

# Total Living Coverage®

Protect yourself. Preserve your legacy.



Underwritten by  
**Genworth Life Insurance Company**, Richmond, VA  
ICC14 137988 11/1/14

To order use: ICC14-137988 1/1/15

What if I need to access my life insurance to cover long term care expenses?

I want a single policy designed to help cover both my life insurance and long term care needs.

What if I never need long term care?

I still want significant benefits out of my policy.

What if I want a policy with guarantees?

I just want to get it and forget it.

What if I change my mind?

I want a flexible policy that will let me get my money back if I need it.



## Protect yourself. Preserve your legacy.

Managing risk is an important part of a sound financial strategy, both in terms of preserving the assets you've accumulated and protecting the legacy you plan to leave to loved ones. In today's world, two important tools for managing risk are long term care and life insurance.

Historically, you had to buy two separate insurance policies to get this essential protection. Now, they're linked in one flexible life insurance policy: **Total Living Coverage**<sup>®</sup> from Genworth Life Insurance Company (Genworth Life).

# A powerful combination.

## Help preserve your legacy with Life Insurance.

### What is life insurance?

Life insurance is a way to help preserve your legacy. It generally pays an income **tax-free** death benefit to your beneficiaries when you die to help them continue to meet their financial obligations and maintain their lifestyle.

Policies may offer an immediate death benefit that can be significantly greater than the premium you pay. This can help you maximize the assets you wish to leave.

### Who needs life insurance?

As we age, our life insurance needs change. Early in life we recognize the need to replace our income and enable our family to maintain their current lifestyle or pay off the mortgage and other debt.

As we get older, however, life insurance can take on a new purpose. It often becomes a way to leave an inheritance to family members or make a gift to a favorite charity.

Life insurance can address needs that last **well beyond** child-rearing and college graduations.



## Help protect yourself with Long Term Care Insurance.

### What is long term care insurance?

Long term care (LTC) insurance helps reimburse the covered expenses you incur for care at home or in a facility if you are unable to do some of the basic activities of daily living (ADLs), such as bathing, dressing, eating, continence, toileting, and transferring.

In addition, it can help:

- Reduce the possibility of having to dip into money you've set aside to pay for other things.
- Give you a wider range of choices about who provides your care and where you receive it.
- Maintain your independence by offering coverage for care at home.

A long term care need may be the result of an accident, advanced aging, chronic health condition or other event. It might also stem from a severe cognitive impairment such as dementia or Alzheimer's disease.

### How much do long term care services cost?

Long term care services are expensive and, generally, traditional health insurance plans do not cover these costs. Nor was Medicare designed to adequately cover these expenses. Medicaid may pay for these services, but generally requires that you spend down your own assets first. If you choose to self-insure, you may have to pay for your care from current income, accumulated savings or both.

LTC insurance can help **protect your savings** and **your family's lifestyle** if you need covered LTC services.

### Median annual cost of long term care<sup>1</sup>

Type of Long Term Care	National Median Rate
Assisted Living Facility	\$42,000
Home Care	\$45,188
Nursing Home	\$87,600

Median annual rates are calculated based on the following:

