

Mailing Date

**Important Notice: Upcoming Long  
Term Care Premium Rate Increase**

Policyholder Name  
Address  
City, State and Zip

Policy Number: 0000000000

**This is not a bill - you do not need to send any payment to us at this time.**

Dear Policyholder Name:

After a careful review, we have found that a premium increase is necessary to continue providing your long term care coverage. Your premium is not being increased due to changes in your personal health, age or claims history. We recognize and value your loyalty to LifeSecure for your long term care insurance needs. We are grateful to have earned your trust over the years, and we are committed to providing you with quality long term care coverage at affordable rates.

Our decision to increase premium rates was made after thoroughly evaluating a variety of factors that impact premium rates. This increase applies to every policy under your specific policy series in the state that your policy was issued. We maintain the right to raise premiums in the future. This rate increase was filed and approved in accordance with the legal requirements of the state in which your policy was issued.

**What this means to you:**

The rate increase will go into effect on the Increase Effective Date listed in the table below, unless your premium is currently being waived because of your claim status. If your premium is currently being waived, you will not be affected by this rate increase until your premium is no longer being waived.

The following chart represents the upcoming change to your premium. If you have received, recently accepted, or are expecting to receive a Guaranteed Future Purchase Offer, the new premium shown below may not reflect the increased premium for that offer.

Your Current Premium	Your New Premium	Percentage of Increase	Increase Effective Date
Current Premium Current Premium Mode	New Premium Current Premium Mode	%	Effective Date

Your current plan may meet the requirements for Partnership Plan Certification providing you with asset protection. If you decide to change your benefits, this may affect that status.

We hope you keep your long term care policy. It provides great peace of mind in knowing that if you need long term care, you won't have to bear the cost burden all on your own. We understand if you would like to explore other options to continue your coverage. The enclosed Selection Option Form outlines some options that may be available to you. It may be best for you to contact us directly to discuss other options that may be available to reduce your premium. If you do not want to make any changes to your benefits in response to the rate increase, no action on your part is required and your new premium will become effective on the date shown in the above chart. We also want to answer any questions you might have. Please call our Policyholder Support team at 888.575.8246 or e-mail us at [phs@yourlifesecond.com](mailto:phs@yourlifesecond.com).

Sincerely,

LifeSecure Policyholder Support

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**Insured's Name**                      **Premium Increase Selection Option Form**                      **Policy Number: 000000000**

**Please evaluate your options carefully before making your selection. If you prefer an alternative to the rate increase, please complete this form and return it to us at the address above or by secured fax.**

**Option #1: Do nothing. Your new rate will take effect on the date indicated.**

**☐ Option #2: Reduce my coverage so that my new premium payments will stay approximately the same as my current payment**

If you want to keep your premium payment close to the amount it is now, you can reduce your Monthly Benefit from \$ current MB to \$ new MB. Your Benefit Bank will be reduced from \$ current BB to \$ new BB. Please note that the Benefit Bank shown has not been reduced by any claims that have been paid or are payable. Your new premium would be \$ new premium payment mode.

If you elect this option, to ensure your next premium invoice will reflect the revised benefit amount and premium, we must receive this completed form within 30 days from the date of the letter. If we do not receive your Selection Option Form within 30 days from the date of the letter, you may still make changes, but the first bill that reflects the rate increase may not show the premium resulting from your change.

**Note: You will not be able to increase your benefits back to the original amounts after selecting this option. If you have recently changed your benefits, the Monthly Benefit and Benefit Bank amounts may be different than those shown above.**

**☐ Option #3: Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.

**☐ Standard Option**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) your Monthly Benefit in effect at the time of conversion. The revised Benefit Bank is reduced by the sum of all benefits previously paid to you. Your Monthly Benefit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

**☐ Limited Pay Option**

Your revised Monthly Benefit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable. The revised Benefit Bank is reduced by the sum of all benefits previously paid to you.

