

Hybrid Life/Long-Term Care Insurance-IRA Money

Hans and Tom feature another Tom & Chelsey illustration to discuss LTC in the video entitled “Hybrid Life/Long-Term Care Insurance-IRA Money”.

	HYBRID LIFE/LONG-TERM CARE INSURANCE-IRA MONEY		
S.S	TOM + CHELSEY - 64 COUPLE - RETIRE JAN 2025 \$750,000 TAXABLE INVESTMENTS \$2,500,000 TAX DEFERRED IRA \$230,000 CASH \$12,000 MONTHLY SPENDING (AFTERTAX)	LIFE/LONG-TERM CARE -\$250,000 IRA TRANSFER -\$31,250 ANNUAL INS FOR 10 YEARS -\$230,000 DEATH BENEFIT -\$9,600/MONTHLY LTC BENEFIT PER PERSON -UNLIMITED DURATION	INCOME
<input type="checkbox"/>			<input type="checkbox"/>
MED	CURRENT PLAN - 90% SUCCESS -BOTH START SOCIAL SECURITY JAN 2025 -SUPPLEMENT SPENDING FROM CASH + TAXABLE ACCOUNTS -DELAY TAKING FROM IRA TO AGE 75 (RMD) -PAY AS LITTLE TAX AS POSSIBLE NOW		ESTATE
<input type="checkbox"/>			<input type="checkbox"/>
LTC	PROPOSED PLAN -DELAY SOCIAL SECURITY TO JAN 2030 -PURCHASE SPIA FROM TAXABLE MONEY -PURCHASE INCOME ANNUITY FROM IRA -PURCHASE HYBRID LIFE/LONG-TERM CARE INS \$250,000 IRA TRANSFER \$9,600/MONTHLY LIFETIME BENEFIT		TAXES
<input type="checkbox"/>			<input type="checkbox"/>
401K/IRA			
<input type="checkbox"/>			

The information and opinions contained herein are provided by third parties and have been obtained from sources believed to be reliable, however, we make no representation as to its completeness or accuracy. The information is not intended to be used as the sole basis for financial decisions, nor should it be construed as advice designed to meet the particular needs of an individual's situation. Content is provided for informational purposes only and is not a solicitation to buy or sell any products mentioned.

Any examples used are for illustrative purposes only and do not take into account your particular investment objectives, financial situation or needs and may not be suitable for all investors. It is not intended to project the performance of any specific investment and is not a solicitation or recommendation of any investment strategy.

Insurance Can Lead To A

More Successful

Retirement

Thomas Griffith, CFP®

Vice President

Cardinal Advisors

**FORUM
MAX**

Profile

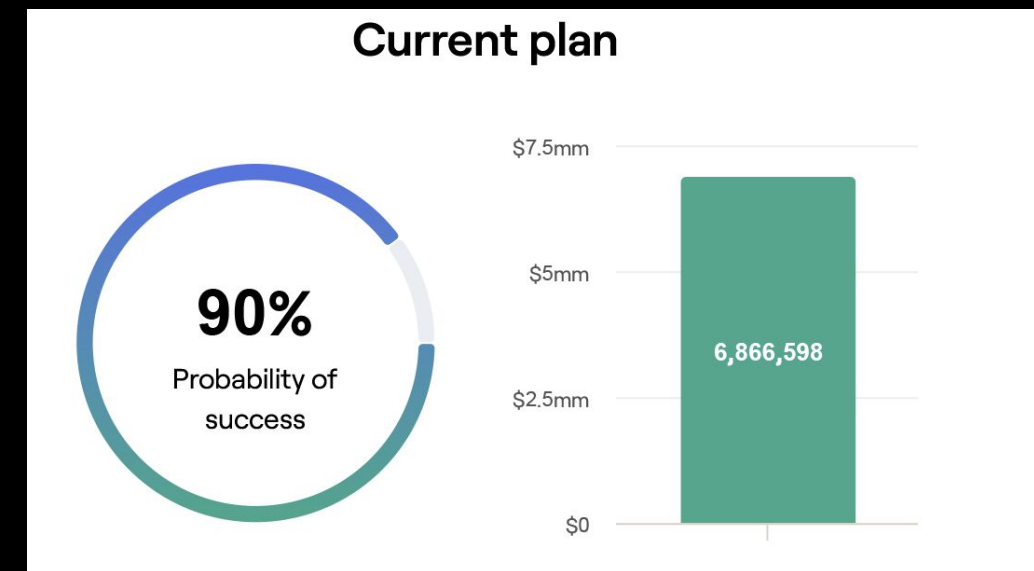
- Thomas and Chelsey: 64-year-old couple retiring January 1st of 2025.
- Net worth of \$4,230,000 (\$230K of cash, \$750,000 of taxable investments, and \$2,500,000 of tax deferred investments).
- Thomas is planning to start Social Security as soon as he retires
- Chesley was a stay-at-home mom and only qualifies for spousal benefits.
- Monthly spending of \$12,000/month after tax

Balance Sheet Details

Description	Thomas	Chelsey	Total
Assets			
Cash			
Checking	\$30,000		\$30,000
High Yield Savings	\$200,000		\$200,000
Total Cash	\$230,000	\$0	\$230,000
Invested Assets			
Non-qualified			
Taxable Brokerage	\$750,000		\$750,000
Qualified			
Rollover IRA	\$2,500,000		\$2,500,000
Total Invested Assets	\$3,250,000	\$0	\$3,250,000
Real Estate Assets			
Primary Home	\$750,000		\$750,000
Total Real Estate Assets	\$750,000	\$0	\$750,000
Total Assets	\$4,230,000	\$0	\$4,230,000
Net Worth			
Total Net Worth	\$4,230,000	\$0	\$4,230,000

Current Plan

- Take Social Security at retirement
- Supplement cash flow out of taxable savings and cash
- Delay taking money out of IRA until RMDs start at 75



Cash Flows – Current Plan

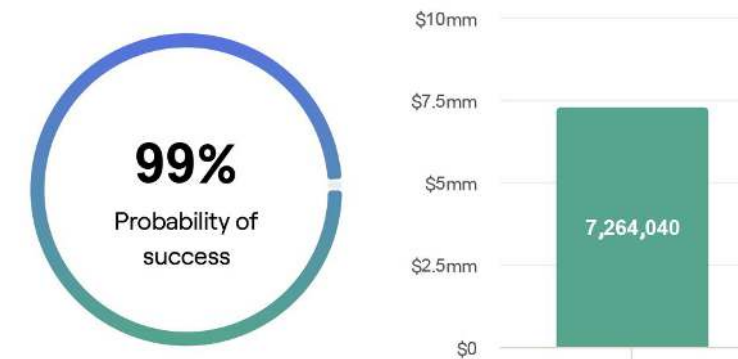
Summary

Year	Age	Cash Inflows				Cash Outflows					Net Flows
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment	Planned Saving	Total Outflows	
2025	65/65	53,643	0	0	53,643	144,000	0	732	0	144,732	(91,089)
2026	66/66	59,983	0	0	59,983	147,600	0	1,505	0	149,105	(89,122)
2027	67/67	61,481	0	0	61,481	151,290	0	1,589	0	152,879	(91,398)
2028	68/68	63,018	0	0	63,018	155,072	0	2,491	0	157,563	(94,545)
2029	69/69	64,594	0	0	64,594	158,949	0	2,618	0	161,567	(96,974)
2030	70/70	66,209	0	0	66,209	162,923	0	2,711	0	165,633	(99,424)
2031	71/71	67,865	0	0	67,865	166,996	0	2,766	0	169,762	(101,897)
2032	72/72	69,562	0	0	69,562	171,171	0	2,782	0	173,953	(104,391)
2033	73/73	71,300	0	0	71,300	175,450	0	2,756	0	178,206	(106,905)
2034	74/74	73,082	0	0	73,082	179,836	0	2,684	0	182,520	(109,438)
2035	75/75	74,910	193,096	0	268,007	184,332	0	55,387	0	239,719	28,287
2036	76/76	76,783	205,571	0	282,354	188,940	0	59,733	0	248,673	33,681
2037	77/77	78,702	217,880	0	296,581	193,664	0	64,108	0	257,772	38,809
2038	78/78	80,670	231,928	0	312,597	198,506	0	69,136	0	267,642	44,956
2039	79/79	82,687	246,855	0	329,543	203,468	0	74,554	0	278,022	51,521
2040	80/80	84,754	262,730	0	347,484	208,555	0	80,393	0	288,948	58,537

Proposed Plan

- Thomas delay Social Security until age 70.
- Chelsey file for her spousal benefits at once Thomas files
- Purchase a 5 year period certain SPIA out of their taxable funds to bridge the gap from 65 to age 70.
- Purchase a fixed indexed annuity with an income rider to start at age 70 to supplement their income.
- Roth conversion up the 24% tax bracket
- Purchase a Hybrid LTC policy out of their IRA funds to cover the LTC risk.