**Assisted Living Facility** One bedroom, single occupancy. Monthly rate × 12 months.

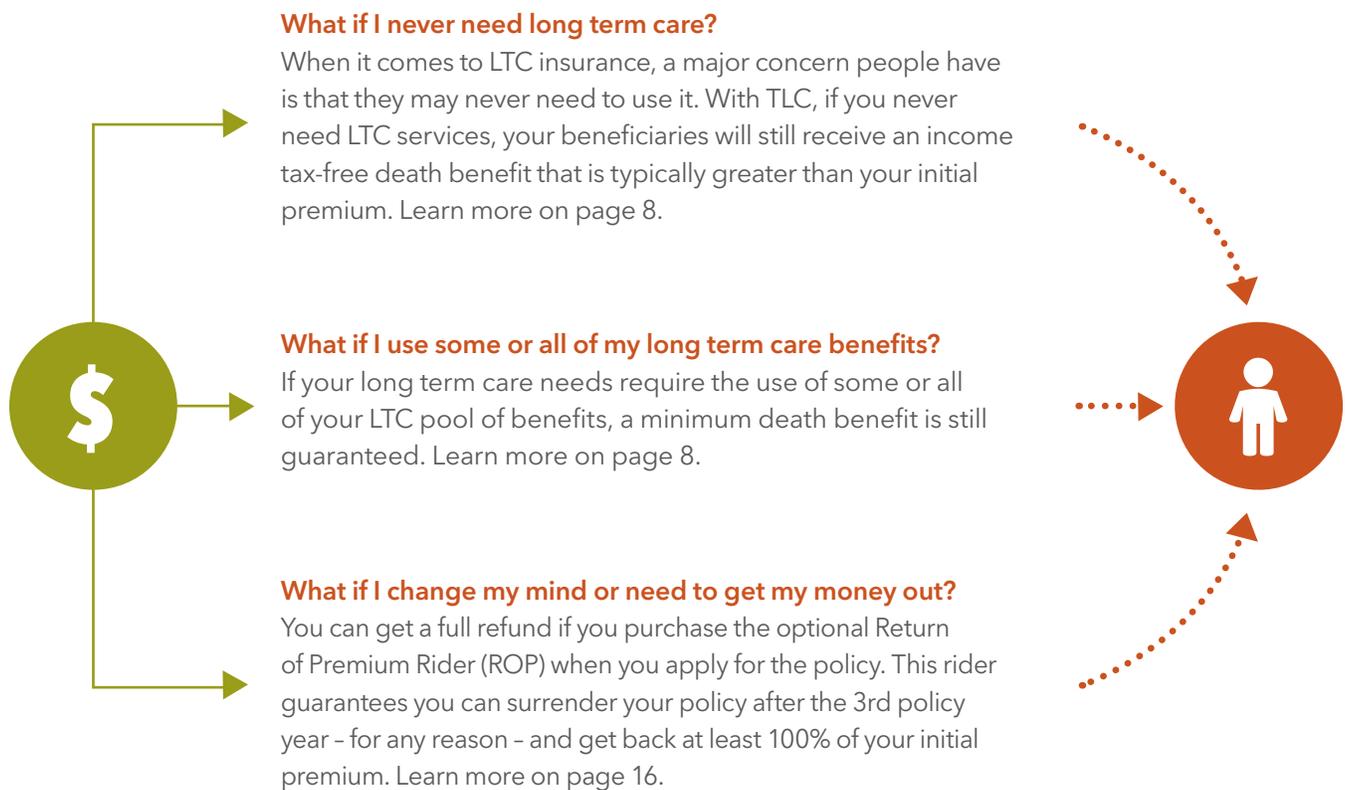
**Home Care** Licensed Home Health Aide Services. (Hourly rate × 44 hours/week) × 52 weeks.

**Nursing Home** Private room. Daily rate × 365 days.

<sup>1</sup> Genworth 2014 Cost of Care Survey, conducted by CareScout®, April 2014. CareScout is a Genworth company.

## We've got you covered.

**Total Living Coverage® (TLC)** from Genworth Life provides a convenient way for you to purchase both universal life and long term care insurance in a single policy. By paying an initial lump sum premium, you immediately create a death benefit for your beneficiaries and a pool of benefits to pay for covered long term care needs (Lifetime Maximum). All values and benefits in this brochure are shown at their original benefit levels. See Guaranteed Minimum Benefit Rider (GMBR) on page 14 for more information.



TLC **guarantees** a minimum level of LTC and death benefits.

# More bang for your buck.

TLC will instantly stretch your dollar.

Here's how it works:

## Your Initial Specified Amount

We calculate your Initial Specified Amount to determine how much is payable under your policy as a death benefit. Your Initial Specified Amount will be based on: the size of your initial premium, your age, gender, and health status. It will also depend on the rider options chosen, any discounts that are available to you and the current interest rate used to credit your policy. At the time of policy issue, the Initial Specified Amount is the applied for death benefit. This amount can change over time.

The table below illustrates how the Initial Specified Amount is calculated.<sup>2</sup> The 60-year old female in this example will have an Initial Specified Amount that is more than twice the amount of her initial premium.

### Initial Specified Amount Leverage Table<sup>2</sup>

Age	50	55	60	65	70	75
Female	2.9x	2.5x	2.2x	1.8x	1.4x	1.0x
Male	2.7x	2.3x	2.0x	1.7x	1.4x	1.0x

Approximate Leverage Factor

In this example, if the initial premium is **\$100,000**, the Initial Specified Amount will be **\$215,731**.

