



Transamerica Life Insurance Company
Home Office:
Cedar Rapids, IA 52499
Administrative Office:
4333 Edgewood Rd NE
Cedar Rapids, IA 52499

Terminal Illness, Chronic Illness and Critical Illness Accelerated Death Benefit Options Disclosure

This disclosure form provides a brief description of the accelerated death benefit options available under your policy. For details regarding your rights and obligations under the policy, please read your policy carefully. Accelerated benefits are payments made to you during the lifetime of the Insured in lieu of payment of the full death benefit of the policy.

Terminally Ill means the Insured has a medical condition, resulting from bodily injury or disease, or both, which is expected to result in the death of the Insured within 12 months of diagnosis.

Chronically Ill means the Insured:

- (a) Is unable to perform without substantial assistance from another person for a period of at least 90 days, at least two out of six Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting and Transferring); or
- (b) Requires substantial supervision by another person, for a period of at least 90 consecutive days, to protect the Insured from threats to health and safety due to Severe Cognitive Impairment.

Critically Ill means the Insured has been diagnosed with one or more of the following health conditions:

- (a) Heart Attack
- (b) Stroke
- (c) Cancer
- (d) End Stage Renal Failure
- (e) Major Organ Transplant

Conditions Under which Accelerated Benefits May be Elected: If the Insured becomes Terminally Ill, Critically Ill or Chronically Ill while this policy is In Force, you may elect to receive an Accelerated Death Benefit payment subject to the provisions of the policy and the following conditions:

1. You must provide us with the required certification applicable to the requested form of Accelerated Death Benefit.
2. This policy must be In Force at the time of your Accelerated Death Benefit request; and
3. The Face Amount of this policy at the time the Accelerated Death Benefit request is received must be at least \$25,000; and
4. You must have completed any applicable waiting period (30 calendar days for Critical Illness due to sickness; and 30 calendar days for Chronic Illness).
5. At the time you request to exercise the Accelerated Death Benefit option, there must be at least two (2) years remaining before the Expiry Date of the policy; and
6. We must receive the consent of all irrevocable beneficiaries (if any) and all assignees (if any) in a form acceptable to us.

If we approve your acceleration request, we will make the payment on the next Monthly Policy Date.

Amount of Benefit: The Accelerated Death Benefit payment we make to you will be less than the amount of the death benefit which you request to accelerate. For each form of Accelerated Death Benefit, the Accelerated Death Benefit payment for the amount of the death benefit which you request to accelerate will be calculated as A - B - C - D where A, B, C, and D are determined as follows:

- A. The present value of the amount of the death benefit which you request to accelerate, which will be calculated using specific factors and an annual discount interest rate as described in your policy form.
- B. Any due or unpaid premium if we make payment during the grace period.
- C. The actuarial present value of future premiums, excluding any applicable policy fees and rider premiums that would otherwise be payable to keep this policy In Force during the period of the Insured's remaining lifetime at time of the acceleration, using the applicable rated age, mortality table, and interest rate. For the Terminal Illness Accelerated Death Benefit, the future premiums are assumed to be zero.
- D. An administrative charge for each Accelerated Death Benefit request. The administrative charge for each Accelerated Death Benefit request as of January 1, 2012 is \$350, but will be subject to future increases based on cumulative annual cost-of-living increases as measured by the Consumer Price Index for All Urban Consumers (CPI) since January 1, 2012. Cumulative annual cost of living increases will not exceed 5% per calendar year. In the event that the CPI is no longer published, a substantially similar index will be used.

If we approve your request for a Chronic Illness Accelerated Death Benefit or Critical Illness Accelerated Death Benefit, the amount that may be payable will be based in part on the nature and severity of the Insured's health condition and the Insured's remaining life expectancy at the time of the acceleration. The longer the Insured's remaining life expectancy, the lower the payment amount will be. The shorter the Insured's remaining life expectancy, the higher the payment amount will be.

Maximum Benefit: The maximum death benefit you may accelerate over the lifetime of the Insured is equal to the lesser of:

- 1. 90% of the Face Amount of this policy for Critical Illness and Chronic Illness; 100% of the Face Amount of this policy for Terminal Illness; or
- 2. \$500,000, including all other Accelerated Death Benefits previously elected or currently under review under all policies, endorsements or riders issued by us or our affiliates on the life of the Insured.

If the Insured is Chronically Ill and you elect to take annual payments instead of the single lump sum payment, the maximum death benefit you may accelerate in any 12 month period is 24% of the Face Amount of the policy at the time the option is exercised.

Effect of Benefit on Policy: The policy's Face Amount will be reduced by the amount of the death benefit accelerated. If less than the full Face Amount is accelerated, the premium payable after the Accelerated Death Benefit is paid will also be reduced. The reduced premium will equal the appropriate premium rate applied to the reduced face amount plus any applicable policy fee. We will provide you with information showing the reduced face amount resulting from the accelerated death benefit payment.

Payment of Accelerated Benefits will reduce the death benefit otherwise payable under the policy. Receipt of Accelerated Benefits may be a taxable event. Please consult your personal tax advisor to determine the tax status of any benefits paid under these options.

By signing below, you agree that you have read the above and received a copy of this disclosure form.

Date

Owner's (Applicant's) Signature

Agent's Signature

IMPORTANT: The signed original must be submitted with the application for life insurance. The copy is to be left with the applicant.