Securian Financial®

SecureCare™ Universal Life
Individual Life and Long-Term Care Insurance

Paying for long-term care:

Which asset would you choose?

Insurance products issued by:
Minnesota Life Insurance Company

22-2019968.04

You've worked hard to save for retirement and plan for your future. But what would happen if you or someone you love experienced an extended health care event? Could you cover the impact of unexpected long-term care expenses, and which asset would you use to pay for it?

Repositioning assets to pay for care

If you're like most people, over your lifetime, you've accumulated a variety of assets. These assets have a unique purpose in developing your financial and long-term care strategy, and typically fit into one of five categories:

Asset category	General purpose	Considerations[1]	Examples
Qualified funds	Long-term growth for retirement income	• May be taxable on withdrawal • Early withdrawal penalties may apply prior to age 59½	• 401(k) or 403(b) • IRA or Roth IRA • Employer profit-sharing plans
Nonqualified funds	Long-term growth for retirement income	• Taxation varies by product or investment • May be taxed as it grows or include taxable capital gains	• Annuities • Stocks, bonds or mutual funds • Real Estate Investment Trusts (REITs)
Life insurance	Provides a death benefit to beneficiaries	• May accumulate cash value to provide supplemental income or cover expenses	• Whole life • Universal life • Variable universal life
Tangible assets	Physical assets a person owns	• May be taxable upon sale • Liquidity based on market conditions	• Real estate, such as house or cabin • Boat • Jewelry or furniture • Car
Cash equivalents	Fixed, low-interest accounts used for savings or a "rainy day"	• Taxed as the asset grows • Generally accessible with minimal restrictions	• Savings account • Money market • Treasury bill • Certificate of deposit (CD)

Which asset would you choose?

If you needed money today to pay for unexpected long-term care expenses, which asset(s) would you use? And with the average private nursing home room in California costing $13,088 per month and nearly $156,000 per year in 2024[2], how long could that asset last?

Your "rainy day" account, or cash equivalents, may be the first place you look. Although these assets may cover some – or even all – of the long-term care expenses you may incur, how would using these assets impact your other finances?

What if

you could protect your financial future and safeguard other assets at the same time?

1. Taxpayers should seek the advice of their own tax and legal advisors regarding any tax and legal issues applicable to their specific circumstances.
2. National cost of care calculator, 2024, https://www.ltcnews.com/resources/states/

Potential solution

In our hypothetical example, Katherine and Michael choose the single-pay premium payment option and decide to reposition $100,000 of their cash equivalents to purchase a SecureCare UL policy for Katherine. This will help protect more of their portfolio from potentially unfavorable liquidation in the event Katherine needs to receive long-term care.

Katherine decides she wants her policy to provide long-term care benefits for six years. In addition, she includes the 3 percent compound interest Long-Term Care Inflation Protection Agreement, ensuring the policy's benefits will increase over time.

Katherine's SecureCare UL policy benefits

If Katherine wants her money back, after five years, she will receive:

$100,000 premium refund

If Katherine wants her money back: She can request a complete premium refund beginning in the sixth policy year.[4]

When Katherine dies, her beneficiaries will receive:

$118,315 death benefit

If she dies prior to needing care: Her beneficiaries will receive a guaranteed death benefit of $118,315.

Even if she accelerates her entire death benefit to pay for long-term care expenses: Katherine's beneficiaries will still receive the guaranteed minimum death benefit of $10,000 or 10 percent of the policy's face amount, whichever is less.

If Katherine needs long-term care, at age 80 she may receive:

$651,444 total LTC benefit

$8,393 monthly maximum benefit

If she needs long-term care at age 80: After meeting the policy's benefit requirements[5], Katherine will receive the maximum monthly long-term care benefit of $8,393 that she can use however she wants. The monthly benefit increases every year by the 3 percent compound inflation option she chose, equaling $651,444 in total benefits.

This is a hypothetical example of a policy underwritten as Female, 62 years old, Non-tobacco Couples Discount, 3% compound inflation option, for illustrative purposes only.

