

TRUSTMARK INSURANCE COMPANY
(Herein "company")
400 Field Drive, Lake Forest, IL 60045
(800) 918-8877

LONG TERM CARE INSURANCE RIDER
OUTLINE OF COVERAGE
Rider Form HH/LTC.205 (G) NC

CAUTION: The issuance of the Long Term Care Accelerated Benefit Rider is based upon your responses to the questions in your application. A copy of your application is enclosed. If your answers are incorrect or untrue, the company has the right to deny benefits or rescind your rider. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact the company at this address: 400 Field Drive, Lake Forest, Illinois 60045.

Notice to buyer: The rider may not cover all the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all certificate limitations.

The rider contains a Pre-existing Limitation. Please be sure to carefully read the exclusions and limitations section of the rider.

THE RIDER IS NOT A MEDICARE SUPPLEMENT RIDER. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare, which is available from the company. Neither Trustmark Insurance Company nor its agents represent Medicare, the federal government or any state government.

1. The rider is a group rider which was issued and approved in the state of North Carolina as a long term care insurance rider meeting the requirements of North Carolina law.
2. **PURPOSE OF OUTLINE OF COVERAGE.** This outline of coverage provides a very brief description of the important features of the rider. You should compare this outline of coverage to outlines of coverage from other riders available to you. This is not an insurance contract, but only a summary of coverage. Only the group rider and your Certificate contain governing contractual provisions. This means that the group rider and your Certificate set forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ YOUR RIDER CAREFULLY!
3. **FEDERAL TAX CONSEQUENCES.** Federal Tax Implications of the rider. The long-term care rider is not 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. Benefits received under the rider may be taxable as income.
4. **TERMS UNDER WHICH THE RIDER MAY BE CONTINUED IN FORCE OR DISCONTINUED.** RENEWABILITY: THE RIDER IS GUARANTEED RENEWABLE. This means you have the right, subject to the terms of your Certificate and rider, to continue the rider as long as you pay your premiums on time. Trustmark Insurance Company cannot change any of the terms of your rider on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

Waiver of Monthly Deduction: During the period company is paying benefits under the rider, company will also waive the monthly deduction for the Certificate and all riders. The Certificate will remain in force while company is paying benefits under the rider.

5. **TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS.** Company has the right to adjust the premium rates subject to applicable state laws and regulations. Any increase in premium rates will be done on a class basis. Premium rates are guaranteed not to change within the first year of the rider. After the first year premium rate adjustments

will be made no more frequently than once every 12 months. Company will not increase your premium rate because of your increasing age, or for the amount of time you have been covered under the rider. Company will give you a 45-day written notice before any premium rate adjustment.

- 6. TERMS UNDER WHICH RIDER MAY BE RETURNED AND PREMIUM REFUNDED.** You may return the rider within 30 days after you receive it, and company will refund any cost of insurance which you paid for the rider. The rider does not contain a provision providing for a refund or partial refund of premium upon the death of an insured or surrender of the contract or rider.
- 7. LONG-TERM CARE COVERAGE.** Riders of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community or in the home.

The rider provides coverage in the form of a fixed dollar indemnity benefit for covered long-term care expenses, subject to the rider and Certificate limitations and elimination period requirements.

8. BENEFITS PROVIDED BY THE RIDER.

Coverage includes benefits for:

- confinement in a Long Term Care Facility or Assisted Living Facility; or
- services for Home Health Care or Adult Day Care.

There are no deductibles and no waiting periods for the rider.

The elimination period is the first 90 days of services or confinement for each Benefit Period during which no benefits are payable.

The benefit maximums for the monthly Long Term Care Facility Benefit or Assisted Living Benefit are the greater of:

- 4% of the Death Benefit Amount at the end of the Elimination Period for that Benefit Period; or
- 4% of the Face Amount at the end of the Elimination Period for that Benefit Period.

For each Benefit Period the monthly Home Health Benefit or Adult Day Care Benefit will be the greater of:

- 4% of the Face Amount at the end of the Elimination Period for that Benefit Period;
- 4% of the Death Benefit Amount at the end of the Elimination Period for that Benefit Period; or
- \$750, which is the equivalent of twenty-five dollars (\$25) per day.

Benefits are payable for each month the Insured remains confined in a Long Term Care Facility or Assisted Living Facility; or receives Home Health or Adult Day Care following the Elimination Period, up to 25 months for all Benefit Periods for all covered confinements and services combined.

The total benefit payable for all Benefit Periods for all covered confinements and services combined cannot exceed the greater of the Face Amount or Death Benefit Amount.

Benefits payable for institutional and non-institutional are the same.

