

Quality of Life Rider

The Family Protection Plan: Term life insurance with Terminal Illness coverage to age 100

With the Family Protection Plan (FPP), you can provide financial stability for your loved ones should something happen to you. You have peace of mind that you are covered up to age 100.* No matter what the future brings, you and your family will be protected.

If faced with a chronic medical condition that required continuous care, would you be able to protect yourself? Traditionally, expenses associated with treatment and care necessitated by a chronic injury or illness have accounted for 86%¹ of all health care spending and can place strain on your assets when you need them most. To provide protection during this time of need, 5Star Life Insurance Company (5Star Life) is pleased to offer the Quality of Life Rider, which is included with your FPP life insurance coverage.

This rider accelerates a portion of the death benefit on a monthly basis - 3% or 4% - each month as scheduled by your employer at the group level, and payable directly to you on a tax favored basis. You can receive up to 75% of the current face amount of the life benefit, following a diagnosis of either a chronic illness or cognitive impairment that requires substantial assistance.

Benefits are paid for the following:

- Permanent inability to perform at least two of the six Activities of Daily Living (ADLs) without substantial assistance, or
- A permanent severe cognitive impairment, such as dementia, Alzheimer's disease and other forms of senility requiring substantial supervision.

Example	Weekly premium	Death benefit	Accelerated benefit	
Your age at issue: 35	\$10.00	\$89,655	3% \$2,689.65 a month	4% \$3,586.20 a month

In case of chronic illness, you would receive either **\$2,689** or **\$3,586** each month up to **\$67,241.25**. The remainder death benefit of **\$22,413.75** would be made payable to your beneficiary.



86% of all health care costs are spent on chronic injury or illness.¹



62% of bankruptcies in the US are a result of medical costs.²

* Life insurance product underwritten by 5Star Life Insurance Company (a Baton Rouge, Louisiana company). Product may not be available in all states or territories. Request FPP insurance from Dell Perot, Post Office Box 83043, Lincoln, Nebraska 68501, (866) 863-9753.

¹ www.cdc.gov/chronicdisease/overview/ Gerteis J, Izrael D, Deitz D, LeRoy L, Ricciardi R, Miller T, Basu J. Multiple Chronic Conditions Chartbook. AHRQ Publications No, Q14-0038. Rockville, MD: Agency for Healthcare Research and Quality; 2014. Accessed November 18, 2014.

² www.businessweek.com/bwdaily/dnflash/content/jun2009/db2009064_666715.htm



Administrative Office: PO Box 83043, Lincoln, NE 68501 • 866-863-9753 • www.5starima.com

(Hereafter called “the Company,” “We,” “Us,” or “Our”)

“QUALITY OF LIFE” ACCELERATED DEATH BENEFIT RIDER

This is an optional Rider that provides an Accelerated Death Benefit for Chronic Illness and Terminal Illness. Election of this Rider will void the “Accelerated Benefit for a Terminal Condition” provisions that are contained in the Policy to which this Rider is attached.

This Rider, including the Endorsement for Rider Specifications page, is attached to and made a part of the Policy to which it is attached. The underlying policy is a Term to Age 100 life insurance policy that does not include COI (cost of insurance) charges, loans, non-forfeiture values or liens. This Rider is issued in consideration of the Application and payment of any required payment of premium. This Rider is subject to all terms, conditions, limitations and exceptions of the Policy, except where changed by this Rider.

IMPORTANT NOTICES TO OWNER

- (1) **The underlying policy’s Coverage Amount will be reduced if an Accelerated Death Benefit is paid.**
- (2) **The payment of the Overall Maximum Death Benefit Amount of 75% will cause termination of this Rider but the Policy will remain in force subject to its conditions and the reduced Coverage Amount.**
- (3) **Although the Accelerated Death Benefits for Chronic Illness and Terminal Illness are intended to qualify for favorable tax treatment there are circumstances when receipt of an accelerated benefit payment may be taxable. Receipt of this benefit may adversely affect Your eligibility for Medicaid or other government benefits or entitlements and may have income tax consequences. You should consult Your personal tax advisor and the Social Security Administration as well as other applicable social service agencies before requesting this benefit.**
- (4) **This Rider does not provide coverage for confinement in a nursing home facility or long term care benefits.**

EFFECTIVE DATE

This Rider is effective on the same date as the Effective Date of the Policy.