4. Upon surrender, the policy owner will receive the surrender value proceeds. The surrender value proceeds may not equal the sum of premiums paid. Surrenders are subject to a return of premium vesting schedule. Policies that are fully vested are eligible for a full return of all premiums paid.

5. Eligibility requirements include: the insured must be certified as a chronically ill individual by a licensed health care practitioner; and must be receiving qualified long-term services under the Acceleration for Long-Term Care Agreement, which are specified in a plan of care; and the plan of care must be submitted to Minnesota Life; and the elimination period must be satisfied; and the Acceleration for Long-Term Care Agreement must be in force.

Put your assets to work for your future!

You too can put your assets to work for you with a SecureCare Universal Life policy. Preserve assets for your loved ones and protect your retirement with flexibility for the future.

Talk to your financial professional about how SecureCare UL can help you secure your care, your assets and your future now.

Your alternative: SecureCare UL

Securian Financial's SecureCare Universal Life Insurance (SecureCare UL) provides a cash indemnity benefit for individuals and couples who want choice, flexibility and guarantees[3] in the event of a long-term care need. It's for people who generally have a source of retirement income to cover living expenses, such as a pension or other assets, but also have funds set aside "just in case" they need care.

Let's look at a hypothetical scenario: Michael and Katherine help secure their future

Katherine and Michael are married. They are both 62 years old, recently retired and are receiving income from work pensions, 401(k) plans and Social Security.

- Michael and Katherine diligently saved during their working years and have accumulated enough assets to provide a comfortable income.
- Michael's employer provided a group long-term care insurance policy, which he kept when he retired. However, Katherine's mother had Alzheimer's Disease, and they are concerned about what might happen if Katherine needs care.

To be eligible for benefits:

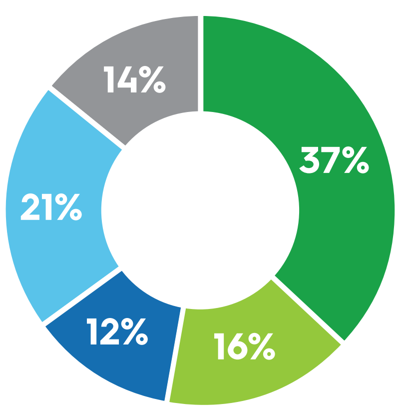
The insured has been certified by a licensed health care practitioner within the last 12 months as:

1. Being unable to perform, without substantial help from another person, at least two out of six activities of daily living, or for a period of at least 90 days within the previous 12 months, or
2. Requiring substantial supervision due to severe cognitive impairment.

Activities of daily living (ADLs)

- Transferring/mobility
- Bathing
- Getting dressed
- Eating
- Continence
- Toileting

ASSETS KATHERINE AND MICHAEL COULD USE TO HELP PAY FOR LONG-TERM CARE



- Total qualified funds: $800,000
  - Katherine's 401(k): $425,000
  - Michael's 401(k): $375,000
- Total nonqualified funds: $350,000
  - Mutual funds: $250,000
  - Annuity: $100,000
- Life insurance combined cash value: $250,000
- Tangible assets: $450,000
  - Home
  - Two cars
  - Boat
- Total cash equivalents: $300,000
  - Money market: $125,000
  - CD: $75,000
  - Savings: $100,000

3. Guarantees are based on the financial strength and claims-paying ability of the issuing insurance company.

Cash indemnity LTC policies allow you to select an amount to be paid for long-term care services up to the maximum monthly once the insured becomes eligible for benefits. Cash indemnity benefits do not have limitations of types of care, caregivers, or expenses incurred for qualified care. Reimbursement LTC policies provide a dollar-for-dollar reimbursement of actual expenses that have already been paid out-of-pocket for qualified care. Benefits that are an acceleration of the death benefit will reduce the death benefit as described in the contract. This can reduce the amount of death benefit available to the beneficiary if LTC benefits are received prior to the insured's death.

Insurance policy guarantees are subject to the financial strength and claims-paying ability of the issuing insurance company.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

The purpose of this material is the solicitation of insurance. A financial professional may contact you.