Proposed plan



Cash Flows – Proposed Plan

Summary

Year	Age	Cash Inflows			Cash Outflows				Net Flows		
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment		Planned Saving	Total Outflows
2025	65/65	150,000	0	0	150,000	144,000	0	102,941	0	246,941	(96,941)
2026	66/66	150,000	0	0	150,000	147,600	0	75,069	0	222,669	(72,669)
2027	67/67	150,000	0	0	150,000	151,290	0	77,335	0	228,625	(78,625)
2028	68/68	150,000	0	0	150,000	155,072	0	79,648	0	234,720	(84,720)
2029	69/69	150,000	0	0	150,000	158,949	0	81,528	0	240,477	(90,477)
2030	70/70	194,389	0	0	194,389	162,923	0	77,472	0	240,395	(46,007)
2031	71/71	204,114	0	0	204,114	166,996	0	79,121	0	246,117	(42,003)
2032	72/72	206,415	0	0	206,415	171,171	0	74,091	0	245,262	(38,847)
2033	73/73	208,772	0	0	208,772	175,450	0	32,234	0	207,684	1,088
2034	74/74	211,188	0	0	211,188	179,836	0	32,156	0	211,992	(804)
2035	75/75	213,667	0	0	213,667	184,332	0	32,169	0	216,501	(2,835)
2036	76/76	216,206	0	0	216,206	188,940	0	32,164	0	221,105	(4,899)
2037	77/77	218,807	0	0	218,807	193,664	0	32,142	0	225,806	(6,998)
2038	78/78	221,476	0	0	221,476	198,506	0	32,119	0	230,624	(9,149)
2039	79/79	224,211	0	0	224,211	203,468	0	32,095	0	235,563	(11,352)
2040	80/80	227,013	0	0	227,013	208,555	0	32,071	0	240,626	(13,612)

Single Premium Immediate AnnuitySM

Contract Owner: Thomas Griffith
Contract Issue State: North Carolina
Owner Residence State: North Carolina

Primary Annuitant: Thomas Griffith
Date of Birth (Age): January 15, 1960 (Age 65)
Gender: Male

Certain Period Annuity with payments guaranteed for 5 years

Illustration Date: 08/23/2024 Premium: \$671,949.84 Payment Mode: Monthly
Premium Date: 08/23/2024 Cost Basis: \$671,949.84 Exclusion Ratio (†): 89.60%
Illustration Expiration Date: 09/06/2024
Market: Non-qualified

First Payment Date	Monthly Annuity Income	Annual Payout Percentage*	Non-Taxable Portion of Annuity Income	Taxable Portion of Annuity Income
01/01/2025	\$12,500.00	22.3%	\$11,200.00	\$1,300.00

Total Amount of Guaranteed Payments: \$750,000.00
Certain Period End Date: 12/01/2029

Certain Period Annuity

Annuity payments are guaranteed for a period of 5 years. If the annuitant dies before the end of the period, the beneficiary will continue to receive the payments for the remainder of the period.

* Annual Payout Percentage is the ratio of total annual Annuity Income to Premium. This percentage is not an interest rate or a rate of return.

(†) Exclusion Ratio is the nontaxable percentage of each payment through life expectancy. It will apply to payments until the cost basis is fully recovered. Once the cost basis has been recovered, the excludable amount is zero and all future payments will be fully taxable. Exclusion ratio is calculated using tables provided by the Internal Revenue Service and the cost basis that was entered. The actual exclusion ratio will be determined at the time funds are received.

Penn Mutual SPIA

- Initial premium of \$671,950 from the \$750,000 of taxable investments
- Monthly income of \$12,500 (\$150,000 annually)
- Monthly taxable income of \$1,300 (\$15,600 annually)
- Creates the cash flow they need to cover most of their expenses while leave room for Roth conversions and allowing them to delay Social Security.

Midland National Fixed

Indexed Annuity

- Initial Premium of \$1,000,000 out of their IRA.
- Guaranteed income of \$112,100 covering both lives start at age 70.
- The income is dependent upon market performance.
- This income along with Social Security will cover their income needs, giving them a longer time horizon for their remaining assets.

GUARANTEED ANNUITY CONTRACT VALUES **Annual Effective Rate: 0.00%+**

This chart illustrates values based on 0% growth, current rider charge, selected withdrawals and the initial allocation. The Accumulation Value reflects rider charges.

END OF YEAR	Youngest Covered Person Start Age/End Age	Premium	Annual Withdrawals ² (Beginning of Year)	Accumulation Value/Death Benefit	Death Benefit	Minimum Guaranteed Surrender Value	Credited Interest Rate ¹	GLWB Features		
								Net Premium	Level Lifetime Payment Amount [#]	LPA Multiplier ^u
At Issue	64	\$1,000,000		\$1,000,000				\$1,000,000	\$63,300	\$0
1	64 / 65	-	\$0	\$987,500	\$987,500	\$901,250	0.00%	\$1,000,000	\$69,600	\$0
2	65 / 66	\$0	\$0	\$975,000	\$975,000	\$928,288	0.00%	\$1,000,000	\$76,600	\$153,200
3	66 / 67	\$0	\$0	\$962,500	\$962,500	\$956,136	0.00%	\$1,000,000	\$84,200	\$168,400
4	67 / 68	\$0	\$0	\$950,000	\$984,820	\$984,820	0.00%	\$1,000,000	\$92,700	\$185,400
5	68 / 69	\$0	\$0	\$937,500	\$1,014,365	\$1,014,365	0.00%	\$1,000,000	\$101,900	\$203,800
6	69 / 70	\$0	\$0	\$925,000	\$1,044,796	\$1,044,796	0.00%	\$1,000,000	\$112,100	\$224,200
7	70 / 71	\$0	\$112,100	\$800,400	\$960,677	\$960,677	0.00%	-	\$112,100	\$224,200
8	71 / 72	\$0	\$112,100	\$675,800	\$874,034	\$874,034	0.00%	-	\$112,100	\$224,200
9	72 / 73	\$0	\$112,100	\$551,200	\$784,792	\$784,792	0.00%	-	\$112,100	\$224,200
10	73 / 74	\$0	\$112,100	\$426,600	\$692,873	\$692,873	0.00%	-	\$112,100	\$224,200
11	74 / 75	\$0	\$112,100	\$302,000	\$598,196	\$598,196	0.00%	-	\$112,100	\$224,200
12	75 / 76	\$0	\$112,100	\$177,400	\$500,679	\$500,679	0.00%	-	\$112,100	\$224,200
13	76 / 77	\$0	\$112,100	\$52,800	\$400,236	\$400,236	0.00%	-	\$112,100	\$224,200
14	77 / 78	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
15	78 / 79	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
16	79 / 80	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
17	80 / 81	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
18	81 / 82	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
19	82 / 83	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
20	83 / 84	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
30	93 / 94	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
61	114 / 115	\$0	\$112,100	\$0	\$0	\$0	0.00%	-	\$112,100	\$0
		Total Withdrawals:	First 30 Yrs: Cumulative:	\$2,690,400	\$5,044,500			0.00%+		

ILLUSTRATION SNAPSHOT
Covered Person (Age): Thomas Smith (64)
JT Covered Person (Age): Chelsey Smith (64)
Premium: \$1,000,000.00
Agent Name: HANS SCHEIL
State: NC

ILLUSTRATED WITHDRAWALS
LPA beginning in Contract Year: 7
GLWB FEATURE DETAILS
Annual Charge: 1.25% of Initial Premium

+ Annual Effective Rate over first 10 years.
At the start of lifetime income, annual payments are reflected in the Annual Withdrawals column.
u Must meet eligibility requirements. See page 5.
¹Credited Interest Rate does not reflect the rider charge.
² Subject to any applicable penalty-free withdrawal provisions.