Increasing Amount of Benefit: Any increase to the Face Amount will also increase the Amount of Benefit. The additional Amount of Benefits will be based on attained age and current premium schedule.

Any long term care inflation protection option required by 11 NCAC 12.1009 is not required under the Long Term Care Accelerated Benefit Rider.

Eligibility for Payment of Benefits: In order for the benefit to be payable, the insured must require assistance in two or more of the Activities of Daily Living; or have Cognitive Impairment.

Activities of Daily Living means any of the following basic human functional abilities required for the insured to remain independent:

- Bathing which means washing oneself by sponge bath, or in a tub or shower, including the task of getting into and out of the tub or shower;
- Continence which means the ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag);
- Dressing which means putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs;
- Eating which means feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table); or by feeding tube or intravenously;
- Toileting which means getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene and
- Transferring which means moving into or out of a bed, chair, or wheelchair.

Cognitive Impairment means deterioration or loss of functional capacity as measured by clinical evidence and standardized tests which measure impairment in the areas of: short or long-term memory; orientation as to person, place, and time; deductive and abstract reasoning; and judgment as it relates to safety awareness. The deterioration or loss must place an individual in jeopardy of harming self or others and thus require continual supervision by another individual.

Licensed or certified professionals, such as Licensed Health Care Practitioners, will perform assessments of Activities of Daily Living and Cognitive Impairment.

9. LIMITATIONS AND EXCLUSIONS. The rider does not pay benefits for loss:

- Due to mental, psychoneurotic or personality disorders without clinically diagnosed organic disease. However, nervous or mental disorders which are caused by clinically diagnosed organic disease, such as Alzheimer's Disease and related degenerative and dementing illnesses are covered.
- Incurred while residing or confined outside the United States and Canada.
- Due to chronic alcohol or drug addiction, unless the addiction results from administration of drugs for treatment prescribed by a Licensed Health Care Practitioner.
- In any facility for which no charge is made to the insured.
- Due to illness, treatment or medical conditions arising out of:
 - war or act of war (whether declared or undeclared), except for acts of terrorism;
 - participation in a felony, riot or insurrection;
 - service in the armed forces or units auxiliary thereto;
 - attempted suicide or intentionally self-inflicted Injury; or
 - normal pregnancy and childbirth. However, Complications of Pregnancy are considered as Sickness under the rider.
- Which does not satisfy all the conditions stated in the provision captioned Conditions on Eligibility for Benefits.

THE RIDER MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

PRE-EXISTING CONDITION LIMITATION. The rider does not pay benefits for loss due to a Pre-existing Condition that starts during the first six (6) months after the application date for the rider. We will waive any time periods that apply to Pre-Existing Conditions and probationary periods that You satisfied under a previous certificate that the rider is replacing.

10. **RELATIONSHIP OF COST OF CARE AND BENEFITS.** Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of the plan may be adjusted.

The level of benefits under the rider is directly related to the death benefit under the Certificate, excluding any term rider. If your Certificate has Death Benefit Option A, the death benefit is generally related to the Face Amount of the Certificate and, therefore, would remain level. Whereas, if your Certificate has Death Benefit Option B, the death benefit normally increases over time as it includes the Accumulated Value. The level of benefit may be increased by increasing the death benefit of the Certificate to which the rider is attached, but only before benefits begin. Any increase in the Certificate death benefit is subject to the terms of the Certificate. The cost for any additional benefit added as described above will be calculated on the same basis as the level of benefits prior to the increase.

You may have the option to apply for additional benefits. The total Face Amount cannot exceed \$300,000. Additional premium will be calculated in the same manner as the premium calculated for the rider initially purchased, and may be subject to underwriting. The additional Amount of Benefits will be based on attained age and current premium schedule. No inflation protection is required on the rider.

11. **ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.** The rider provides coverage for insureds clinically diagnosed as having Alzheimer's disease or related degenerative and dementing illnesses. Coverage includes loss due to nervous or mental disorders which are caused by demonstrable, clinically diagnosed organic disease, such as Alzheimer's Disease and related degenerative and dementing illnesses.
12. **PREMIUM.** Total annual premium for benefits selected: _____
13. **ADDITIONAL FEATURES.** Issue of the rider is subject to the insured furnishing evidence of insurability satisfactory to company, and may be subject to medical underwriting.
14. CONTACT THE NORTH CAROLINA SENIOR'S HEALTH INSURANCE INFORMATION PROGRAM (SHIIP) IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG TERM CARE ACCELERATED BENEFIT RIDER.

**Seniors' Health Insurance Information Program
11 South Boylan Avenue
Raleigh, NC 27603**

1-800-443-9354