



Genworth®  
Financial

# PLAN TODAY...SO YOU CAN ENJOY TOMORROW

**Total Living Coverage<sup>SM</sup> UNIVERSAL LIFE INSURANCE  
WITH LONG TERM CARE BENEFITS**

Underwritten by  
Genworth Life Insurance Company  
Lynchburg, VA

# TOTAL LIVING COVERAGE<sup>SM</sup>

*TLC helps you plan today so you can enjoy tomorrow.*

You enjoy a comfortable, self-reliant lifestyle now and want it to continue, so you plan for your financial future. You make every effort to anticipate what you'll need for retirement, for health care and for your beneficiaries after you're gone.

Perhaps you are considering setting aside a portion of your assets in case you eventually need long term care. Even though the funds won't be available for other uses, at least you'll have money to pay for long term care. But what if you never need long term care, and you do need those funds for other purposes?

**How can you help maintain control of your assets, protect your beneficiaries and still have access to long term care benefits, if you need them?**

Consider Total Living Coverage (TLC) from Genworth Life Insurance Company. It's a different approach to planning your financial future.

TLC combines universal life insurance and long term care benefits in one product, helping you manage your assets now so you can enjoy more financial freedom later. Your premium payment provides a pool of benefit dollars available for long term care for you, or a death benefit for your beneficiaries, or both.



#### **Insurance and annuity products:**

- **Are not** deposits.
- **Are not** insured by the FDIC or any other federal government agency.
- **Are not** guaranteed by the bank or its affiliates.
- **May** decrease in value.

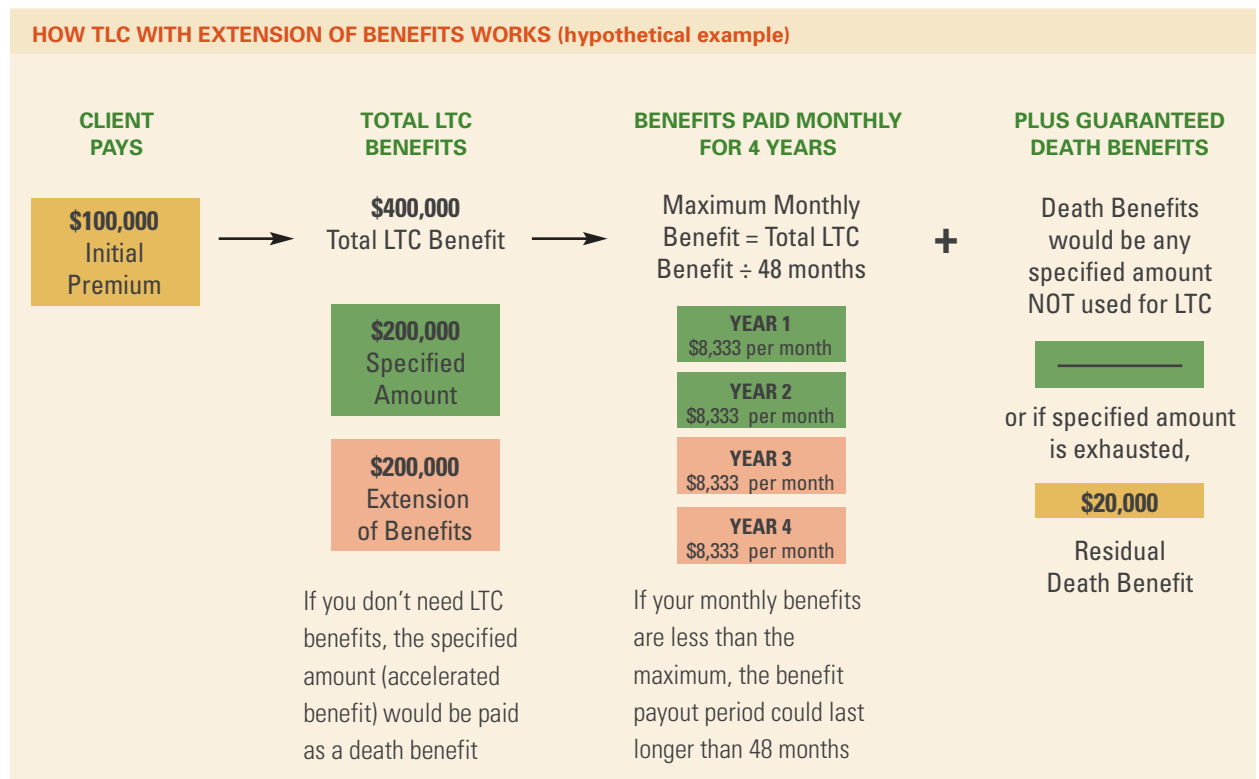
# HOW DOES TLC WORK?