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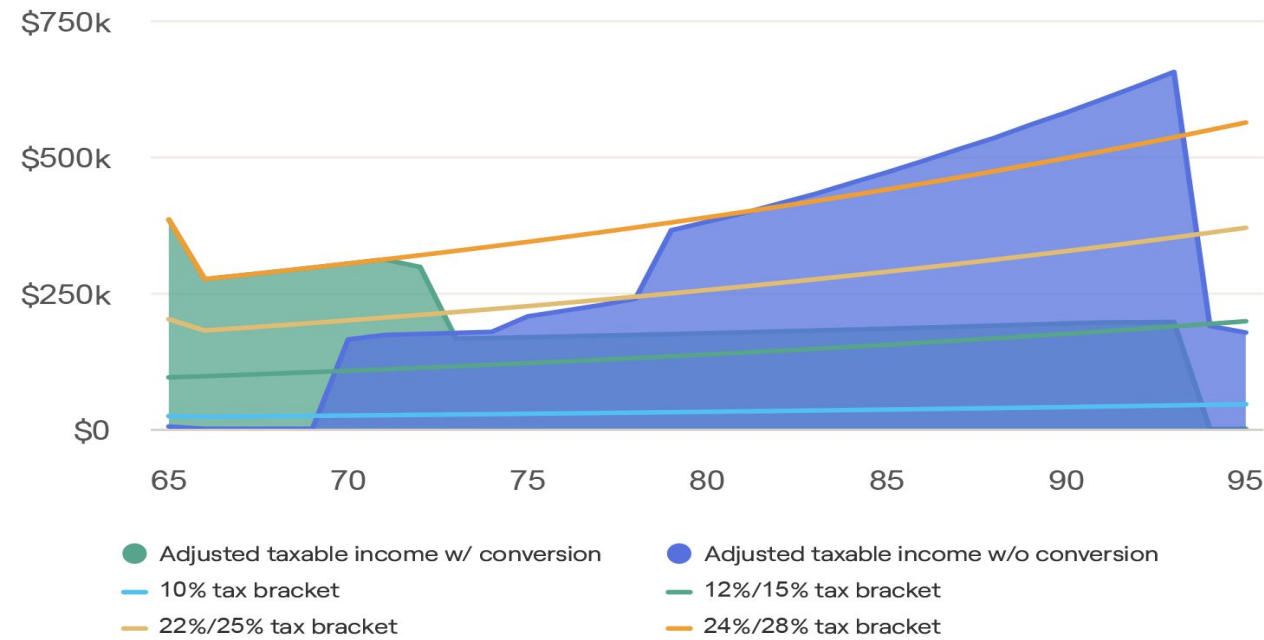
Software Version 6.1.162.3



Roth Conversions



Ordinary income tax bracket - Proposed Plan



Proposed Strategy
\$1,113,069 more
tax adjusted ending
portfolio than a
taxable, tax-deferred,
tax-free withdrawal
strategy w/o
conversion

Distribution and Conversion Details

Year	Age	Conversion Amount	Withdrawal From Taxable Account	Withdrawal From Tax Deferred Account	Withdrawal From Tax Free Account	Taxable Account Balance	Tax Deferred Account Balance	Tax Free Account Balance
2025	65/65	379,831	768,891	1,379,831	0	267,500	2,285,906	379,831
2026	66/66	278,327	72,669	278,327	0	212,565	2,092,829	683,339
2027	67/67	286,833	78,625	286,833	0	148,032	1,878,445	1,015,473
2028	68/68	295,706	84,720	295,706	0	73,125	1,640,976	1,378,500
2029	69/69	292,462	77,973	304,966	0	0	1,378,504	1,762,349
2030	70/70	101,946	0	260,052	0	0	1,143,545	1,981,130
2031	71/71	105,933	0	260,036	0	0	900,457	2,218,402
2032	72/72	94,074	0	245,021	0	0	663,700	2,459,545
2033	73/73	0	0	112,100	0	1,088	551,600	2,622,601
2034	74/74	0	804	112,100	0	356	439,500	2,796,466
2035	75/75	0	380	112,100	2,455	0	327,400	2,979,404
2036	76/76	0	0	112,100	4,899	0	215,300	3,172,024
2037	77/77	0	0	112,100	6,998	0	103,200	3,375,315
2038	78/78	0	0	103,200	9,149	0	0	3,589,933
2039	79/79	0	0	0	11,352	0	0	3,816,575
2040	80/80	0	0	0	13,612	0	0	4,055,982

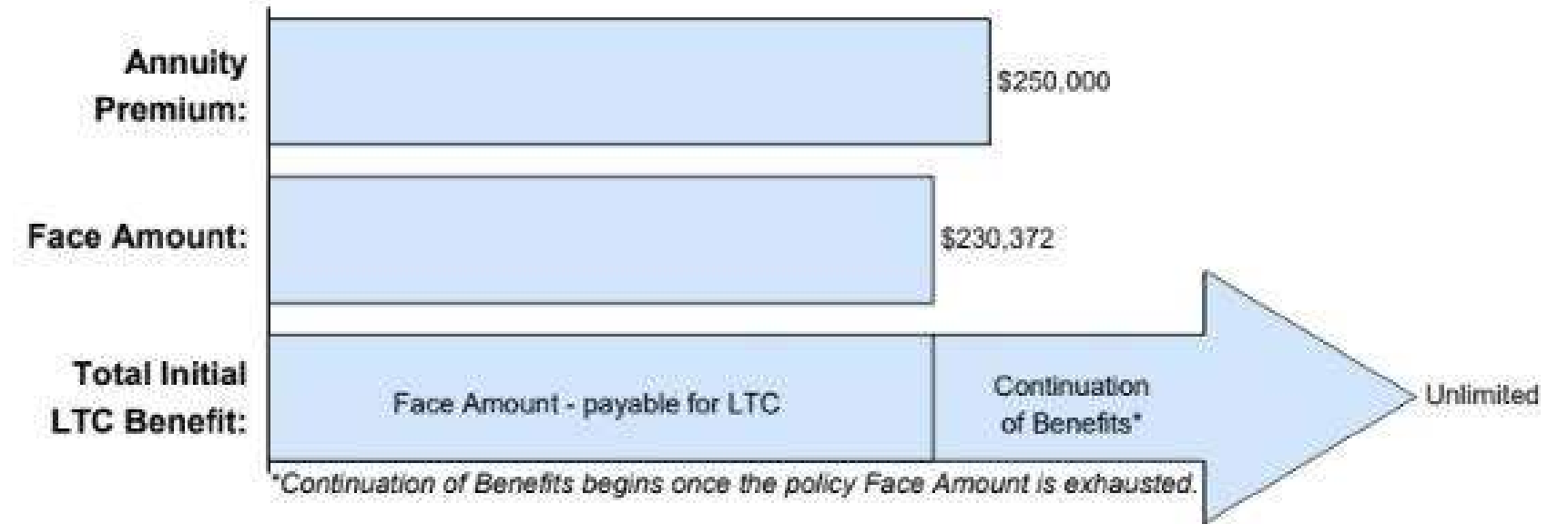
One America LTC

- Single premium of \$250K of IRA funds
- Annual distributions of \$31,250 out of the IRA
- Monthly LTC benefits of \$9,599
- Lifetime coverage
- Death benefit (if no care is needed) of \$230,372
- Is part of the larger strategy of lowering the IRA balance
- Covers the largest risk they face in retirement

Asset Care®
Annuity Funding Whole Life

One America®
Financial

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
Chelsey Smith, Female, 64, Preferred Non-Tobacco



Initial LTC Benefit Limit:	\$9,599 Monthly (\$19,198 Jointly) \$115,186 Annually (\$230,372 Jointly)
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Premiums:

Single Pay Annuity Premium - \$250,000
10-Pay Life Premium*** - \$12,611
10-Pay LTC Premium*** - \$18,639

***Automatically funded by withdrawals from Single Pay Annuity.
See Ledger page for details.

Features and Benefits:

Benefit Period - 2 Years AOB¹ / Lifetime COB²
Inflation Option - 0% AOB¹ / 0% COB²
Inflation Duration - N/A
Guaranteed Cash Value
Waiver of Premium