DEFINITIONS

Capitalized terms used in this Rider are used with the meanings assigned to them in the Policy or this Rider.

Activities of Daily Living means an activity that occurs every day. Each of the activities that are listed below is considered an Activity of Daily Living:

- (1) **Eating:** Feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table), or by a feeding tube, or intravenously.
- (2) **Toileting:** Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- (3) **Transferring:** Moving into and out of a bed, chair or wheelchair.
- (4) **Bathing:** Washing oneself by sponge bath or in either a tub or shower, including the task of getting into or out of the tub or shower.
- (5) **Dressing:** Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- (6) **Continence:** 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. This includes caring for a catheter or colostomy bag.

Chronic Illness means:

- (1) the permanent inability to perform, without Substantial Human Assistance, at least two Activities of Daily Living; and
- (2) for periodic payments, that within the preceding 12-month benefit period a Licensed Health Care Practitioner has certified that the Insured meets the definition of a Chronically Ill Individual; and
- (3) for permanent Severe Cognitive impairment and similar forms of dementia, that Substantial Supervision is required.

Chronically Ill Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

- (1) being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living for a period of at least 90 days due to a loss of functional capacity; or
- (2) requiring Substantial Supervision to protect the Insured from threats to his or her health and safety due to Severe Cognitive Impairment.

If the Licensed Health Care Practitioner certifies that the Insured will need Substantial Human Assistance for the rest of the Insured's life, the above 90-day requirement is satisfied by the expectation that the Insured will be unable to perform at least two Activities of Daily Living prospectively.

Coverage Amount means the death benefit payable under the terms of the Policy including any increases resulting from an optional automatic increase rider.

Elimination Period means the consecutive number of days that the Chronically Ill Individual must meet as described in the Conditions for Eligibility for Chronic Illness benefits. There will be no Chronic Illness benefits paid during this period. The Elimination Period will start from the first day that the Chronically Ill Individual is certified by a Licensed Health Care Practitioner as: (1) being Unable to Perform without Substantial Human Assistance at least two Activities of Daily Living; or (2) having a Severe Cognitive Impairment that requires Substantial Supervision to protect the Chronically Ill Individual from threats to his or her health and safety. The Elimination Period for the Chronic Illness benefit will be shown in the Endorsement for Rider Specifications page. The Elimination Period only needs to be satisfied once during the Insured's lifetime. If the Licensed Health Care Practitioner certifies that the Insured will need Substantial Human Assistance for the rest of the Insured's life, the Elimination Period requirement is satisfied by the expectation that the Insured will be unable to perform at least two Activities of Daily Living prospectively.

Immediate Family means the Insured's or Your spouse, child, brother, sister, parent, grandparent or grandchild.

Insured means the individual who has a Terminal Illness or a Chronically Ill Individual who is the Insured under the Policy to which this Rider is attached.

Licensed Health Care Practitioner means any Physician, Registered Professional Nurse, or Licensed Social Worker.

Licensed Social Worker means a health care professional that is licensed in the state in which he or she practices. The Social Worker must be practicing within the scope of their license. A Licensed Social Worker does **not** include a member of the Insured's or Your Immediate Family. A Licensed Social Worker does **not** include anyone who resides in the Insured's or Your home or residence.

Owner means the Insured, unless another owner is named in the Application or otherwise changed as provided in the Policy.

Physician means an individual who is licensed to practice medicine and treat injury or illness in the state in which treatment is received and who is acting within the scope of that license. A Physician must be someone other than:

- (1) the Insured; or
- (2) the Owner; or
- (3) a person who lives with the Owner or the Insured; or
- (4) a person who is part of the Owner's or the Insured's Immediate Family.

Registered Professional Nurse means a health care professional that is licensed or registered as a professional graduate nurse by the state in which he or she practices. The Registered Nurse must be practicing within the scope of that license.

Severe Cognitive Impairment means a deficiency in: the Insured's short-term or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness. Diagnosis must be established by clinical evidence and standardized tests that can accurately measure the Insured's loss. An example of such an Impairment that is covered under this Benefit is Alzheimer's disease and other forms of senility, senile dementia and irreversible dementia.

Substantial Human Assistance means actual hands-on assistance that is provided by another individual.

Substantial Supervision means continuous, arms-length supervision. This includes, but is not limited to, verbal cueing by another individual to protect the Insured from harming himself/herself or others, or from threats to the Insured's health and safety.

