

DISCLOSURE STATEMENT FOR ACCELERATED BENEFITS RIDER

Accendo Insurance Company part of the CVS Health® family of companies and Aetna affiliate
1021 Reams Fleming Boulevard, Franklin, TN 37064

(Note: this disclosure only applies where the base policy has a face value of \$5000 or greater, in which case the Accelerated Benefits Rider is provided free of any additional premium charge.)

1. What is an accelerated benefit? An accelerated benefit is a portion of the death benefit paid because the insured is diagnosed as being terminally ill which results in the insured having a life expectancy of twelve months or less.
2. What payment options are available? Up to a maximum of 50% of the face amount if the insured is diagnosed with a terminal illness which results in the insured having a life expectancy of twelve months or less. The minimum benefit that may be requested is \$1,000. The maximum benefit that may be requested is \$15,000. This amount will be paid as a lump sum. The company may apply a portion of the accelerated death benefit to repay an outstanding policy loan but only up to the amount of the outstanding policy loan multiplied by the percentage of the policy death benefit that has been accelerated. There is an administrative fee of up to \$200 to use this benefit.
3. What is the premium for the Accelerated Benefits Rider? No additional premium is charged for an Accelerated Benefits Rider. Policy premiums are still due after taking the accelerated benefit.
4. How will taking an accelerated benefit affect my policy? The cash value, premium, and death benefits will be reduced by the same percentage as the accelerated benefit is to the face amount of the policy. An example is as follows:

Values prior to acceleration	50% acceleration calculation	After receiving 50% acceleration
Face amount.....\$10,000	1. Face amount = \$10,000	Net face amount.....\$5,000
Premium.....\$400	2. Maximum benefit available: 50% of face amount = \$5,000	Premium.....\$200
Cash value.....\$1,000	3. Minus 50% of outstanding loan: \$5,000 - 100 = \$4,900	Cash value.....\$500
Loan balance.....\$200	4. Minus administration fee: \$4,900 - \$200 = \$4,700 (accelerated benefit amount paid)	Loan balance.....\$100

The net face amount remaining at the insured's death will be paid to the named beneficiary at the insured's death if the policy is in force at that time. Upon a request to accelerate the policy death benefits and upon the payment of the accelerated death benefit, specific information about the effect of an accelerated benefit on policy values, death benefit, premium and loans will be provided to the policyowner and any irrevocable beneficiary. An amended policy schedule page will then be provided to the policyowner to reflect changes in death benefit and policy values as a result of any accelerated benefit payment.

5. Are there any limitations on the use of the accelerated benefit proceeds? There are no restrictions or limitations, except such proceeds may be subject to child support liens.
6. Are the accelerated benefit proceeds taxable? Benefits under this rider are intended to qualify for favorable tax treatment. However, there are circumstances under which these benefits may be taxable. You should consult a personal tax advisor. Receipt of accelerated benefit proceeds may adversely affect the recipient's eligibility for Medicaid or other governmental benefits or entitlements. The accelerated benefit proceeds do not and are not intended to qualify as long-term care insurance.
7. Is the exercise of the rider voluntary? You are not required to exercise the Accelerated Benefit and have the right to waive this benefit.

Applicant signature

Date

Owner signature (if not proposed insured)

Date

Agent signature

Date