¹ Acceleration of Benefits
² Continuation of Benefits

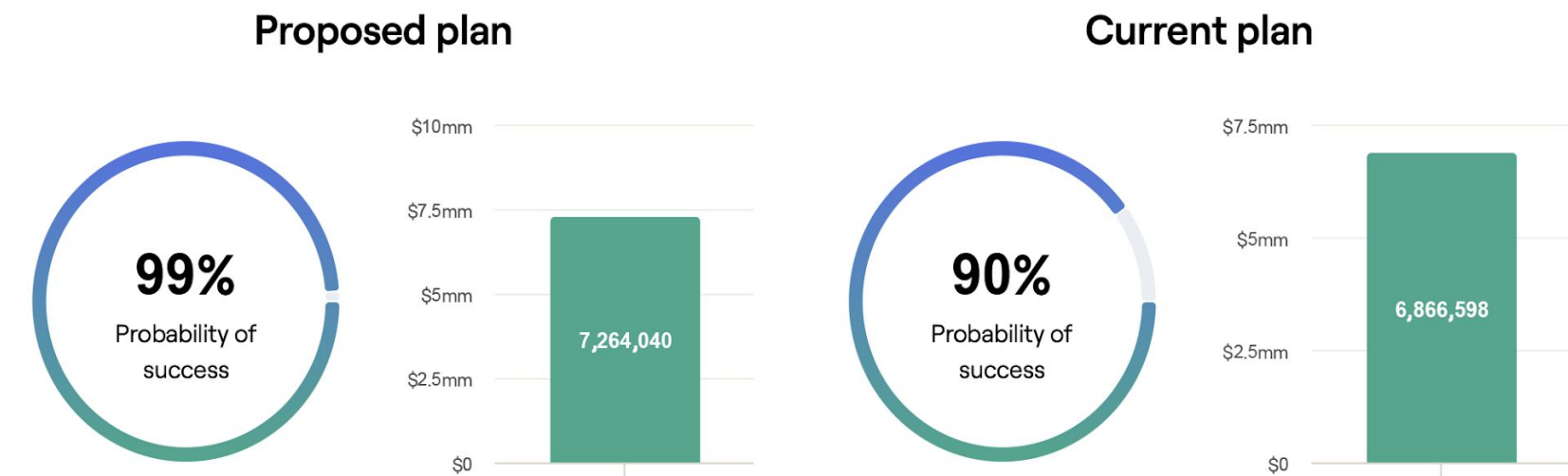


Final Comparison

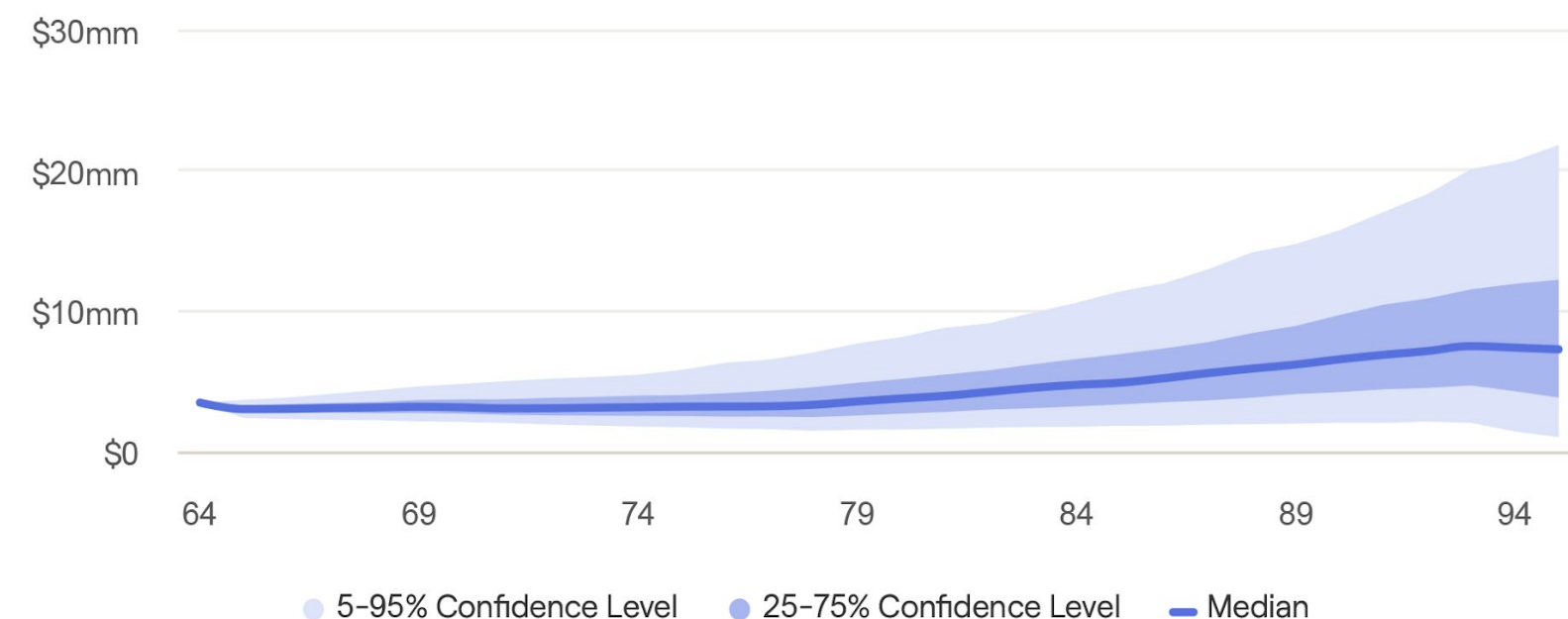
- After the proposed changes Thomas and Chelsey have a higher probability of success and a projected higher ending portfolio balance.
- Through the use of insurance they have mitigated their largest risks and have created an income plan that allows them to enjoy retirement without having to worry about the market fluctuations.
- By converting their IRA money to a Roth IRA they have lowered their lifetime tax bill significantly and left their beneficiaries in a much better spot.

Monte Carlo Analysis

Use of a detailed retirement analysis tool is important to help determine whether you are on track for a successful retirement. Monte Carlo simulations, stress tests, and viewing specific scenarios can help you evaluate your retirement plans and see the impact of potential changes.



Asset simulation results - Proposed plan



Asset Care[®]

Annuity Funding Whole Life

Prepared for:

Thomas Smith
Chelsey Smith

Presented by:

THOMAS ROBERT GRIFFITH

Contact Information:

2530 Meridian Parkway
Suite 100
Durham, NC 27713
(919) 535-8261

October 28, 2024

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THE STATE LIFE INSURANCE COMPANY[®] | a **ONEAMERICA Financial[®]** company
One American Square, P.O. Box 406 | Indianapolis, IN 46206-0406

The contact listed is not an affiliate of the companies of OneAmerica Financial.

How does Asset Care work?



Optional Continuation of Benefits rider can extend LTC benefits beyond the base face amount

Asset Care is whole life insurance that allows access to 100 percent of the life policy death benefit to help pay for qualifying long-term care (LTC). By using an asset based LTC policy, you could reposition an amount of qualified funds (401(k), IRA, 403(b)) as a single premium into a specific life insurance policy designed to provide LTC benefits.

Benefit Triggers*



You cannot perform at least two of six Activities of Daily Living (ADLs), which include bathing, maintaining continence, dressing yourself, eating/feeding yourself, toileting (including getting on and off a toilet) and transferring (for example, from a bed to a chair).



You request care as a result of a severe cognitive impairment, such as Alzheimer's disease.

*To be eligible for benefits, the insured must be a chronically ill individual with qualified long-term care services provided pursuant to a plan of care prescribed by a licensed health care practitioner.

Elimination Period

There is no elimination period to access LTC benefits for Informal Care, Home Health Care, and Adult Day Care. There is a 90-day elimination period for Assisted Living, Nursing Home Care, and International Facilities.