Terminal Illness means a medical condition that is reasonably expected to result in a drastically limited life span for the Insured of 12 months or less.

Unable to Perform an Activity of Daily Living means that the Insured cannot perform an activity without Substantial Human Assistance, even if the Insured uses some equipment.

You or Your refer to the Owner.

ACCELERATED DEATH BENEFIT FOR TERMINAL ILLNESS

The Terminal Illness Benefit Amount is a percentage of the Coverage Amount, payable in a lump sum as shown on the attached Endorsement for Rider Specifications page. We will pay You the full percentage of the Coverage Amount elected, subject to any processing charge of up to \$250, based on a present value calculation at a 0% interest rate with no actuarial discount.

Upon a request to accelerate the policy Coverage Amount and upon the payment of the Accelerated Death Benefit for Terminal Illness, You and any irrevocable beneficiary will be given a statement entitled "Endorsement for Effect of Acceleration of Benefits" showing any processing charge and the effect of the acceleration of the payment of the Coverage Amount on the death benefit and premiums.

Conditions for Eligibility for Payment of Terminal Illness Benefits

The option to receive a portion of the Coverage Amount can be made when the Insured becomes eligible for benefits. To qualify for benefits, the following conditions for Terminal Illness benefits must be met.

- (1) The Insured has a Terminal Illness as certified by a physician licensed in the United States; and
- (2) Documentation of the diagnosis of Terminal Illness is supported by clinical, radiological, histological, or laboratory evidence of the Terminal Illness; and
- (3) the Coverage provided to the Insured by the Policy to which this Rider is attached is in force; and
- (4) all irrevocable beneficiaries and assignees have signed the written request for this benefit.

We reserve the right to require a second or third medical opinion to confirm benefit eligibility. The second or third medical opinions are at Our expense. The second medical opinion may include a physical examination by a Physician designated by Us. In the case of conflicting opinions, eligibility for the Accelerated Death Benefit shall be determined by a third medical opinion that is provided by a Physician that is mutually acceptable to the Insured and to the Company.

If the Insured dies following the election to receive this Accelerated Death Benefit, but prior to receipt of such benefit, We will cancel this Rider and pay the Coverage Amount in accordance with the terms of the Policy.

ACCELERATED DEATH BENEFIT FOR CHRONIC ILLNESS

The Chronic Illness Benefit Amount is a percentage of the Coverage Amount, payable in a lump sum or monthly payment option as shown on the attached Endorsement for Rider Specifications page. For all options, We will pay You the full percentage of the Coverage Amount elected, subject to any processing charge of up to \$250, based on a present value calculation at a 0% interest rate with no actuarial discount.

Upon a request to accelerate the policy Coverage Amount and upon the payment of the Accelerated Death Benefit for Chronic Illness, You and any irrevocable beneficiary will be given a statement entitled "Endorsement for Effect of Acceleration of Benefits" showing any processing charge and the effect of the acceleration of the payment of the Coverage Amount on the death benefit and premiums.

Conditions for Eligibility for Payment of Chronic Illness Benefits

The option to receive a portion of the Coverage Amount can be made when the Insured becomes eligible for benefits. To qualify for benefits, the following conditions for Chronic Illness benefits must be met.

- (1) The Insured is a Chronically Ill Individual as certified by a Licensed Health Care Practitioner; and
- (2) The Insured has satisfied the Elimination Period; and
- (3) the Coverage provided to the Insured by the Policy to which this Rider is attached is in force; and
- (4) all irrevocable beneficiaries and assignees have signed the written request for this benefit.

We reserve the right to require a second or third medical opinion to confirm benefit eligibility. The second or third medical opinions are at Our expense. The second medical opinion may include a physical examination by a Physician designated by Us. In the case of conflicting opinions, eligibility for the Accelerated Death Benefit shall be determined by a third medical opinion that is provided by a Physician that is mutually acceptable to the Insured and to the Company.

If the Insured dies following the election to receive this Accelerated Death Benefit, but prior to receipt of such benefit, We will cancel this Rider and pay the Coverage Amount in accordance with the terms of the Policy.