If you elect to exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Compound Inflation Benefit Rider will occur. Benefits under the Shared Care Benefit Rider will no longer be available. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, this option will be deemed elected, whether or not you selected it on this form.

**☐ Option #4: Exercise the lapse protection benefit – Nonforfeiture Benefit Rider**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) your Monthly Benefit in effect at the time of conversion. The revised Benefit Bank is reduced by the sum of all benefits previously paid to you. Your Monthly Benefit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Compound Inflation Benefit Rider will occur. Benefits under the Shared Care Benefit Rider will no longer be available. Premiums can no longer be paid, and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, this option will be deemed elected, whether you selected it on this form.

I have carefully reviewed the enclosed information and understand my options. I authorize LifeSecure to amend my coverage as indicated on this form.

Policyholder's Signature

Policyholder's Printed Name

Date

Current Email Address (Optional)

Current Address

City, State and Zip

Current Telephone Number

Policy Number: 000000000

## **Frequently Asked Questions**

### **Premium Increase**

#### **1. *Why is my Long Term Care Insurance Policy premium increasing?***

LifeSecure is committed to providing you with quality long term care coverage at affordable rates. We continually look for ways to manage costs for our policyholders. After a careful review, we have found that it is necessary to increase premiums.

Our decision to increase premium rates was made after thoroughly evaluating a variety of factors that impact premium rates. This premium increase applies to every policy under your policy series in the state that your policy was issued. Your premium rate was not increased due to changes in your personal health, age or claims history. The increase was filed and approved in accordance with the legal requirements of the state in which your policy was issued.

#### **2. *Will there be additional premium increases in the future?***

It is possible that long term care premiums could increase in the future. We will continue to monitor the factors that impact premium rates and will notify you if any other adjustments are needed. Any increase to your premiums would be filed and approved in accordance with the legal requirements of the state in which your policy was issued.

#### **3. *What do I need to do to make a decision about my level of coverage?***

If you want to keep your policy in force as it is now and pay the increased premium, no action is required. If you want to explore other coverage options, there may be options that will allow you to keep some coverage in force.

If a Selection Option Form is enclosed, please review your available option(s) now. If you decide to elect one of the options listed there, send us the completed Selection Option Form. If we do not receive your Selection Option Form within 30 days from the date of the letter, you may still make changes, but the first bill that reflects the rate increase may not show the premium resulting from your change.

Whether or not a Selection Option Form is enclosed here, we may have other options that will allow you to keep coverage in force at reduced levels that will help mitigate the impact of the rate increase. We are happy to discuss all your options. Please contact us at 888.575.8246, by e-mail at [phs@yourlifesecure.com](mailto:phs@yourlifesecure.com), or by fax at 877.226.0925. We are standing by to help.

#### **4. *What happens if I decide to pay the increased premiums and keep my current coverage at the same level?***

Simply pay the new premium that is due when the rate increase becomes effective on your policy.

- If you pay by direct bill, your new premium will be shown in the first bill that reflects the rate increase.
- If you pay premium with an electronic funds transfer (EFT) from a checking or savings account or credit card, the increased premium will be included in the first draft that includes the rate increase
- If you pay your premium through payroll deduction, your employer will be notified of the new premium amount, beginning with the first bill that reflects the rate increase.

#### **5. *What if I do not want to pay the increased premium amount?***

If you do not pay the increased premium by its due date, we will begin the process of terminating your policy unless: (1) You have previously purchased the lapse protection benefit – Nonforfeiture Benefit Rider or (2) the Contingent Non-Forfeiture Benefit is available and appears on the enclosed Selection Option Form.

If you have previously purchased the lapse protection benefit – Nonforfeiture Benefit Rider and your policy lapses at any time, this option will be deemed elected, whether you selected it on the Selection Option Form.

If the Contingent Non-Forfeiture Benefit is available and your policy lapses at any time from now until 120 days following the first due date of the increased premium, this option will be deemed elected whether you selected it on the Selection Option Form.