Provides for more than just nursing home care

Our LTC solutions can help you pay for almost any type of care and can progress with you as needs change. Examples of LTC include:

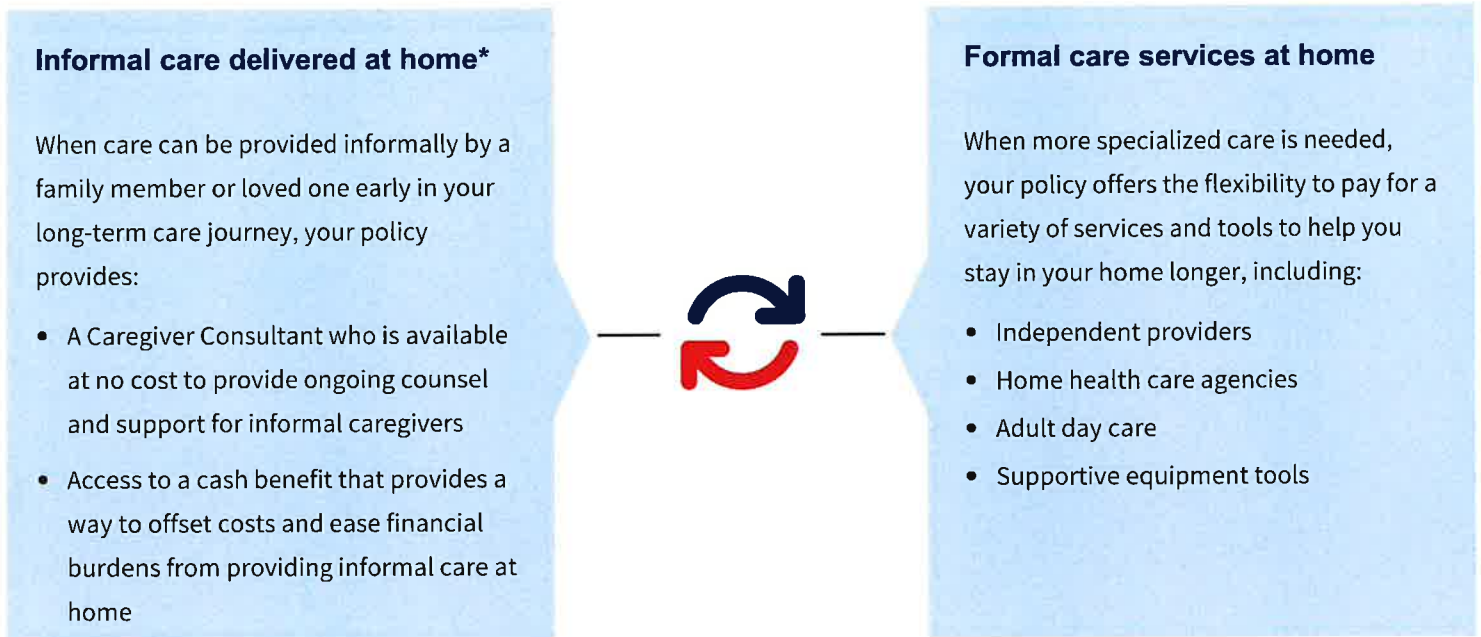
- **Informal care:** Some early LTC needs don't require specialized knowledge or physical intervention, and those needs can be met by family or friends, if desired.
- **Home health care:** This category includes a wide variety of medical and non-medical services that can be paid by your benefits, allowing you or a loved one to continue living safely and comfortably at home. This can be provided by a licensed **home health care agency** or an **independent provider**, licensed or certified if required.
- **Adult day care:** Centers are designed to provide care and companionship for older adults who need assistance and/or supervision during the day.
- **Assisted living:** For individuals that need help with daily care, but not as much intervention as a nursing home would provide.
- **Nursing home:** Also called skilled nursing facilities, nursing homes provide a wide range of health and personal care services, focused more on medical care than most assisted living facilities provide.

Note: *Not all features and benefits of the policy are shown here. For additional details of all features and benefits, please see the policy.*

Caring expertise at every step

If a long-term care event occurs and support is needed, you and your loved ones can feel confident they'll receive more than just the funds to pay for necessary services. At OneAmerica Financial, we help create a community of support and care, and you'll see and feel that in many ways.

The vast majority of Americans want to age at home.¹ Asset Care allows for long-term care benefits to be received under either cash indemnity or reimbursement (with the ability to switch as needs change). Giving you and your loved ones the best of both worlds in terms of flexibility.



While Asset Care is designed to support home-based care, should your needs progress, your policy also provides benefits for most other care settings including assisted living and nursing homes. Regardless of where you receive care, OneAmerica Financial also provides the support you need to maximize your benefits.

¹ https://apnorc.org/wp-content/uploads/2021/04/LTC_Report_AgingatHome_final.pdf, May 2021.

*Cash indemnity payments (Acceleration of Benefits rider only) are available up to 75% of the monthly benefit limit, up to the IRS monthly limit. Both reimbursement and cash indemnity have access to 100% of the Acceleration of Benefits (AOB).

Care. Just one call away.

From day one of your need, your personal Care Benefit Concierge* acts as your single point of contact through the claims process. Beyond the initial approval, the Concierge is your everyday contact for questions, follow-ups and to discuss/implement care changes as your need progresses. Before you put care plans in place or a claim is even approved, your Concierge will be there to guide you.

Working with a OneAmerica Financial Care Benefit Concierge

Your Indianapolis-based Care Benefit Concierge will treat you like family and remove as much from your plate as possible throughout your claim. We're here for you, so you can focus on receiving the love and attention only a loved one can give.



Your Care Benefit Concierge will:

- ✓ Help you maximize your policy benefits.
- ✓ Contact doctors on your behalf.
- ✓ Review your policy and determine coverage eligibility.
- ✓ Contact the care provider to iron out the details.
- ✓ Handle direct payment to care providers on your behalf.

Throughout your experience with us, our policy empowers you with the flexibility to decide on what your care looks like. We are here to provide our caring experience at every step as an extension of your care team — *your family* — so they can focus on what matters most. Whether today or twenty years from today, Asset Care will be there when you need it most.

**Care Benefit Concierge services is a company practice and may be subject to change.*

Flexibility for your future

Benefits beyond LTC protection

Our whole life insurance-based product can help you provide your loved ones with choices should you experience an LTC event. In addition, Asset Care can help you maintain your independence, preserve your dignity and leave a legacy for loved ones by offering all of this with the peace of mind knowing that premiums are guaranteed never to change.

<p>If either of you needs care Age 80 Total LTC Benefits:</p> <p>Unlimited</p>		<p>LTC Benefits</p> <p>When needed, you have access to tax-free LTC benefits.</p>
<p>If you both pass away Age 80 Death Benefit:</p> <p>\$230,372</p>		<p>Death Benefit</p> <p>When LTC benefits are not used, you will pass on a tax-free death benefit to your beneficiary(ies).</p>
<p>If you need emergency funds Age 80 Cash Surrender Value:</p> <p>\$150,495</p>		<p>Cash Value</p> <p>When an emergency arises and LTC benefits have not been used, you have access to the accumulated cash surrender value.</p>

* Based on the older insured's age, 64.

Repurpose your qualified asset

1.
Assess your portfolio
How much do you want to repurpose?



Qualified Asset
\$250,000

2.
Received a 25% premium bonus
Asset Care provides you with a 25% automatic premium bonus which provides additional purchasing power to obtain LTC protection.



Premium Bonus
\$62,500

3.
Repurposed asset pays for your policy



Repurposed asset
\$312,500

**Spread out tax liability with
10 annual distributions of \$31,250.**

This can help satisfy your annual Required Minimum Distributions (RMDs).

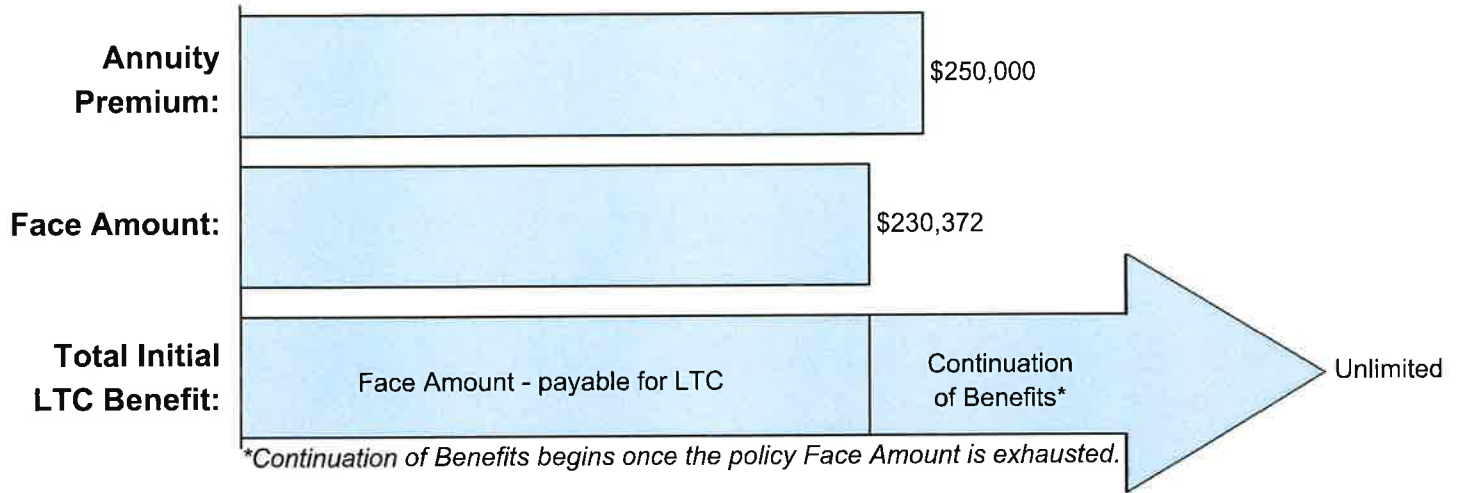
4.
If you need care
Receive LTC Benefits

- Death Benefit accelerated for LTC needs
- Additional coverage/benefits beyond the Death Benefit¹

5.
If you don't need care
You have Death Benefit protection

¹Optional Continuation of Benefits (COB) rider can provide up to lifetime LTC benefits, benefits that will continue your entire life and up to the monthly maximum limit of LTC coverage.