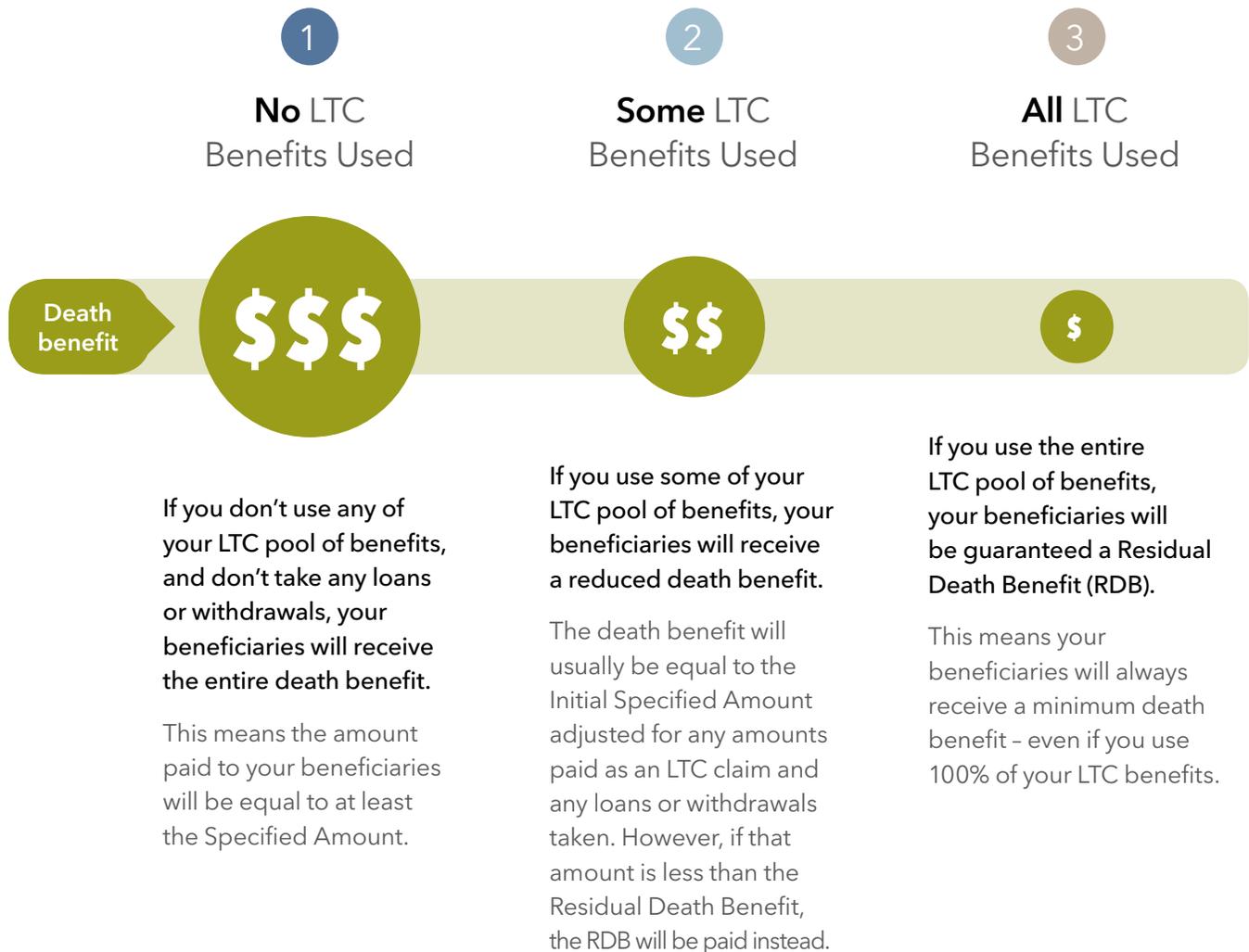
<sup>2</sup> Leverage factors are calculated based on a credited interest rate of 3.60%, preferred health, 20% Couples Discount, 2 year Accelerated Benefit Rider, 4 year Extension of Benefits Rider and optional Return of Premium Rider. The credited interest rate may change but will never be below 3.00%. For the most current values, please request an illustration from your producer/agent.

# Your death benefit

The amount of the death benefit payable is equal to your current Specified Amount adjusted for any LTC claims paid and/or any withdrawals or outstanding loans.

Ultimately, the death benefit payable will be the greater of any remaining death benefit and the Residual Death Benefit (RDB). The RDB is equal to 10% of the Initial Specified Amount less 10% of the sum of any loan balance and withdrawals.

**Did you know** that long term care benefits and, generally, the death benefit paid under this policy are **tax free**?



# Your long term care benefits

## 1. Choose your minimum benefit period.

TLC includes a rider called the Accelerated Benefit Rider (ABR). This rider allows you to accelerate payment of your policy's Specified Amount for covered long term care expenses. You may choose to have benefits paid over a minimum of 24, 36 or 48 months.

## 2. Calculate the maximum amount available each month to reimburse covered LTC expenses.

Your LTC monthly maximum is determined by dividing your Initial Specified Amount by the number of months you selected for the ABR.

