



You value your freedom and independence and you want to maintain them for as long as you can. However, you know that an unexpected accident or illness can jeopardize that freedom and independence.

Your health insurance policy won't cover long-term care costs and government funding falls short, as well. With only limited financial support coming from Medicare Plus, you must deplete the vast majority of your assets to qualify for that support from Medicare.

Are you financially prepared to cover the expenses of long-term care should you become ill or disabled, or need special medical treatment as you get older?

Adding Pekin Life Insurance Company's Long Term Care Rider to your life insurance plan can help give you the additional financial protection you need. In the event you need long-term care, this rider can help provide money to cover those costs.

Pekin Life Insurance Company's Long Term Care Rider is specially designed to help pay for long-term care expenses when there is a need for special care at adult day care centers, assisted living centers, nursing home facilities, or even at home by giving you access to your policy's death benefit as an income stream. If you never need long-term care, your policy's death benefit remains in place for your beneficiaries.

Throughout our history, thousands of people have contributed their ideas and energy to help Pekin Insurance grow into the strong, reliable company it is today. We have evolved from a small automobile insurance company to a group of companies offering complete coverage for a wide range of insurance needs.

Through our years of development and change, however, one thing has remained the same: the principle of protection and service to our policyholders. Working as a team, our employees and agents serve our customers with honesty, integrity, and professionalism. Our team is dedicated, hard working, and driven to provide our customers with superior value and uncompromising service.

For all of their insurance needs - whether property/casualty, life, annuity, or health - our customers have come to depend on Pekin Insurance and their hometown professional Pekin Insurance agents.



**Pekin Life
Insurance Company**
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It has been said that the only two sure things in life are death and taxes. But if experts are right, close to 50% of us will face a third:*

A NEED FOR LONG-TERM CARE



*American Health Care Association
January 1999



**Celestial Life 5
with Long Term
Care Rider**



Here is how it works.

First, you select a portion of your death benefit (25%, 50%, 75%, or 100%) to serve as a lump sum of funds to pay for long-term care expenses. Once you've incurred any qualifying long-term care expenses, we will reimburse your out-of-pocket costs up to 2% of your money per month, to a maximum payment of \$5,000 per month and a total payout of \$250,000. Your money is guaranteed to last at least 50 months, which is just over four years.

For example, if you purchase a \$100,000 policy and elect to make 100% of the death benefit available as your sum of money, you would be eligible for a reimbursement of up to \$2,000 each month toward your qualifying long-term care expenses. If your expenses are less than the \$2,000 amount, you will be reimbursed only for your expenses. This allows your money to last longer. If your expenses are higher than the \$2,000 in this example, you will have to cover the excess charges out-of-pocket.

By adding Pekin Life Insurance Company's Long Term Care Rider to your universal life policy, you can maintain your independence while you are living and, in the event you do not require long-term care, we can help protect your family and/or business after you are gone, providing money to cover final expenses, uncovered medical and nursing home costs, and estate taxes.

Frequently Asked Questions

Can the Long Term Care Rider be added to any size life insurance policy?

The Long Term Care Rider can be added only to our Celestial Life Universal Life Policy with a face amount of at least \$50,000.

Will receiving benefits under the rider change the death benefit of my life insurance policy?

As you draw your long-term care benefit payments from your lump sum of funds, your death benefit and the other values in your policy are being reduced each month. Depending on how long you draw benefit payments and on what percentage you elected for your pool of money, your death benefit may eventually be eliminated. But because your estate isn't depleted to pay for your care, more of your estate will be left for your beneficiaries.

Can I receive long-term care benefits if I've already received part of my death benefit as an advance due to terminal illness?

Yes, although your benefit would be adjusted slightly by the amount you have received due to terminal illness.

If I need long-term care benefits, when will they begin?

You can begin receiving benefit payments after 60 days of continuous care. You must be deemed chronically ill by a licensed health care practitioner and be unable to perform two or more Activities of Daily Living (ADLs) either as a result of illness, injury, advanced life, or upon diagnosis of a reduction of mental capacity.

Where must care be provided in order for me to receive long-term care benefits?

Care must be provided in a long-term care facility, an adult day care center, a hospice, an assisted living facility, or at home by a home health care agency.

Does the rider cover Alzheimer's Disease?

Yes, we will pay benefits for Alzheimer's Disease and other brain disorders without any requirements for demonstrable organic disease.

What is the maximum long-term care benefit I can receive?

Your maximum lifetime long-term care benefit is determined by the percentage (25%, 50%, 75%, or 100%) of your life insurance policy's death benefit you chose to make available to pay for long-term care expenses. You can draw up to 100% of your selected percentage or \$250,000, whichever is less, minus any policy loans and previous withdrawals.

If I already have long-term care insurance, should I replace it with this rider?

Only you can make that decision. You should remember that this rider's benefits are paid as a percentage of your life insurance death benefits and are not based on the actual costs of long-term care. These benefits will help you pay long-term care expenses, but may not cover them completely. You should examine your benefits carefully before making any replacement decisions.

Are the Long Term Care Rider benefits subject to federal income tax?

Whether or not you're liable for taxes on your long-term care benefits depends on how the IRS interprets portions of the applicable tax code. This rider is intended to be a federally tax-qualified traditional long-term care insurance contract as defined by the tax code. You should talk with your tax advisor if you're concerned about the impact of taxes.