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
Chelsey Smith, Female, 64, Preferred Non-Tobacco



Initial LTC Benefit Limit: \$9,599 Monthly (\$19,198 Jointly)
\$115,186 Annually (\$230,372 Jointly)

Premiums:

Single Pay Annuity Premium - \$250,000
10-Pay Life Premium*** - \$12,611
10-Pay LTC Premium*** - \$18,639

***Automatically funded by withdrawals from Single Pay Annuity.
See Ledger page for details.

Features and Benefits:

Benefit Period - 2 Years AOB¹ / Lifetime COB²
Inflation Option - 0% AOB¹ / 0% COB²
Inflation Duration - N/A
Guaranteed Cash Value
Waiver of Premium

¹ Acceleration of Benefits
² Continuation of Benefits

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
Chelsey Smith, Female, 64, Preferred Non-Tobacco

Single Premium: \$249,999.68

End of Policy Year	Annuity Income Payment*	Total Annual Premium	Total Cash Surrender Value	Total Death Benefit	Total LTC Benefits	AOB Monthly Benefit Limit	COB Monthly Benefit Limit
1	\$31,249.96	\$31,249.96	\$203,955	\$454,498	Unlimited	\$9,599	\$9,599
2	\$31,249.96	\$31,249.96	\$191,858	\$427,974	Unlimited	\$9,599	\$9,599
3	\$31,249.96	\$31,249.96	\$181,147	\$400,799	Unlimited	\$9,599	\$9,599
4	\$31,249.96	\$31,249.96	\$169,714	\$372,959	Unlimited	\$9,599	\$9,599
5	\$31,249.96	\$31,249.96	\$157,533	\$344,437	Unlimited	\$9,599	\$9,599
6	\$31,249.96	\$31,249.96	\$144,581	\$315,216	Unlimited	\$9,599	\$9,599
7	\$31,249.96	\$31,249.96	\$130,842	\$285,279	Unlimited	\$9,599	\$9,599
8	\$31,249.96	\$31,249.96	\$116,286	\$254,609	Unlimited	\$9,599	\$9,599
9	\$31,249.96	\$31,249.96	\$108,008	\$230,372	Unlimited	\$9,599	\$9,599
10	\$31,249.96	\$31,249.96	\$124,023	\$230,372	Unlimited	\$9,599	\$9,599
11	\$0.00	\$0.00	\$128,303	\$230,372	Unlimited	\$9,599	\$9,599
12	\$0.00	\$0.00	\$132,655	\$230,372	Unlimited	\$9,599	\$9,599
13	\$0.00	\$0.00	\$137,067	\$230,372	Unlimited	\$9,599	\$9,599
14	\$0.00	\$0.00	\$141,522	\$230,372	Unlimited	\$9,599	\$9,599
15	\$0.00	\$0.00	\$146,007	\$230,372	Unlimited	\$9,599	\$9,599
16	\$0.00	\$0.00	\$150,495	\$230,372	Unlimited	\$9,599	\$9,599
17	\$0.00	\$0.00	\$154,960	\$230,372	Unlimited	\$9,599	\$9,599
18	\$0.00	\$0.00	\$159,383	\$230,372	Unlimited	\$9,599	\$9,599
19	\$0.00	\$0.00	\$163,746	\$230,372	Unlimited	\$9,599	\$9,599
20	\$0.00	\$0.00	\$168,026	\$230,372	Unlimited	\$9,599	\$9,599
21	\$0.00	\$0.00	\$172,164	\$230,372	Unlimited	\$9,599	\$9,599
22	\$0.00	\$0.00	\$176,124	\$230,372	Unlimited	\$9,599	\$9,599
23	\$0.00	\$0.00	\$179,895	\$230,372	Unlimited	\$9,599	\$9,599
24	\$0.00	\$0.00	\$183,448	\$230,372	Unlimited	\$9,599	\$9,599
25	\$0.00	\$0.00	\$186,753	\$230,372	Unlimited	\$9,599	\$9,599
26	\$0.00	\$0.00	\$189,803	\$230,372	Unlimited	\$9,599	\$9,599
27	\$0.00	\$0.00	\$192,600	\$230,372	Unlimited	\$9,599	\$9,599
28	\$0.00	\$0.00	\$195,157	\$230,372	Unlimited	\$9,599	\$9,599
29	\$0.00	\$0.00	\$197,496	\$230,372	Unlimited	\$9,599	\$9,599
30	\$0.00	\$0.00	\$199,657	\$230,372	Unlimited	\$9,599	\$9,599
31	\$0.00	\$0.00	\$201,691	\$230,372	Unlimited	\$9,599	\$9,599
32	\$0.00	\$0.00	\$203,603	\$230,372	Unlimited	\$9,599	\$9,599
33	\$0.00	\$0.00	\$205,356	\$230,372	Unlimited	\$9,599	\$9,599
34	\$0.00	\$0.00	\$206,943	\$230,372	Unlimited	\$9,599	\$9,599

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
Chelsey Smith, Female, 64, Preferred Non-Tobacco

Single Premium: \$249,999.68

End of Policy Year	Annuity Income Payment*	Total Annual Premium	Total Cash Surrender Value	Total Death Benefit	Total LTC Benefits	AOB Monthly Benefit Limit	COB Monthly Benefit Limit
35	\$0.00	\$0.00	\$208,351	\$230,372	Unlimited	\$9,599	\$9,599
36	\$0.00	\$0.00	\$209,565	\$230,372	Unlimited	\$9,599	\$9,599
37	\$0.00	\$0.00	\$210,604	\$230,372	Unlimited	\$9,599	\$9,599
38	\$0.00	\$0.00	\$211,528	\$230,372	Unlimited	\$9,599	\$9,599
39	\$0.00	\$0.00	\$212,350	\$230,372	Unlimited	\$9,599	\$9,599
40	\$0.00	\$0.00	\$213,089	\$230,372	Unlimited	\$9,599	\$9,599
41	\$0.00	\$0.00	\$213,774	\$230,372	Unlimited	\$9,599	\$9,599
42	\$0.00	\$0.00	\$214,456	\$230,372	Unlimited	\$9,599	\$9,599
43	\$0.00	\$0.00	\$215,161	\$230,372	Unlimited	\$9,599	\$9,599
44	\$0.00	\$0.00	\$215,838	\$230,372	Unlimited	\$9,599	\$9,599
45	\$0.00	\$0.00	\$216,485	\$230,372	Unlimited	\$9,599	\$9,599
46	\$0.00	\$0.00	\$217,109	\$230,372	Unlimited	\$9,599	\$9,599
47	\$0.00	\$0.00	\$217,706	\$230,372	Unlimited	\$9,599	\$9,599
48	\$0.00	\$0.00	\$218,280	\$230,372	Unlimited	\$9,599	\$9,599
49	\$0.00	\$0.00	\$218,828	\$230,372	Unlimited	\$9,599	\$9,599
50	\$0.00	\$0.00	\$219,353	\$230,372	Unlimited	\$9,599	\$9,599
51	\$0.00	\$0.00	\$219,856	\$230,372	Unlimited	\$9,599	\$9,599
52	\$0.00	\$0.00	\$220,335	\$230,372	Unlimited	\$9,599	\$9,599
53	\$0.00	\$0.00	\$220,793	\$230,372	Unlimited	\$9,599	\$9,599
54	\$0.00	\$0.00	\$221,231	\$230,372	Unlimited	\$9,599	\$9,599
55	\$0.00	\$0.00	\$221,648	\$230,372	Unlimited	\$9,599	\$9,599
56	\$0.00	\$0.00	\$222,046	\$230,372	Unlimited	\$9,599	\$9,599
57	\$0.00	\$0.00	\$230,372	\$230,372	Unlimited	\$9,599	\$9,599

Table assumes policy and rider remain in force and values have not been decreased by any loan balance or withdrawals made through a given year.