### Example

<b>\$215,731</b>	Initial Specified Amount
<b>÷ 24 months</b>	LTC minimum benefit period (ABR)
<hr/>	
<b>\$8,989</b>	LTC monthly maximum benefit

If you don't use the full LTC monthly maximum available, your benefit can last even longer.

## 3. Extend LTC benefit period and increase your LTC pool of benefits.

TLC offers a rider called the Extension of Benefits Rider (EBR). This rider guarantees your LTC monthly maximum is available to reimburse expenses over an additional 24 or 48 months. As a result, your total benefit period will be equal to the number of months chosen under both the ABR and EBR combined. Therefore, your total LTC pool of benefits available could grow substantially.

Shorter ABR Period = Higher Monthly Maximums

ABR	+	EBR	=	Total Benefit Period	LTC Monthly Maximum	Total LTC Pool of Benefits
24 months		24 months		48 months	\$8,989	<b>\$431,472</b>
		48 months		72 months		<b>\$647,208</b>
36 months		24 months		60 months	\$5,993	<b>\$359,580</b>
		48 months		84 months		<b>\$503,412</b>
48 months		24 months		72 months	\$4,494	<b>\$323,568</b>
		48 months		96 months		<b>\$431,424</b>

Get approximately 6x your initial premium!

This example is based on a 60-year-old female with a \$215,731 Initial Specified Amount who paid an initial premium of \$100,000. Assumes a credited interest rate of 3.60%, preferred health, 20% Couples Discount, 2 year Accelerated Benefit Rider, 4 year Extension of Benefits Rider and optional Return of Premium Rider. The credited interest rate may change but will never be below 3.00%. For the most current values, please request an illustration from your producer/agent.

## Meet Helen\*

Helen is in good health, has been married for 30 years and she and her husband have two children. After 25 years as a plastic surgeon, she retired last year with over \$300,000 of available assets. With the coverage and protection of TLC, she is better prepared to confront any of these four situations.

Helen purchased a TLC policy at age 60 and was able to leverage her **\$100,000** initial premium approximately **6x** for a total of **\$647,193** in total long term care benefits and a **\$215,731** Initial Specified Amount. Helen has up to **\$8,989** each month to pay for covered LTC expenses for 6 years (longer, if the monthly maximum is not used every month). Helen did not take loans or withdrawals.



### 1 What if Helen never had a long term care event?

Because Helen did not need LTC benefits, she was able to leave a **\$215,731** tax free death benefit to her husband as her beneficiary.

### 2 What if Helen used some of her long term care benefits?

Helen had a covered LTC event and used **\$80,000** of her LTC pool of benefits – reducing her death benefit to **\$135,731**. Since she had not exhausted her Initial Specified Amount to pay for LTC expenses, this **\$135,731** was paid tax free upon her death to her husband as her beneficiary.