Meet Susan, a typical TLC buyer. Because she planned well during her working years, Susan's finances are in excellent shape and she's looking forward to a comfortable retirement. Susan recognizes the potential need for long term care (LTC) in the future and sets aside \$200,000 to cover that need.

While her LTC self-insuring strategy is prudent, it means that those funds are no longer free for her to enjoy or invest differently. Susan learns that there's a different way to help plan for possible long term care expenses, using only half the \$200,000 she presently set aside – a Total Living Coverage insurance policy. If she needs covered long term care, she has a monthly benefit to help cover the expenses. If she doesn't need long term care, TLC provides an income tax free death benefit for her beneficiaries. Susan should be covered no matter what happens, and she also frees up \$100,000 to do with as she chooses.

Susan decides she needs TLC and purchases a policy. As a 65-year-old who doesn't use nicotine and is in good health, she qualifies for a long term care insurance discount and preferred life insurance premium rates.

She now has some decisions to make about her policy. TLC includes an Accelerated Benefit Rider (ABR), which provides a monthly benefit amount for covered long term care expenses if needed. The ABR period may be for 24, 36 or 48 months. An Extension of Benefits Rider (EBR) increases the total amount available for long term care expenses by providing continued payment of the monthly benefit amount over 24 or 48 additional months, or for life. And if Susan wants to be sure to keep up with rising costs, an inflation protection option is also available at 3% or 5%.



With three percent optional inflation protection, Susan's monthly and lifetime benefit amounts grow. In 20 years and assuming no loans or withdrawals, Susan's total benefit amount will have increased to \$722,444, with a \$15,050 monthly maximum.

*A Residual Death Benefit is available even if the entire death benefit amount is used for long term care expenses.*

### Susan's Customized Coverage

Susan chooses a two-year ABR, which, along with the initial specified amount, establishes the maximum monthly benefit amount for long term care expenses payable for a two-year period. The monthly benefit amount is drawn from the specified amount if needed for long term care expenses. She also selects a two-year EBR to increase the total amount available and extend her monthly payments to four years. Finally, Susan chooses to include 3 percent compound inflation protection.

The maximum monthly benefit amount equals the specified amount divided by the ABR period:  
 $\$200,000 \div 24 \text{ months} = \$8,333$

The two-year EBR extends the amount of time the monthly benefit amount is paid to 48 months and increases the total benefit amount available for long term care expenses:  
 $\$8,333 \times 48 \text{ months} = \$400,000$

If Susan dies without needing any long term care benefits, the death benefit less any policy loans and withdrawals is paid income tax free to her beneficiaries. If she has received long term care benefits, the remaining death benefit or residual death benefit is paid, whichever is greater.

TLC SUMMARY	
Initial specified amount and initial amount available for long term care expenses	<b>\$200,000</b>
Accelerated Benefit Rider (ABR)	<b>24 months</b>
Extension of Benefits Rider (EBR)	<b>24 months</b>
Inflation Protection	<b>3%</b>
Maximum monthly benefit amount	<b>\$8,333</b>
Total long term care benefit	<b>\$400,000</b>
3% Compound Inflation Protection over 20 years (assumes no withdrawals and no long term care benefits paid during the period)	<b>\$722,444</b>
Residual Death Benefit (Susan took no loans or withdrawals)	<b>\$20,000</b>

# TLC WORKS FOR YOU

## TLC has you covered

TLC helps you maintain control of your assets, protect your beneficiaries and still have access to long term care benefits.

- If you never need long term care or decide not to use TLC to pay long term care expenses, the entire specified amount will generally be paid out income tax-free to your beneficiaries.
- If you use part of the specified amount to pay long term care expenses, the remainder will be paid to your beneficiaries.<sup>1</sup>
- Or, if you use the entire specified amount to pay long term care expenses, a residual death benefit can help pay final expenses.

TLC's policy charges stop after you reach age 100 but benefits are available throughout your life, even beyond age 100.

## TLC provides guarantees

TLC can come with a money-back guarantee. If you decide in the first 15 years that you no longer want your TLC policy, you can get back at least the initial premium you paid, less any amount used for long term care benefits.<sup>2</sup>

Benefits can also be guaranteed. TLC is designed to ensure that your coverage will continue based on the current interest rate credited to the policy and the policy expense levels at issue. If the current credited interest rate has fallen to the guaranteed minimum or policy charges have risen, we'll advise you to lower your benefits to the guaranteed minimum benefit values shown in your TLC policy. If you take policy loans or withdrawals, which both lower your policy's values, we cannot guarantee that benefits will continue.