GENERAL PROVISIONS CONCERNING TERMINAL ILLNESS AND CHRONIC ILLNESS BENEFITS

PREMIUMS AND WAIVER OF PREMIUMS

The premium for this Rider will be shown on the Endorsement for Rider Specifications page. There is no extra premium for the Terminal Illness benefit. However, upon Our approval of an acceleration of the Coverage Amount to be paid as described in this Rider, We will waive the premiums due for the Coverage Amount provided by the Policy, including the premiums for all optional riders attached to the Policy. If the qualifying events for the accelerated benefits described in this Rider no longer apply, then the premium payments will be reduced proportionally to the reduction in Coverage Amount.

Processing Charge: A processing charge up to a maximum of \$250 may be charged at the time an Accelerated Death Benefit Amount becomes payable and, if charged, will be deducted directly from that amount. If charged, the processing charge will only be charged once in the event that the Insured becomes eligible for more than one acceleration.

FORM OF PAYMENTS

Benefit payments may be made as a lump sum or as a series of periodic payments as set forth on the Endorsement for Rider Specifications page.

MAXIMUM ACCELERATED DEATH BENEFIT AMOUNTS

In no event will a Terminal Illness or Chronic Illness benefit exceed the specific percentage maximum for either benefit that is shown in the Endorsement for Rider Specifications page.

OVERALL MAXIMUM ACCELERATED DEATH BENEFIT AMOUNT

In no event will the combination of Chronic Illness or Terminal Illness Benefit Amounts that are payable under this Rider as shown in the Endorsement for Rider Specifications page exceed 75% of the Coverage Amount.

EFFECT ON THE POLICY BENEFITS IF BENEFITS ARE PAID

Adjusted Coverage Amount Due to Acceleration: The Coverage Amount that is payable at the death of the Insured will be reduced by the total of all Chronic Illness and/or Terminal Illness benefit payments paid to You, whether as a lump sum or as the aggregate of all periodic payments made to You, but in no event by more than the specific Chronic Illness benefit or Terminal Illness benefit maximums or the Overall Maximum Accelerated Death Benefit Amount. If the Insured dies while the Policy is in force, the remaining Coverage Amount proceeds will be paid to

the Beneficiary. No further payments under this Benefit will be made to You.

A statement entitled "Statement of Effect of Acceleration of Benefit" showing the effect of the acceleration of payment on the Coverage Amount and the premium and showing the Processing Charge, if any, will be provided.

Restriction on Changes to Policy and Benefits: If benefits are being paid for accelerated death benefits no changes may be made to the Coverage Amount provided by the Policy. Additionally, no changes can be made to any optional rider attached to the Policy.

PAYMENT PROCEDURES

Payment of Claims: All benefits will be paid to You, unless You designate a different payee. Payment of the Accelerated Death Benefit, whether on a lump sum or as a series of periodic payments basis, will be made immediately upon receipt of due written proof of eligibility.

Adjustment of the Death Benefit: If benefit payments are paid after the Insured has died, but before notification of death has been received by the Company, We will reduce the Death Benefit by the amount of these benefit payments.

If the Insured dies before all payments of the accelerated death benefit are made, We will deduct the amount already accelerated from the Coverage Amount and pay the remaining amount to the Beneficiary.

Contestability: This Benefit will be contestable on the same basis as the Coverage under The Policy.

Suicide: If the Insured dies by suicide, while sane or insane, within two years from the Benefit Effective Date, the coverage under this Benefit will terminate. Any premiums refunded under the Suicide Exclusion provision of The Policy will be reduced by the amount of any accelerated benefits paid under this Benefit.

Termination of this Benefit:

This Benefit will terminate at the earliest of:

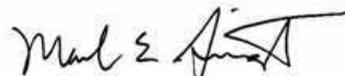
- (1) On the date the Overall Maximum Accelerated Death Benefit Amount reaches 75% of the Coverage Amount;
- (2) Upon written request from the Owner;
- (3) Upon termination of the Policy; or
- (4) Upon nonpayment of any separate premium for the Benefit, in accordance with the provisions of the Rider or the Policy.

Cancellation of this Benefit: This benefit may be cancelled by a written request from You. The date of cancellation will be the date We receive the written request at our Administrative Office. We will refund a pro rata part of any premium paid for this benefit beyond that date. Cancellation of this Benefit shall not prejudice the payment of any benefits for any qualifying event that occurred while the Rider was in force.

5 STAR LIFE INSURANCE COMPANY



Secretary



President