### 3 What if Helen used all of her LTC benefits?

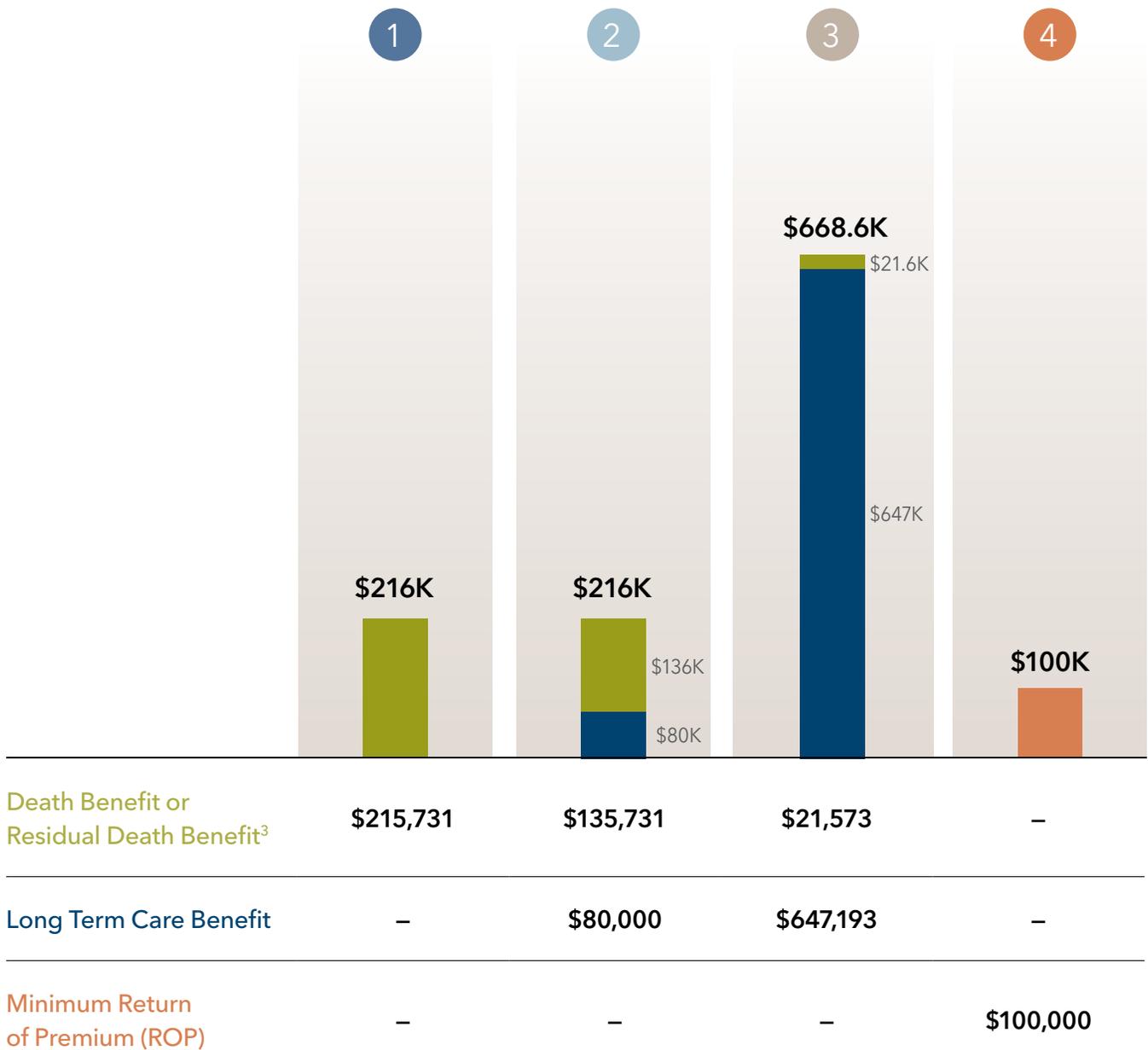
Because Helen used her entire LTC pool of benefits, her TLC policy paid a Residual Death Benefit of **\$21,573** upon her death.

### 4 What if Helen changed her mind?

Seven years after purchasing TLC, Helen wanted to invest in a new business. She surrendered the TLC policy and used the **\$100,000** to get started. Because she selected the optional Return of Premium Rider at purchase and did not file any LTC claims, she received her full initial premium back without penalty. Of course, Helen must pay any taxes that are due.

\*This is a hypothetical example.

No matter what, Helen is covered.



Lifetime Money Back Guarantee after Policy Year 3

<sup>3</sup> The death benefit paid will be the greater of the two.

## If you need long term care services

You may choose to receive care in a variety of settings:

TLC will reimburse you for actual expenses incurred for the covered care and services described, up to 100% of your LTC monthly maximum, except as indicated.

### Care at home and in the community.

TLC can help reimburse expenses for care and support you receive at home and in the community, including:

- Nurse and therapist visits
- Homemaker services
- Emergency medical response systems
- Training for those who provide care on an unpaid basis
- Adult day care

It may also help reimburse for the cost of services from **informal caregivers** – like friends or neighbors – who provide care to help you stay in your home. Informal caregivers do not have to be from an agency and can be hired independent of other long term care services.

### Care in an assisted living facility.

An assisted living facility may be an answer if you prefer a community setting. TLC helps cover expenses for:

- Personal care services associated with ADLs or severe cognitive impairment
- Medication monitoring
- Meals and room charges

### Care in a nursing facility.

If you have a condition that requires access to a higher level of care, you may need a nursing facility. TLC helps pay for:

- All levels of care – including skilled, intermediate and custodial care
- Therapist services
- Room and board charges

**Here is how to qualify for long term care benefits under the TLC policy:**

1. You must be chronically ill, which means a licensed healthcare practitioner (physician, nurse, or licensed social worker) certifies that you need substantial assistance with at least two activities of daily living and will likely need that help for at least 90 days.

Or you may also qualify if you are diagnosed with a severe cognitive impairment that requires substantial supervision. A severe cognitive impairment is a loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia and is measured by clinical evidence and standardized tests that reliably measure impairment in short-term or long-term memory; orientation as to people, places, or time; deductive or abstract reasoning; and judgment as it relates to safety awareness.