#### **6. *Do I have the option to reduce coverage so that I can keep my current premium payments at around the same level?***

You may have the option to reduce your Benefit Bank in order to keep your premium at about the same level it is now. If this option is available, it will appear on your Selection Option Form. Whether or not this option is available, you may have other options may be available that will allow you to reduce your coverage. We want to answer any questions you might have. Please call Us at 888.575.8246, fax Us at 877.226.0925, or e-mail Us at [phs@yourlifesecure.com](mailto:phs@yourlifesecure.com).



**7. *What if I have purchased the lapse protection benefit – Nonforfeiture Benefit Rider?***

If this option appears on your Selection Option Form, you may elect it. Under this option, your current Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) your Monthly Benefit in effect at the time of lapse.

The revised Benefit Bank is reduced by the sum of all benefits previously paid to You. Your Monthly Benefit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available, and no future increases under any Compound Inflation Benefit Rider will occur. Benefits under the Shared Care Benefit Rider will no longer be available. Premiums can no longer be paid, and your remaining Benefit Bank cannot be increased. If this option is available to you and your coverage lapses for any reason, this option is deemed elected, whether you selected it on the Selection Option Form.

**8. *What is the “Contingent Non-Forfeiture Benefit?”***

If this option appears on your Selection Option Form, you can convert your coverage to a paid-up status with a lesser Benefit Bank. Unless you are paying premiums under a Limited Payment Option, your current Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) your Monthly Benefit in effect at the time of conversion.

The revised Benefit Bank is reduced by the sum of all benefits previously paid to you. Your Monthly Benefit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

If you are paying premiums under a Limited Payment Option, your revised Benefit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect this option, no further Guaranteed Future Purchase Offers will be available, and no future increases under any Compound Inflation Benefit Rider will occur. Benefits under the Shared Care Rider will no longer be available. Premiums can no longer be paid, and your remaining Benefit Bank cannot be increased. If this option is available to you, and your coverage lapses for any reason between now and 120 days following the due date of the first increased premium, this option is deemed elected, whether you selected it on the Selection Option Form.

**9. *How will my Compound Inflation Benefit Rider be affected if I elect to reduce my coverage?***

If your policy includes the 3% or 5% Compound Inflation Benefit Rider, your Monthly Benefit and Benefit Bank increases on each policy anniversary at either 3% or 5% for as long as the Compound Inflation Benefit Rider is in force. If you elect to reduce the amount of your Monthly Benefit and Benefit Bank, the automatic increase on your next policy anniversary will be calculated based on the reduced amounts.

You may also choose to terminate the rider. Upon termination, you can choose the amount of your Monthly Benefit and Benefit Bank up to the current inflated amounts. Your resulting premium will be based on the amounts that you chose based on your original issue age. Your Monthly Benefit and Benefit Bank will no longer be increased on policy anniversaries. Your Compound Inflation Benefit Rider cannot be reinstated if you drop the rider. As mentioned above, you may also have the option to reduce your Benefit Bank which will decrease your premium. We want to answer any questions you might have. Please call Us at 888.575.8246, fax Us at 877.226.0925, or e-mail Us at [phs@yourlifesecond.com](mailto:phs@yourlifesecond.com) to discuss how this could impact your premium.

**10. *My premium is currently being waived because I am receiving benefits under the policy. How will this premium increase impact me?***

If your premiums are currently being waived, you will not be affected by this rate increase until your premiums are no longer waived. Your claims will continue to be paid according to your current coverage. Once your premium is no longer being waived, your premium due will resume at the higher adjusted level.

**11. *How will my Shared Care Benefit Rider be affected if I elect to reduce my coverage?***

Your Share Care Benefit Rider will remain intact as long as your policy's benefits are the same as your partner's policy's benefits. Note that under certain circumstances, this requirement is not applicable. Refer to your policy, call our Policyholder Support team at 888.575.8246 or e-mail us at [phs@yourlifesecond.com](mailto:phs@yourlifesecond.com) to determine whether you and your partner's policies are subject to this requirement.