

TRANSAMERICA LIFE INSURANCE COMPANY

Home Office: Cedar Rapids, Iowa 52499
Administrative Office: 2700 W Plano, TX 75086-9094
(Hereinafter called "the Company," "we," "us," or "our")

DISCLOSURE UPON THE PURCHASE OF THE ACCELERATED DEATH BENEFIT FOR CHRONIC CONDITION RIDER WITH EXTENSION OF BENEFITS RIDER

SPECIAL NOTICE

Benefits received under this Rider may be taxable as income. Whether any tax liability is incurred when benefits are paid under this Rider could depend on whether your employer has paid the premium, and how the Internal Revenue Service interprets applicable provisions of the Internal Revenue Code. As with any tax matter, you and any other recipient of this benefit should each consult an independent tax advisor to evaluate any tax impact of this benefit.

Receipt of an Accelerated Death Benefit may adversely affect eligibility for Medicaid or other government benefits or entitlements. Without exercising this option, the mere fact that this Rider is part of your contract will not, in and of itself, affect the eligibility for these government programs. However, exercising this option before you apply for these programs, or while you are receiving government benefits, may affect your continued eligibility. Contact the Medicaid Unit of the local Department of Public Welfare and Social Security Administration Office for more information.

This disclosure is designed to provide you with a summary of the Rider coverage. The Rider form and the life contract set forth in detail the terms, conditions, limitations and exclusions of your coverage. Therefore, if you purchase this coverage, it is important that you **READ YOUR LIFE INSURANCE CONTRACT AND ALL RIDERS CAREFULLY.**

If you have any questions or concerns about any benefits or provision of your Accelerated Death Benefit For Chronic Condition Rider with Extension of Benefits Rider, please contact your agent or us directly at 1-888-763-7474.

1. **Benefits under the Accelerated Death Benefit for Chronic Condition Rider** – After our receipt of written proof that an Insured has met the Eligibility for Benefits provision, the Owner may choose to receive a portion of the Death Benefit while the Insured is still alive and while the Rider is in force, until the entire Death Benefit has been paid out.

Eligibility for Benefits - We will pay an Accelerated Death Benefit under this Rider after we receive written proof that the Insured has met all of the following conditions.

1. A Physician has certified that the Insured has a Chronic Condition;
2. The Insured has satisfied the Elimination Period; and
3. The contract to which this Rider is attached is in force.

Accelerated Death Benefit Options – You may choose one of the following options for submitting a claim for an Accelerated Death Benefit under this Rider:

Option 1 – Monthly Accelerated Death Benefit – You may request a monthly Accelerated Death Benefit equal to the applicable percentage of the Death Benefit Amount shown on the Contract Data Pages. This benefit is payable for each month the Insured satisfies the Eligibility for Benefits provision while this Rider is in force. After submitting satisfactory proof of loss, in order to continue receiving the monthly benefit you must provide, every 90 days, a written certification by a Physician that the Insured continues to have a Chronic Condition.

Option 2 - One-Time Lump Sum Accelerated Death Benefit – In lieu of the monthly Accelerated Death Benefit, you may request a one-time lump sum Accelerated Death Benefit payment equal to the applicable percentage shown on the Contract Data Pages of the Death Benefit Amount. Upon payment of this lump sum benefit, your rights under this Rider will end and this Rider will terminate.

Concurrent and/or Subsequent Chronic Conditions

If the Insured suffers from more than one Chronic Condition, we will pay an Accelerated Death Benefit under this Rider for only one of the conditions. Under no circumstances will we pay an Accelerated Death Benefit for any subsequent Chronic Condition under this rider.

A separate claim must be submitted for consideration under any other Accelerated Death Benefit Rider attached to the contract.

Payment of an Accelerated Death Benefit under this Rider will not reduce any Accidental Death benefit available under the contract.

2. **Benefits under the Extension of Benefits Rider** – This Rider extends benefits under the contract and the Accelerated Death Benefit for Chronic Condition Rider.

Death Benefit Increases – We will increase the Death Benefit by a percentage, as shown in the Contract Data Pages, of the Death Benefit that was in force on the date the first monthly Accelerated Death Benefit was paid under the Accelerated Death Benefit for Chronic Condition Rider, subject to all of the following requirements.

- a. The Insured must be alive and continue to satisfy the Eligibility for Benefits provision of the Accelerated Death Benefit for Chronic Condition Rider.
- b. The entire Death Benefit must have been paid under the Accelerated Death Benefit for Chronic Condition Rider before this Rider can be exercised.
- c. The cumulative Death Benefit increases under this Rider will not exceed 100% of the Death Benefit that was in force on the date the first monthly Accelerated Death Benefit was paid under the Accelerated Death Benefit for Chronic Condition Rider.
- d. Additional monthly Death Benefit increases under this Rider will be allowed and become effective the month immediately following the date the entire previous Death Benefit increase has been paid under the Accelerated Death Benefit for Chronic Condition Rider.
- e. You may not have elected to receive a one-time lump sum accelerated death benefit payment under the Accelerated Death Benefit for Chronic Condition Rider.