2. Genworth Life must receive a Current Eligibility Certification for you; and

3. Genworth Life must receive ongoing proof which demonstrates that the covered care is needed due to you continually being chronically ill. The proof can be based on information from care providers.

Once you qualify, your benefits will begin immediately for coverage provided under the Home and Community Care benefit. Benefits are payable after a 90-day elimination period if care is received in an assisted living or nursing facility. Any days reimbursed for covered home care benefits, days paid by Medicare, or days that satisfy Medicare's deductible or coinsurance, will count towards satisfying your facility elimination period.

The **activities of daily living** are:

- bathing
- dressing
- continence
- eating
- transferring
- toileting

# Included features and benefits

## **Residual Death Benefit (RDB)**

This is the death benefit TLC promises to pay in the event you use most or all of your long term care benefits. The death benefit payable is the greater of the remaining death benefit or 10% of your Initial Specified Amount. It will be further reduced if loans or withdrawals are taken.

## **Guaranteed Minimum Benefit Rider (GMBR)**

If you have not taken any policy loans, and do not take any in the future, your policy will never lapse. As a result, even if your policy value drops to \$0.00 and monthly charges cannot be supported, your policy will remain in force at guaranteed levels. Therefore, you will always be guaranteed your minimum level of LTC and life insurance benefits. Prior to your benefits dropping to guaranteed levels, you'll be given an opportunity to pay the additional premium necessary to maintain benefits at their original levels.

## **Guaranteed Renewability**

LTC riders are guaranteed renewable. Once you're insured, as long as you do not exhaust your benefits, your coverage is guaranteed renewable and cannot be cancelled.

## **30-Day Free Look**

You have the opportunity to review your policy and if you're not completely satisfied, return it within 30 days for a full refund.

## **Privileged Care® Coordination**

The Privileged Care Coordination team can assist you in planning your long term care services as soon as you are eligible for benefits and qualify for covered care. The team can:

- Conduct assessments of your functional and cognitive capabilities and personal need for care and services
- Work with you to identify the specific services and care providers in your area
- Develop a personalized plan of care

Whether you choose to use Privileged Care Coordination is up to you. Genworth Life pays for these services and does not reduce your benefits when you engage them.

If you choose to use any other licensed health care practitioner to provide a plan of care, current eligibility certification, or assistance in coordinating services, it is at your own expense.

### Caregiver Support Services

CareScout® provides information and referral services that help you find and coordinate high-quality, cost-effective in-home or facility care for your immediate family members even if they do not have long term care coverage.<sup>4</sup>

Care Advocates will help evaluate the situation over the phone then research local providers. They'll gather information regarding the capabilities, availability and rates of providers, which may save you time and money.

With CareScout, you can research options online with a national database of more than 90,000 care providers or you can work over the phone with your own dedicated Care Advocate. An in-person evaluation by a registered nurse is also available for an additional fee.

### International Coverage

If you are traveling or plan to reside outside of the United States, your TLC policy will cover a percentage of your LTC costs for a total of four years. TLC will reimburse you for:

- 50% of the monthly maximum benefit for out-of-country nursing facility care
- 25% of the monthly maximum benefit for Home and Community care services abroad for no more than 365 service days.

Assisted living facility coverage and Privileged Care Coordination Services are not available outside the United States.

### Respite Care

Temporarily pays the cost of care while the primary, unpaid caregiver takes a break. The maximum benefit is 30 days per calendar year.

### Bed Reservation

If you temporarily leave a facility for any reason, the bed reservation benefit will hold your bed for up to 60 days per calendar year.

### Incidental Care and Services

These services are intended to enable the insured to remain safely in his or her home and are stated in, and furnished in accordance with, the Plan of Care. The services include:

- Caregiver Training - Pays to train an unpaid friend or relative to provide care.
- Emergency Medical Response Systems
- Home Modifications, Assistive Devices and Supportive Equipment - Pays the cost of home modifications such as ramps and grab bars.

No benefits will be paid for Incidental Care and Services expenses once the total amount paid for such expenses equals three (3) times the Accelerated Monthly Maximum in effect at that time.

<sup>4</sup> CareScout is a Genworth business that provides professional elder care-related support activities.