* Values do not reflect any withholding for taxes. If tax withholding is not waived, the life insurance policy will be issued using the net income generated from the annuity minus withholding and will have a smaller face amount and LTC benefits than illustrated.

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
Chelsey Smith, Female, 64, Preferred Non-Tobacco

End of Policy Year	Life Cash Surrender Value	Annuity Cash Surrender	Total Cash Surrender Value	Face Amount	Annuity Account Value	Total Death Benefit
1	\$0	\$203,955	\$203,955	\$230,372	\$224,126	\$454,498
2	\$10,065	\$181,793	\$191,858	\$230,372	\$197,602	\$427,974
3	\$22,650	\$158,497	\$181,147	\$230,372	\$170,427	\$400,799
4	\$35,682	\$134,032	\$169,714	\$230,372	\$142,587	\$372,959
5	\$49,171	\$108,362	\$157,533	\$230,372	\$114,065	\$344,437
6	\$63,131	\$81,450	\$144,581	\$230,372	\$84,844	\$315,216
7	\$77,582	\$53,260	\$130,842	\$230,372	\$54,907	\$285,279
8	\$92,534	\$23,752	\$116,286	\$230,372	\$24,237	\$254,609
9	\$108,008	\$0	\$108,008	\$230,372	\$0	\$230,372
10	\$124,023	\$0	\$124,023	\$230,372	\$0	\$230,372
11	\$128,303	\$0	\$128,303	\$230,372	\$0	\$230,372
12	\$132,655	\$0	\$132,655	\$230,372	\$0	\$230,372
13	\$137,067	\$0	\$137,067	\$230,372	\$0	\$230,372
14	\$141,522	\$0	\$141,522	\$230,372	\$0	\$230,372
15	\$146,007	\$0	\$146,007	\$230,372	\$0	\$230,372

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
 Chelsey Smith, Female, 64, Preferred Non-Tobacco

Policy Summary		
Face Amount	Initial Monthly LTC Benefit (per individual)	Initial Total LTC Benefit
\$230,372	\$9,599	Unlimited

Different premium payment structures offer policyholders flexibility in managing their finances and paying for a policy. Each option below provides the same Face Amount and Monthly Benefit, coupled with guaranteed premiums for the life of the policy. Individuals can work with their financial professional to tailor their premium strategy to meet their financial needs, helping to ensure both protection and financial peace of mind.

You ran a Single Premium using Qualified Funds Quote. What are some other options available?

Alternative Guaranteed Premium Options	
Premium Options	Guaranteed Premium
5-Pay:	\$59,357.65
10-Pay:	\$31,249.96
20-Pay:	\$19,938.70
Pay to 95:	\$17,303.24
Single Premium Cash (Single Pay COB)*:	\$224,543.59**
Single Premium Cash (Pay to 95 COB)*:	\$121,624.90***
Single Premium using Qualified Funds:	\$249,999.68

* Other COB Payment Options available.

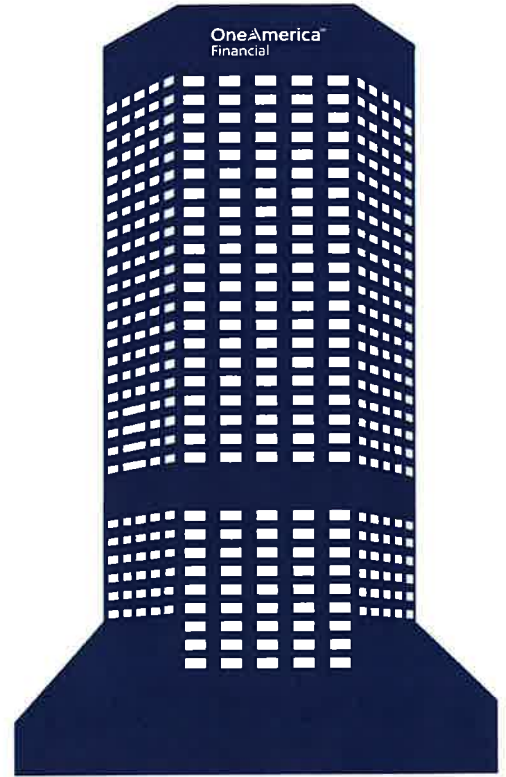
** \$111,917.02 of the premium is the COB premium portion.

*** \$8,998.33 of the premium is the COB premium, recurring to age 95.

We are OneAmerica Financial®

Since 1877, the companies of OneAmerica Financial have continuously pursued financial integrity and have the experience required to fulfill our promises and help you to achieve your financial goals.

We are dedicated to our customers' long-term financial security. OneAmerica Financial is a mutual organization, which has no shareholders. We are accountable only to our clients or policyholders.



LTC Experience

Since 1989

35+ years

Customers continue to place their trust in the companies of OneAmerica Financial to help protect against the impact of long-term care needs.

Financial Strength

A.M. Best

A+

(Superior)

On August 29, 2024, State Life was rated A+ (Superior). This is the 2nd highest of 15 rating categories.*

Financial Strength

Standard & Poor's

AA-

(Very Strong)

On August 22, 2024, State Life was rated AA- (Very Strong). This is the 4th highest of 22 rating categories.*

**These ratings reflect rating agency assessments of the overall financial status of the companies of OneAmerica Financial. They are not intended to be a recommendation of any OneAmerica Financial company.*

Key Terms

Acceleration of Benefits (AOB)	The AOB rider provides monthly benefit payments for qualifying long-term care by drawing down the Face Amount. This rider persists until the Face Amount is used up.
Annuity Account Value	This is the Annuity Premium plus interest minus life insurance premium withdrawals.
Annuity Income Payment	This is one of 10 equal payments taken from the Repurposed Asset/Income Base. Usually, all 10 of these payments go to fund the life insurance policy (paying the Total Annual Premium). Should the policyholder choose to pay the Total Annual Premium directly, payments can begin after year 1.
Annuity Premium	This is the premium paid by the policyholder for the annuity.
Cash Indemnity	Cash Indemnity benefits pay a specified benefit for long-term care independent of actual cost of care received.
Cash Surrender Value	The amount the policy owner would receive upon a full surrender of the policy. Cash Surrender Value equals cash value less any loan and loan interest. Any long-term care benefit payments received will reduce the Cash Surrender Value.
Continuation of Benefits (COB)	The COB rider is optional and provides monthly benefit payments for qualifying long-term care expenses after the base AOB rider has been exhausted.
Death Benefit	The amount that will be paid to the beneficiary in the event of the insured's death or, for a joint policy, after both insureds' deaths while the policy is in force. Any long-term care benefit payments received will reduce the Death Benefit.
Elimination Period	Upon being diagnosed as chronically ill, this is the number of days of qualified care that must be provided before having access to long-term care benefits.
Face Amount	This is the dollar amount of life insurance chosen at issue to determine the death benefit and amount of long-term care benefits available under the policy and attached riders.
Inflation Protection Rider (IPR)	This optional rider increases the Monthly Benefit Limit and Total LTC Benefits by the growth option selected, compounded annually.
Life Premium	The portion of your premium used to fund the life policy Face Amount.
LTC Premium	The portion of your premium used to fund long-term care rider premiums and may be tax-deductible: AOB, AOB IPR, COB, and COB IPR premiums as applicable.
Monthly Benefit Limit	The maximum monthly amount available to be received for qualifying long-term care.
Premium Bonus	This is additional purchasing power provided by OneAmerica Financial. Just like premium the client would pay, this purchases additional Face Amount and long-term care protection.
Reimbursement	Reimbursement benefits pay a benefit amount equal to actual cost of care received up to the long-term care Monthly Benefit Limit.