If you have elected to receive a one-time lump sum accelerated death benefit payment under the Accelerated Death Benefit for Chronic Condition Rider, we will increase such lump sum payment by a percentage of the Death Benefit as of the Monthly Date immediately following the date the Elimination Period, as defined in the Accelerated Death Benefit for Chronic Condition Rider, has been satisfied. Such percentage is shown in the Contract Data Pages. All other provisions of the Accelerated Death Benefit for Chronic Condition Rider related to the one-time lump sum benefit will apply to this increased lump sum benefit. After payment of this increased lump sum benefit, all your rights under this Rider will end and this Rider will terminate.

Paid-Up Benefit – As soon as the first increase is applied under this Rider, we will issue a paid-up certificate for a percentage of the Death Benefit that was in force on the date the first monthly Accelerated Death Benefit was paid under the Accelerated Death Benefit for Chronic Condition Rider. The percentage that will be used to calculate the paid-up amount is shown on the Contract Data Pages. This paid-up insurance will have no cash or loan values. We will not provide this paid-up life insurance benefit if you elect to receive a one-time lump sum benefit under the Accelerated Death Benefit for Chronic Condition Rider.

3. **Definitions** - These are some of the important definitions that will help you understand the Benefits provision.

Activities of Daily Living – For the purposes of this Rider, each of the following activities is considered an Activity of Daily Living:

Bathing - The Insured's ability to wash himself or herself by sponge bath; or in a tub or shower, including the task of getting into and out of the tub or shower.

Continence – The Insured's 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 - The Insured's ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs.

Eating - The Insured's ability to feed himself or herself by getting food into his or her body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.

Toileting – The Insured's ability to get to and from the toilet, to get on and off the toilet, and to perform associated personal hygiene.

Transferring - The Insured's ability to move into or out of a bed, chair or wheelchair.

Chronic Condition –

- a. The inability, expected to be permanent, to perform, without Substantial Human Assistance, at least two Activities of Daily Living for a period of at least 90 days; **or**
- b. Severe Cognitive Impairment that is expected to be permanent and that requires Substantial Supervision to protect the Insured from threats to his or her health and safety.

Severe Cognitive Impairment – A deficiency in any of the following: 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. Severe Cognitive Impairment is established by clinical evidence and standardized tests that reliably measure the Insured's loss. Severe Cognitive Impairment requires a deficiency comparable to (and including) Alzheimer's disease that has progressed beyond moderate memory loss or dementia and similar forms of irreversible dementia.

Elimination Period – The number of consecutive days during which the Insured must meet the conditions listed under the Benefits provision and during which no benefits are payable under this Rider. The Elimination Period starts on the day the Insured's Chronic Condition begins, as stated in the Physician's certification. The Elimination Period for this Rider is shown on the Contract Data Pages. The Elimination Period needs to be satisfied only once during the Insured's lifetime.

4. **Premiums** – The initial monthly charge and the guaranteed monthly charge for this Rider are shown in the Contract Data Pages. We may use monthly charges lower than the guaranteed monthly charge but will not use charges higher than the guaranteed amount.
5. **Waiver of Monthly Deductions** – For each month or partial month that benefits are paid under this Rider, we will waive the monthly deductions for the contract. If you elect the one-time lump sum Accelerated Death Benefit option, this waiver provision will not apply.
6. **Exclusions** - We will **not** pay Rider benefits if the Insured meets the requirements of the Eligibility for Benefits provision as a result of:
 - a. An intentionally self-inflicted injury, or attempted suicide;
 - b. War or any act of war, declared or undeclared, or service in the armed forces of any country;
 - c. The Insured's alcohol, drug or other chemical dependence, except if the drug dependency is for a drug prescribed by a Physician in the course of treatment for an injury or sickness.; or
 - d. The Insured's commission of, or attempt to commit, a felony; or an injury that occurs because of the Insured's involvement in an illegal activity.
7. **Impact on Death Benefit** – We will deduct any amounts paid under this Rider from the Insured's Death Benefit and send the Owner a monthly report showing the effect of each payment on the contract values. Each payment will reduce the following contract values proportionally to the reduction in the Death Benefit: The Face Amount, Accumulation Value, Surrender Charge, Guaranteed Cash Value, if applicable, and any outstanding Loan balance, if any. The Insured's beneficiary will receive any remaining Death Benefit after the Insured dies, provided the contract has not stopped. However, if the entire Death Benefit has been accelerated prior to the Insured's death, the contract will terminate and there will be no Death Benefit payable upon the Insured's death.

Once Rider benefit payments begin, you cannot change the Face Amount or the Death Benefit option of the contract or add any Riders, and we will not accept any premium payments.

Illustrative Example of the effect of exercising the Accelerated Death Benefit option based on monthly benefit acceleration of 4% of the Death Benefit:

	Death Benefit	Accelerated Death Benefit Amount	Accumulation Value	Surrender Charge
Before payment of Accelerated Benefit	\$50,000		\$5,000	\$500
After one month's payment of Accelerated Death Benefit:	\$48,000	\$2,000	\$4,800	\$480

Acknowledgment

I acknowledge that I have read this disclosure and understand that if I exercise the Accelerated Death Benefit option, any Beneficiary I designate may receive either a reduced Death Benefit or no Death Benefit at all. If the entire Death Benefit is paid out as an Accelerated Death Benefit prior to the Insured's death, the Beneficiary I designate will receive no Death Benefit.

Date

Owner's Signature

Please return a signed copy to our Administrative Office address shown at the top of this form