# Dial up your policy

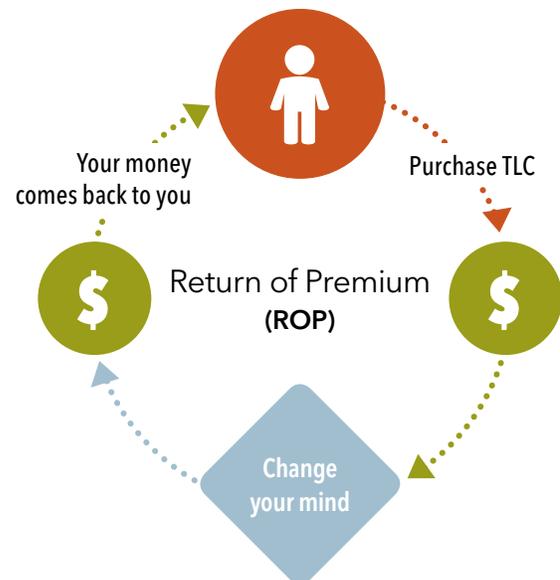
TLC gives you the opportunity to enhance your coverage for an extra charge when you apply. These features cannot be added or changed after the policy is issued. However, you can cancel them at any time.

## Inflation Protection

The benefits you choose under TLC may be sufficient today, but long term care expenses, like many other costs, may increase in the future. Adding inflation protection can help your LTC monthly maximum benefit keep pace with the potentially rising costs of care.

There are four options to help your benefits grow over time:

- **3% Compound** Automatically increases your monthly maximum and LTC Lifetime Maximum by 3% compounded every year.
- **5% Compound** Automatically increases your monthly maximum and LTC Lifetime Maximum by 5% compounded every year.
- **3% Simple** Automatically increases your initial monthly maximum and LTC Lifetime Maximum each year by 3% of their initial values.
- **5% Simple** Automatically increases your initial monthly maximum and LTC Lifetime Maximum each year by 5% of their initial values.



## Return of Premium Rider (ROP)

This rider guarantees you can surrender the policy for any reason after the third policy year, and get at least your initial premium back. A portion of the returned amount may be taxable. This amount will be reduced by any LTC benefits paid, any outstanding loan balance on the date of surrender, and any withdrawals taken.

Taxes may be due on amounts returned that are in excess of the premiums you've paid minus all LTC rider charges.

# Your policy value

## Fees and expenses are deducted from your policy value.

A one-time 12% premium expense charge is deducted from premiums paid. Each month, a \$9.30 monthly administrative fee will be deducted from the policy value. Monthly insurance charges for both life and LTC will also be deducted each month until you reach age 100. **While Genworth Life may change future cost of insurance charges, such changes will not impact your minimum guaranteed LTC or death benefit values.**

## Your TLC policy value will grow as it is credited with interest.

Each month, your policy will be credited with the current interest rate. The current interest rate is guaranteed to be no less than 3.0%.

## Surrender Charges

If you decide to surrender your TLC policy during the first 14 policy years, a surrender charge will be deducted from your remaining policy value (Cash Surrender Value). If you selected the optional Return of Premium Rider, no less than your initial premium will be returned - off-set by any LTC claims, withdrawals or outstanding loan balances.

Policy Year	1-10	11	12	13	14	15
Surrender Charge as a percentage of Policy Value	10	8	6	4	2	0

## You may take loans or withdrawals against your policy value.

You can borrow or withdraw money from your policy value at any time. We'll charge interest on any loan you make. If your outstanding loan balance becomes greater than the cash surrender value, your policy will terminate.

It is important to know that loans (if not repaid) and withdrawals will negatively impact your policy value and any amounts paid under the LTC and life insurance benefits.

Additionally, your Residual Death Benefit will be reduced by an amount equal to 10% of any withdrawals or outstanding loan balances.

## You may be eligible for couples or health discounts

If you qualify, your policy's LTC monthly insurance charges may be reduced as follows:



$$+ = 20\% \text{ Couples Discount}$$

**Couples Discount** Members of a couple who apply together for a TLC policy may each be eligible for a 20% discount on their LTC monthly charges. The 20% discount may also be available to one person if the other is already covered by a long term care insurance policy or rider issued by Genworth Life.

If only one member of a couple applies for a TLC policy, a 10% discount may be available.

Couples Discounts will continue to apply even if their marital status changes in the future due to death, divorce or separation.



$$= 15\% \text{ Preferred Health Discount}$$

**Preferred Health Discount** If you are in good health, you may be eligible for a preferred health discount of up to 15% on your LTC monthly charges.

**It all adds up.** If you qualify for both couples and preferred health discounts, you can receive up to 35% off your LTC monthly insurance charges.

# We want you to know

## Exceptions and Limitations

**Non-Duplication** TLC does not cover Medicare deductibles and coinsurance expenses. TLC reimburses only for covered expenses that exceed what Medicare or other government health care programs or laws (except Medicaid) pay. However, any days that help satisfy Medicare deductibles, coinsurance expenses or days Medicare pays for services will be used to satisfy the TLC 90-day facility elimination period.

