



Terminal Illness Rider Instruction Sheet

(For use with the Accelerated Death Benefit Form)

If the Terminal Illness Rider is not desired, please disregard this instruction sheet and attached form.

Eligibility for the Terminal Illness Rider varies by state.

The attached form is not required in any state not listed below.

Please use the following information for the following states:

AL, AR, CT, DC, IN, KS, LA, MA, MI, MN, MS, NC, OH, OK, OR, TX, VA, and WA.

- If the applicant is requesting the Terminal Illness Rider on any product that has this rider available, the attached form (AGLC102084 or AGLC101954-MA) must be completed and submitted with the application packet.
- On the Part A, check the Terminal Illness box in the Rider / Benefit section.

Note: DO NOT submit this instruction sheet with the application packet.

Disclosure of Accelerated Death Benefits
(Also known as Terminal Illness Rider)

American General Life Insurance Company

Disclosure Statement For Accelerated Death Benefits
Required At Time Of Application For Policy

Limitations of the Accelerated Benefit:

You may use the money you receive from the Terminal Illness Accelerated Benefit Rider for any purpose. Unlike conventional life insurance proceeds, accelerated benefits payable under this rider **COULD BE TAXABLE IN SOME CIRCUMSTANCES**. We recommend that you contact a tax advisor when making tax-related decisions about electing to receive and use benefits from this accelerated benefit product.

A. Consequences of This Benefit:

Receipt of accelerated benefits **MAY AFFECT YOUR ELIGIBILITY FOR MEDICAID and SUPPLEMENTAL SECURITY INCOME ("SSI")**, or other government programs. In addition, exercising the option to accelerate death benefits and receiving those benefits before you apply for these programs, or while you are receiving government benefits, may affect your initial or continued eligibility. Contact the Medicaid Unit of your local Division of Medical Assistance and the Social Security Administration for more information.

Effects of the benefit payment:

1. We will defer premiums on the policy and any attached riders;
2. A lien against future policy benefits will be established;
3. Any unpaid policy loan will be added to the lien;
4. The amount of the lien and any policy loan will be deducted from the Death Benefit;
5. Interest will accrue daily on paid out benefits and any deferred premiums.

B. Medical Condition(s) Enabling Accelerating of Life Benefit:

Terminal Illness means a condition that a physician certifies will reasonably be expected to result in death in 24 months or less as specified in the Terminal Illness Accelerated Benefit Rider.

C. Option:

The Terminal Illness Benefit is a one time acceleration of up to 50% of the death benefit proceeds payable under the base policy, but not to exceed \$250,000.

D. Premium for Accelerated Benefit:

NONE, there is no additional charge for the Terminal Illness Accelerated Benefit Rider.

E. Administrative Expense Charge:

On the date the accelerated benefit is paid under this rider, an administrative fee not to exceed \$500.00 will be established as a lien against future policy benefits.

Applicant's Signature

X

Applicant signed on (date) _____

Agent's Signature

X _____

Agent signed on (date) _____

Agent Instructions: Please provide a copy of this form to the applicant and retain a copy for yourself.