This information is meant to help you understand the SecureCare UL policy, not as a means to compare with other products. The amount of benefits provided will depend upon the benefits selected and the charges will vary as such. The following provisions may not apply or may vary depending on the state in which you live at time of policy issue. Please refer to your state's Outline of Coverage for the exact language in your state.

The Acceleration for Long-Term Care Agreement and Extension of Long-Term Care Benefits Agreement are tax qualified long-term care agreements that cover care such as nursing care, home and community based care, and informal care as defined in these agreements. These agreements provide for the payment of a monthly benefit for qualified long-term care services. These agreements are intended to provide federally tax qualified long-term care insurance benefits under Section 7702B of the Internal Revenue Code, as amended. However, due to uncertainty in the tax law, benefits paid under this agreement may be taxable.

The optional Long-Term Care Inflation Protection Agreement is available with 3% simple interest, 3% compound interest, 5% simple interest or 5% compound interest.

The death proceeds will be reduced by a long-term care or terminal illness benefit payment. Please consult a tax advisor regarding long-term care benefit payments, terminal illness benefit payments, or when taking a loan or withdrawal from a life insurance contract.

EXCLUSIONS AND LIMITATIONS

You are not eligible to receive benefits if the Insured's long-term care service needs are the result of any illness, treatment, or a medical condition arising out of any of the following:

(1) war or any act of war, whether declared or undeclared; or

(2) active service in the armed forces or units auxiliary thereto; or

(3) participation in a felony, riot, or insurrection; or

(4) any attempt at suicide, or intentionally self-inflicted injury, while sane or insane.

In addition, you are not eligible to receive benefits if the Insured's long-term care services are required for, or as a direct consequence of, the Insured's alcoholism or drug addiction.

PRE-EXISTING CONDITION LIMITATIONS

Pre-existing condition limitations refer to any condition or disease for which the Insured received medical advice or treatment within six months preceding the effective date of this agreement for that same condition or disease. After six months from the effective date of this agreement, all pre-existing conditions disclosed on the application will be covered regardless of the date the loss or confinement begins. There does not need to be a specific diagnosis for the condition or disease for it to be considered a pre-existing condition.

We will not pay benefits for a pre-existing condition or disease that is not disclosed in the application for a period of six months from the effective date of this agreement. A pre-existing condition during the first six months that this agreement is In Force will not be counted toward the satisfaction of the Long-Term Care Elimination Period.

Qualified long-term care services received by the insured for a pre-existing condition during the first six (6) months that this policy is in force will not be counted toward the satisfaction of the elimination period.

SecureCare UL may not be available in all states. Product features, including limitations and exclusions, may vary by state. For costs and further details of coverage, including the terms and conditions under which the policy may be continued in force, contact your agent/representative.

Additional agreements may be available. Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states or may exist under a different name in various states and may not be available in combination with other agreements.

Life insurance products contain fees, such as mortality and expense charges, and may contain restrictions, such as surrender periods.

This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement (policy or certificate). The acceleration of the death benefit pays an unrestricted cash benefit when the insured has become chronically ill or otherwise eligible for benefits from a qualified event.

These are general marketing materials and, accordingly, should not be viewed as a recommendation that any particular product or feature is appropriate or suitable for any particular individual. These materials are based on hypothetical scenarios and are not designed for any particular individual or group of individuals (for example, any demographic group by age or occupation). It should not be considered investment advice, nor does it constitute a recommendation that anyone engage in (or refrain from) a particular course of action. If you are looking for investment advice or recommendations, you should contact your financial professional.

INSURANCE PRODUCTS ARE ISSUED BY MINNESOTA LIFE INSURANCE COMPANY or Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

Securian Financial is the marketing name for Securian Financial Group, Inc., and its subsidiaries. Minnesota Life Insurance Company and Securian Life Insurance Company are subsidiaries of Securian Financial Group, Inc.

POLICY FORM NUMBERS

17-20103.04; Acceleration for Long-Term Care Agreement
17-20111.04; Extension of Long-Term Care Benefits Agreement
17-20112.04; Long-Term Care Inflation Protection Agreement
17-20113.04.

Not a deposit – Not FDIC/NCUA insured – Not insured by any federal government agency – Not guaranteed by any bank or credit union – May go down in value

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