as you pay the required premium on time, we cannot change any terms of the [policy] on our own, and your new premium will never change as the result of a future premium rate increase.]

Impact to your benefits. This option will provide a one percent (1%) compound benefit increase going forward, a current Daily Benefit Amount that is reduced by 30%, an extended Elimination Period of [180] days for facility care and [90] days for home care, and a reduced Total Lifetime Benefit that will result in a three-year Benefit Period. As part of the calculation of your new resulting premium, your premium will be adjusted in consideration of this retained benefit. Please review all of the documents in this package, in particular the Coverage Options page and the sample endorsement, for more details regarding how your benefits and premium will change under the <if LSPO>Lifetime] Stable Premium option.

In accordance with your [policy], if you have previously been on claim, benefits that have already been paid under your [policy] will count toward your new lifetime payment maximum. Therefore, past claims will reduce the amount of the new lifetime maximum available to you for future claims. The Coverage Options form already shows the amount of the new lifetime maximum that would remain, as of the date of this letter, after deducting past claims.

Similarly, in accordance with your [policy], any days which have already satisfied your Elimination Period will continue to satisfy your new Elimination Period under the <if LSPO>Lifetime] Stable Premium option.

Selection of a special settlement option cannot be reversed

Once you send us a signed request to select a settlement option, you cannot reverse your selection. This means we will process any premium and/or benefit reductions for the settlement option and you will not be able to revert back to the premium and benefits you had before your selection. For policies that insure both the policyowner and another Insured Person, the selection of a settlement option cannot be reversed once both the policyowner and other Insured Person send us a signed request to select the settlement option. Because a settlement option cannot be reversed once selected, please carefully consider whether it is right for you before you send us your selection.

Taxes

Your policy, including any reduced benefits associated with the selection of a settlement option, 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.

It is your responsibility to assess any potential tax consequences of selecting a settlement option, including, for example, whether any cash payment you receive is taxable. Please consult with your tax advisors. Genworth cannot provide tax advice.

Unearned Premium

We will refund any premiums you have paid on your Class Policy that corresponds to the time period after your new reduced paid-up benefit becomes effective, if any. Such refunded premium will not be used to calculate your new reduced paid-up benefit, and, as a result, your actual reduced paid-up benefit may be less than the reduced paid-up benefits in your Special Election Letter.

For more information

If you have questions for us about the settlement options available to you, you may call our Genworth Customer Service Team at [800-883-1127].

For information about the cost of long term care in your area, and to see how those costs may change in the future, visit our 20[##] Cost of Care Survey at [].



Coverage Options Form

THREE WAYS TO CHOOSE

Email: <input type="checkbox"/>		Fax: <input type="checkbox"/>			Mail: Check a box below. Tear off and return to <input type="checkbox"/> .	
	Your Current Benefits	Option 1 Enhanced Reduced Paid-Up Benefit	Option 2 Basic Reduced Paid-Up Benefit Plus Cash Payment	Option 3 Remove Inflation Benefit & Revert to Original Benefit Levels Plus Cash Payment	Option 4 Reduce Benefit Period from [Lifetime] to [x] Years & Reduce Lifetime & Daily Benefit Amount, Plus Cash Payment	Option 5 [Lifetime]SPO -Set Level of Reduced Benefits, plus Reduce Daily Benefit Amount, [Lifetime][Limited] Premium Guarantee Plus Cash Payment
Cash Payment	N/A	None	[\$9,875.95]	[\$5,503.96]	[\$2,011.76]	[\$6,368.36]
Daily Benefit Amount	[\$270.38]	[\$270.38]	[\$270.38]	[\$107.00]	[\$202.79]	[\$189.27]
Inflation Benefit	[Compound [5]%	[None]	[None]	[None]	[Compound [5]%	[Compound [1]%
Elimination Period	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care	[#] Days Home Care or [#] Days Facility Care
Benefit Period	[Unlimited]	[N/A]	[N/A]	[Unlimited]	[6 years]	[3 years]
Total Lifetime Benefit	[Unlimited]	[\$61,886.91]	[\$21,067.51]	[Unlimited]	[\$444,110.10]	[\$207,250.65]
[Annual Premium]	[\$2,792.19]	Pay no further premiums.	Pay no further premiums.	[\$1,416.20]	[\$2,289.25]	[\$1,200.10]

No Further Premiums

Option 1: Paid-up benefit of 2X difference between premium paid less claims payments

Option 2: Paid-up benefit of 1X premiums paid through 12/31/2016 and on or after 1/1/2021, less claims payments; get a cash payment of [#####]

Reduced Premiums

Option 3: Remove inflation benefit; benefit maximums revert to original levels; get a cash payment of [#####]

Option 4: Reduce benefit period; reduce Daily Benefit Amount by 25%; get a cash payment of [#####]

Option 5: [Maintain your premium at a stable rate for [[the lifetime of your policy][until 2028]] and reduce your Daily Benefit Amount by 30%; get a cash payment of [#####].

Please read all documents before making a decision. If you don't want to choose any of these options, you don't need to do anything and your policy will stay the same. To choose one of these options, we must hear from you by [MONTH DAY, YEAR]. Otherwise, your policy will stay the same and you will no longer be entitled to these special settlement options. Questions? Call [(XXX) XXX-XXXX]

ACT NOW: Your immediate action is required by [Date].

Option 1: Enhanced Reduced Paid-Up Benefit

Option 2: Basic Reduced Paid-Up Benefit Plus, Cash Payment

Option 3: Remove Inflation Benefit, Revert to Original Benefit Level, Plus Cash Payment

Option 4: Reduce Benefit Period, Reduce Daily Benefit Amount by 25%, Plus Cash Payment

Option 5: [Lifetime] Stable Premium Option, Reduce Daily Benefit Amount by 30%, Plus Cash Payment

Please return in the enclosed envelope.

By signing, you represent and agree that (1) we are authorized to process the requested change to your policy, (2) a request for a settlement option cannot be reversed once requested, (3) benefits and premiums quoted above are subject to confirmation and may change, (4) you have read and understand the information on this form and the enclosed documents, and (5) complete terms are in your policy. You do not need to return this form if you are keeping your current coverage. If changing your coverage to one of the options above, please check the blue box to indicate your choice, then sign and return this form by email, fax, or mail [in the enclosed envelope] by: [#####]



Policyholder: [Mr. John Smith]

Date: [MONTH DAY, YEAR]

Policy Number: [123456]

Signature: _____

2nd Signature*: _____

Phone Number: _____

Email: _____

Address: _____

* If the policy insures a person in addition to the policy owner, then both the policy owner and the other insured person must sign the form to select a special settlement option.