Key Terms

Repurposed Asset/Income Base	This is the Annuity Premium plus the Premium Bonus.
Total Annual Premium	This is the 10-Pay premium amount that directly funds the life insurance policy, including the costs of the riders. Usually, these premiums are funded by the Annuity Income Payments. However, in some scenarios, policyholders may choose to pay premiums directly for the first year(s).
Total Cash Surrender Value	The accumulated value of the combined life and annuity policies, minus any surrender charges and any indebtedness, which is available to the policyowner upon full surrender. Surrender charges are a percentage of the annuity policy's accumulated value. Any long-term care benefit payments received will reduce the Cash Surrender Value.
Total Death Benefit	Amount from the combined life and annuity policies that will be paid to the beneficiary in the event of the last surviving insured's death while coverage is in force. Any long-term care benefit payments can reduce the Death Benefit.
Total LTC Benefits	The amount payable for qualifying long-term care incurred by either or both insureds. The total long-term care benefits can change due to loans taken, face reductions, and long-term care benefits paid.
Waiver of Premium	Provides that all required premium for the policy and associated riders will be waived after the insured has been certified as a chronically ill individual, has satisfied the applicable elimination period, and has incurred covered expenses or is eligible for cash indemnity benefit payments during the month in which premium is due.

State: North Carolina
Prepared for: Thomas Smith, Male, 64, Preferred Non-Tobacco
Chelsey Smith, Female, 64, Preferred Non-Tobacco

A Breakdown of Values — And Potential Tax Deductions

Annuity Premium:	\$249,999.68	<u>10-Pay Annual Premium:</u>	<u>\$31,249.96</u>
		Life Premium:	\$12,610.56
		AOB Premium*:	\$3,918.63
		COB Premium*:	\$14,720.77

Amount to Underwrite: \$230,372.00

If the Amount to Underwrite is greater than \$500,000, full underwriting (which may involve a paramedical exam, labs, or additional APS/medical records) is required.

*These amounts may be tax-deductible according to annually published IRS guidelines. Please consult a tax professional for additional information and advice. These premiums combined are what make up the LTC Premium.

Premium Bonus

The annuity premium amount is not the only money used to fund the Life & LTC insurance policy. An additional 25% is "bonus" money that OneAmerica Financial provides towards each life premium for the Annuity Funding Whole Life option.

<i>Annuity Premium Amount:</i>	\$249,999.68	(Client)
<i>+ 25% Income Base Bonus Amount:</i>	\$62,499.92	(OneAmerica Financial)
<i>Total Available for Life & LTC Premium:</i>	\$312,499.60	(split into 10 payments of \$31,249.96)

Administration — Understanding Rounding

With having easy, automatic annuity payments funding your life policy, we sometimes have small differences that occur between what is requested & what is administered. The administration system feeds the values in your policy pages-but some of the values may differ slightly from when a quote was first run. This is because our system calculates whole dollars of Face Amount.

- An example (costs vary):
- \$357,722 Face Amount (Annuity Premium: \$199,999.09-\$199,999.72)
 - \$357,723 Face Amount (Annuity Premium: \$199,999.73-\$200,000.26)
 - \$357,724 Face Amount (Annuity Premium: \$200,000.27-\$200,000.72)

If we receive **\$200,000.00** in premium, you can see from above that this will purchase **\$357,723** of Face Amount. You would receive the same benefits for **\$199,999.73** in premium. If a policyholder wants to make sure, to the cent, that they are paying the minimum premium for the benefits they are receiving, this value can be found on the first Ledger page of the quote or in the Breakdown of Values section above and that exact amount can be sent to us. Otherwise, the small difference in premium (in this example, **\$0.27**) is not refunded.

Client Disclosures:

OneAmerica Financial® is the marketing name for companies of OneAmerica Financial. Products issued and underwritten by **The State Life Insurance Company® (State Life), Indianapolis, IN**, a OneAmerica Financial company that offers the Care Solutions product suite. Asset Care form numbers: ICC18 L302 JT, ICC24 R545, ICC24 R546, ICC24 R547, ICC18 SA39, ICC18 R540.

Asset Care is a whole life insurance or whole life and annuity combination that allows access to 100% of the life policy death benefit for qualifying LTC (paid monthly).

Asset Care is issued and medically underwritten by State Life. Asset Care may require a medical exam depending upon age and face amount.

All guarantees are subject to the claims-paying ability of State Life. Premiums are not guaranteed until the policy is issued.

This is a noncancellable policy. This means you have the right, subject to the terms of the rider(s) and the policy to which they are attached, to continue the rider(s) as long as premiums are paid on time. It also means the scheduled premiums can never increase.

Provided content is for overview and informational purposes only and is not intended as and should not be relied upon as individualized tax, legal, fiduciary, or investment advice.

The rates shown for Asset Care are based on several factors including health factors of the proposed insured and optional riders chosen. Quoted rates may vary based on the changes in the proposed insured's health status.

A minimum premium amount is required. Care Solutions premiums may be funded with a single premium or, depending on the funding option, paid annually, semi-annually, quarterly, or monthly. There are charges for all modes except annual.

Surrender charges apply for surrender benefits drawn from the account value, except as specifically stated in the contract.

Some optional riders, such as the Continuation of Benefits (COB) Rider for Long-Term Care, are available with this product for additional premium.

Not all ages and/or options are available on this quote. For additional options, please see your policy or financial services professional.

Cash indemnity payments (Acceleration of Benefits rider only) are available up to 75% of the monthly benefit limit, up to the IRS monthly limit. Both reimbursement and cash indemnity have access to 100% of the Acceleration of Benefits (AOB).

Exclusions are as follows:

- A)** Care or services: 1. (Applies to reimbursement of covered expense only) Provided by an immediate family member or partner of an insured or owner or for which no charge is normally made in the absence of insurance, unless: (a) Family member is a regular employee of the service or care provider furnishing the service or care; (b) The service or care provider receives the payment for the service or care; and (c) Family member receives no compensation other than the normal compensation for an employee in his or her job category. 2. (Applies to reimbursement of covered expense only) for which no charge is made in the absence of insurance. 3. That result from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury 4. Is provided outside of the United States except as specified in the International Facility Benefit provision. (The Continuation of Benefits Rider does not include an International Facility Benefit provision);
- B)** Treatment provided in a governmental facility (unless we are otherwise required by law to pay the benefit);
- C)** Participation in a felony, riot or insurrection or involvement in an illegal occupation;
- D)** Services or supplies for which benefits are available under Medicare or other governmental program (except Medicaid), any State or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law;
- E)** Services received while Rider is not in force except as provided in the Extension of Benefits provision.

A pre-existing condition means a condition for which medical treatment was recommended by, or received from, a provider of health care services within six (6) months preceding the issue date. We will not reduce or deny any Claim under this Rider because of a Pre-Existing Condition disclosed on the application. Any loss occurring within six (6) months after the Issue Date with respect to a Pre-Existing Condition not disclosed on the application will not be covered.

The total period of time for making a late payment is 65 days.

The Acceleration of Benefits and Continuation of Benefits Riders are intended to be federally tax-qualified as defined by the Internal Revenue Code of 1986, §7702B(b).

Insured Information

Issue State:	North Carolina	Risk Class:	Non-Tobacco
First Name:	Thomas	Table Rating:	None
Last Name:	Smith		
Gender:	Male		
Date of Birth: 01/15/1960	Age: 64		

Second Insured Information

First Name:	Chelsey	Risk Class:	Non-Tobacco
Last Name:	Smith	Table Rating:	None
Gender:	Female		
Date of Birth: 01/15/1960	Age: 64		

Policy Design

Product Funding Option:	Single Premium Annuity	Acceleration of Benefits Duration:	2 Years
Payment Period:	10-Pay	AOB Inflation:	None
Tax Qualification:	Qualified	Continuation of Benefits:	Yes
Input Method:	Annuity Premium Amount	COB Duration:	Lifetime
Premium Amount:	N/A	COB Payment Option:	10-Pay
Face Amount:	N/A	COB Inflation:	None
Monthly LTC Benefit:	N/A	Include COB Rider in Premium:	Yes
Annuity Premium Amount:	\$250,000.00	Inflation Protection Duration:	N/A
Life Premium Amount:	N/A	Return of Premium:	N/A
Policyholder pays Life premium directly:	N/A	Premium Drop-In Rider:	N/A
Starting year 1 through year:	N/A	Total Premium Drop-In Amount:	N/A
		Nonforfeiture Rider:	No
		Quote Date:	10/28/2024

APPLICATION INFORMATION

The following values should be used to complete fields in **Section 7** of the application.

Item 1 — Face Amount: \$230,372

Item 2 — Product/Funding Selection: Annuity Funding Whole Life

Item 5 — Inflation Protection: Signature of owner(s) required for rejection of COB 5% Inflation Option

Item 8 — If a transfer/1035 is to be requested, amount needed: \$249,999.68