## TLC safeguards your assets

Using part of your assets to purchase a TLC policy can help free up dollars you may otherwise set aside for potential long term care expenses.

Optional inflation protection helps ensure that, as long term care expenses rise over time, so will your pool of benefit dollars to cover those expenses.

## TLC offers discounts

Some people may be eligible for either or both of the following discounts on their policy charges for long term care coverage.

- **Couples<sup>3</sup>** – each person may be eligible for a 20 percent discount. The discount also applies if one person is already covered by an individual long term care insurance policy previously issued by us. If only one person applies, a 10 percent discount may be available.
- **Preferred Health** – Those in good health when they apply may be eligible for a 15 percent discount, depending on underwriting.

Preferred life insurance premium rates are also available depending on underwriting.

Total Living Coverage<sup>SM</sup> universal life insurance with long term care benefits is subject to the terms, issue limitations and conditions of Policy Form No. ULPLTCIPLGLI (11/05) et al., in Idaho, Policy Form No. ULPLTCIPGLI ID (11/05), and Rider Form Nos. ULRABRIPGLI (11/05) et al., ULREBRIPGLI (11/05) et al., ULRROPIPLGLI (11/05) et al. and ULRGMBRIPGLI (11/05) et al. Policy, benefits and riders may not all be available in all states. Terms and conditions may vary by state. All applications are subject to the underwriting requirements of Genworth Life Insurance Company.

<sup>1</sup> The death benefit payable is received by the beneficiary income tax-free under subsection 101(a)(1) of the Internal Revenue Code unless the owner transfers it for value as provided in subsection 101(a)(2). Payments for covered care are not considered taxable income as provided in subsection 104(a)(3) of the Internal Revenue Code.

<sup>2</sup> If the policy is surrendered before the end of the fifteenth policy year, the owner will get back at least the initial premium, less any long term care benefits already received. The ROP is paid only if no loans or partial withdrawals have been taken and the Guaranteed Minimum Benefit Rider (GMBR) is active.

<sup>3</sup> In Montana, couples (married/unmarried).

Covered long term care expenses may be paid for a longer or shorter period than the ABR and EBR periods. Expenses may be paid for a longer period if the actual expenses paid are less than the maximum monthly LTC benefit. Expenses may be paid for a shorter period because some services – support equipment, caregiver training and bed reservation – do not count toward the maximum monthly LTC benefit, but do count toward the total long term care benefit.

The accelerated benefit rider is called the advanced benefit rider in Kansas.

This policy is a Modified Endowment Contract (MEC) unless it is issued in exchange for a life insurance contract entered into before June 21, 1988. Partial withdrawals and policy loans taken from a MEC are taxable under Federal income tax law to the extent that there is any gain in the policy. An additional tax of 10% of the taxable amount may be payable unless the owner is at least 59½ or satisfies another exemption from payment of the additional tax.

LTC benefit payments made under the terms of a contract federally tax-qualified under section 7702B(b) are not subject to federal income tax. These benefit payments must be reported to the IRS on form 1099-LTC.

Monthly charges for the LTC coverages are considered to be withdrawals and reportable on Form 1099 to the extent that there is any gain in the contract in excess of the owner's income-tax basis.

If this policy is exchanged for a contract entered into before June 21, 1988, partial withdrawals are taxable to the extent that there is any gain in the policy above the owner's income-tax basis (usually premiums paid). Policy loans are taxable upon lapse or surrender of the policy to the extent that there is any gain in the policy. The additional tax that could be payable with respect to MECs does not apply.

The company has provided this brochure to help the owner understand the ideas discussed. Any examples are hypothetical and are used only to help the owner understand the concepts of the policy. The owner should carefully read the policy. What the company says about legal or tax matters is its understanding of current law, but the company is not offering legal or tax advice. Tax laws and IRS administrative positions may change. This material is not intended to be used by any taxpayer to avoid any IRS penalty. The policyowner should consult independent tax and legal professionals for advice based on particular circumstances.

## Genworth Life consistently receives some of the highest ratings in the industry:

	Rating	Rank	Scope
<b>A.M. Best</b>	A+ (Superior)	2nd highest of 16 ratings	Insurer's financial strength and ability to meet ongoing obligations to policyholders
<b>Moody's</b>	Aa3 (Excellent)	4th highest of 21 ratings	Financial strength
<b>S&amp;P</b>	AA- (Very Strong)	4th highest of 21 ratings	Financial strength and claims-paying ability

Ratings shown reflect the opinions of the rating agencies and are not implied warranties of the company's ability to meet its financial obligations. Rating is current as of 2/8/06.

Genworth Life is a member of the Insurance Marketplace Standards Association (IMSA). Membership promotes ethical market conduct for individual life insurance and annuity companies.



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