**Exclusions** Benefits are not paid for any expenses incurred for any covered care:

- Provided by immediate family members.  
An exception is made if the family member is a regular employee of the organization providing the service, the organization received payment for the service and the immediate family member receives only compensation normally provided to employees in that job.
- Provided by or in a Veteran's Administration or federal government facility, unless a valid charge is made to you or your estate.
- Provided outside the United States, its territories and possessions unless specifically provided for by a benefit.
- Resulting from alcoholism or drug addiction, except for an addiction to a prescription medication when administered in accordance with the advice of a physician.
- Resulting from war or any act of war (declared or not), intentional self-inflicted injury or attempted suicide.

## When You Apply for Your Policy

When you complete the application, you'll be asked questions about your nicotine use and medical history. Your insurance producer/agent may schedule an in-person interview, paid for by us. These interviews are conducted by an approved service provider. As part of the interview, medical information will be obtained and you may be asked to provide a blood and urine sample. You may also be asked questions about your daily activities and may be given a brief cognitive (memory) exercise. Some individuals may also receive a phone interview.

This information is used to determine whether you are eligible for insurance, and, if so, the amount of benefits your premium will buy.

Be sure to review the Outline of Coverage that will accompany the application for this policy. The Outline of Coverage contains more definitions and details about the product's features and benefits.

## Federal Tax Considerations

Generally, life insurance death benefits are payable to your beneficiary income tax free. In addition, the law provides that cash values that accumulate within a life insurance policy grow on an income tax-deferred basis and are not subject to income tax until withdrawn from the policy or if the policy terminates. Generally, this policy is a Modified Endowment Contract (MEC). However, if you pay for the policy entirely with the cash value proceeds of a non-MEC life insurance policy (under IRC section 1035), and contribute no additional premium, then this policy will not be a MEC. Withdrawals and policy loans taken from a MEC are taxable income under federal income tax law to the extent that there is any gain in the policy. An additional tax of 10% of the taxable amount may be due unless the owner is at least age 59½ or satisfies another exemption.

The LTC riders are intended to be federally tax-qualified. Benefits paid for qualified long term care services are received by you income tax free. Monthly charges to pay for the long term care features of this policy are not included in income, but reduce income tax basis. There is no medical expense income tax deduction.

# Why Genworth?

## Trust our experience and expertise

### **Strong history**

Our roots go back to 1871 with the founding of The Life Insurance Company of Virginia.

### **Product innovation**

We're an industry leader in the development of life insurance and long term care insurance products. Our years of experience have allowed us to design products and services to fit our customers' needs and a range of budgets, and help protect them and their loved ones.

### **Providing sound financial security**

We're dedicated to giving you one thing that is appreciated - the power of choice. By giving you the flexibility to decide what's best for you, you'll find the innovative solutions that can fit your needs.

### **We'll be here when your family needs us the most**

For over 140 years we've built our reputation on life insurance - paying benefits to families at the most critical moments of their lives. That's when they'll know you made the right choice - to rely on Genworth Life to help provide for them when you no longer can.

### **Important Information**

Genworth Life Insurance Company wrote this to help you understand the ideas discussed. Examples are hypothetical and used only to help you understand the ideas. They may not reflect your particular circumstances. Read the policy for full information about product features, benefits and limitations.

The tax information in this material was written to support the promotion and marketing of the policy. The Genworth companies and their representatives and distributors do not provide tax or legal advice. This material was not written for use by any taxpayer to avoid any Internal Revenue Service penalty. You should ask your independent tax and legal advisors for advice based on your particular situation.

Refer to the policy for full information about product coverage, features, benefits and limitations. This brochure provides a summary of coverage. Policy terms and provisions will prevail.

This is a solicitation for insurance. An insurance agent/producer will contact you.

Total Living Coverage<sup>®</sup> is underwritten by Genworth Life Insurance Company, Richmond, VA. Total Living Coverage universal life insurance with long term care benefits is subject to issue limitations and Policy Form No. ICC12-GL5000 and Rider Form Nos. ICC12-GL500R, ICC12-GL501R, ICC12-GL502R and ICC12-GL503R. Policy, benefits and riders may not be available in all states. Terms and conditions may vary by state.

All guarantees are based on the claims-paying ability of Genworth Life Insurance Company.

**Insurance and annuity products:**

- Are not deposits.
- May decrease in value.

- Are not insured by the FDIC or any other federal government agency.
- Are not guaranteed by a bank or its affiliates.