

UNITED OF OMAHA LIFE INSURANCE COMPANY

A MUTUAL of OMAHA COMPANY

Living Care[®] Annuity

SETTING YOUR RISK **BOUNDARIES**



Mutual of Omaha

PRODUCT GUIDE





Setting Risk Boundaries

You can't control the future, but you can set limits, or boundaries, on the risks you're willing to allow into your retirement plan.

United of Omaha Life Insurance Company's Living Care[®] Annuity has been designed to give you a simple way to continue to save money for retirement and plan for the possibility of needing long-term care.

So, instead of having to save more money or pay additional premiums for a stand-alone long-term care policy to cover potential long-term care risks, you can choose to reposition a portion of your assets to the Living Care[®] Annuity and receive benefits for long-term care services and supports.

How Does Living Care[®] Annuity Work?

Living Care[®] Annuity combines a deferred fixed rate annuity with built-in long-term care benefits.

A deferred fixed rate annuity is a financial planning tool that can help you save more money for retirement. It earns a fixed rate of interest and

grows tax-deferred until you begin taking income payments from it. And, in addition to helping you save more money, Living Care[®] Annuity can provide you up to three times the annuity value in long-term care benefits if you need them...guaranteed! Here's how it works:

Year 1

Your single premium establishes the annuity value. Each year, your Living Care[®] Annuity is credited with a guaranteed rate of interest.

Year 2

The annuity account value builds up over a two-year period before the long-term care benefits can be accessed.

Year 3

Beginning in Year 3, you can access long-term care benefits if you need them.

If you need long-term care...

- Receive up to three times the annuity value in long-term care benefits
- Help preserve your overall retirement assets by using this portion of your money to pay for at least six years of long-term care
- Help protect your spouse and family from the emotional, physical, and financial toll of caregiving
- Help ensure your choice of care options

If you don't need long-term care...

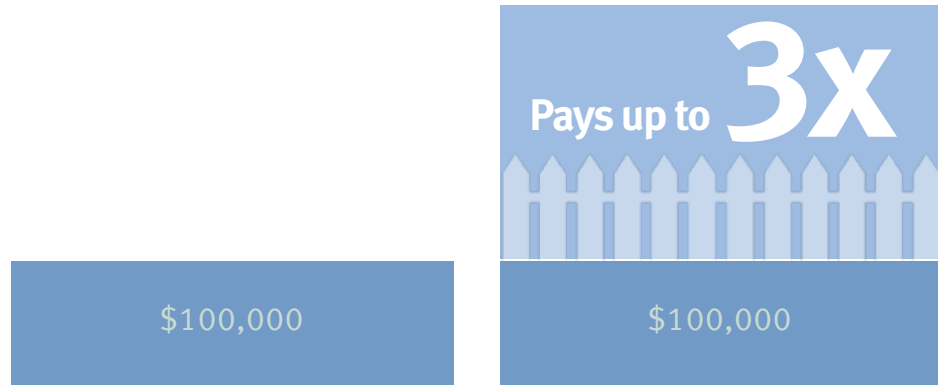
- Earn a guaranteed rate of interest on your savings
- Take advantage of tax-deferred growth
- Access your principal through partial withdrawals or lifetime income options
- Provide a death benefit to your beneficiaries that's equal to the annuity value at the time of death
- Avoid probate of these funds

The 3x Guarantee

Living Care® Annuity pays up to three times the annuity value for most types of long-term care services.

When you reposition just a portion of your non-qualified money to the Living Care® Annuity, you can receive up to three times the annuity value, at time of first claim, to provide at least six years of long-term care benefits. These benefits are first paid out of the annuity's accumulated value until your annuity value reaches \$1.00. After that, United of Omaha guarantees to pay your qualified long-term care benefits until your maximum lifetime benefit is reached. The rider is guaranteed renewable, so United of Omaha can never cancel your benefits as long as the contract remains in force. Benefits are available beginning in year three of the contract and after a 90-day elimination period. To be eligible for long-term care benefits, you must be chronically ill and be receiving covered services.

Annuity Value at Time of First Claim \$100,000 → Maximum Long-Term Care Benefits \$300,000



This hypothetical example shows how the Living Care® Annuity creates three times the value of the annuity at time of first claim to provide LTC benefits. It assumes an annuity value of \$100,000 with no withdrawals and no inflation protection endorsement.



Living Care[®] Annuity – Henry’s Story

While Henry doesn’t like thinking about the possibility of needing long-term care, he does want to protect his wife and son from the burden of informal caregiving if he does need it at some point during his retirement. He also wants to protect his overall retirement plan assets and leave an inheritance to his son.

Working with his United of Omaha agent, Henry repositions \$100,000 of his non-qualified money to purchase a Living Care[®] Annuity to include as part

of his overall retirement plan. This way, Henry knows that long-term care benefits will be there if he needs them, and his annuity value will pass on to his beneficiary, as a death benefit, if he doesn’t need them.

Looking at the chart below, you can see how Henry’s hypothetical Living Care[®] Annuity account value grows over 5, 10, 15, and 20 years. You can also see how long-term care benefits grow over time.

Living Care[®] Annuity Sample Projection

Henry, Age 65, \$100,000 Single Premium, Assumed Interest Rate of 3%

End of Contract Year	Annuity Value		Long-Term Care (LTC) Benefit	
	Projected Annuity Value	Projected Annuity Surrender Value	Maximum LTC Daily Benefit	Maximum LTC Lifetime Benefit
1	\$101,894	\$92,724	-	-
2	\$103,910	\$95,494	-	-
3	\$105,967	\$98,337	\$145	\$317,900
4	\$108,064	\$101,256	\$148	\$324,191
5	\$110,202	\$104,251	\$151	\$330,606
10	\$121,545	\$120,451	\$167	\$364,636
15	\$134,056	\$134,056	\$184	\$402,169
20	\$147,855	\$147,855	\$203	\$443,566

This illustration assumes no withdrawals, the guaranteed minimum interest rate, no inflation protection endorsement and current long-term care monthly deductions. It’s important to note that any withdrawals reduce long-term care benefits by three times the withdrawal amount.

Living Care[®] Annuity Contract Highlights

Application Process

Medical eligibility is determined at time of application and includes:

- 12 pre-qualifying health questions; and
- A phone interview

Please consult your United of Omaha agent for this list of questions. If any question is answered “yes”, you will not be eligible for Living Care[®] Annuity.

Interest Rate Guaranteed

The minimum guaranteed interest rate is set at time of issue and can never be decreased.

Contract Premiums

- Non-qualified funds only
- \$50,000 minimum initial premium
- \$300,000 maximum initial premium (without home office approval)

Issue Ages

40-79

Security

100 percent of principal is underwritten and guaranteed by the United of Omaha Life Insurance Company.

Free-Look Period

When your contract arrives, you’ll have 30 days to look it over. If you’re not 100% satisfied, simply return it and you will be refunded the single annuity premium.

Death Benefit

Upon the death of the annuitant, the full annuity value (at time of death) is payable to the named beneficiary. If the beneficiary does not receive this benefit within 30 days of the annuitant’s death, we will pay interest on the benefit from the date of the death to the date of payment. The interest rate will be the same rate we are then crediting to Proceeds held on deposit.

Access to Account Value

- Partial withdrawals are limited in order to maintain minimum long-term care benefit levels
- Any withdrawal reduces your annuity value which reduces the maximum long-term care benefits by three times the amount withdrawn
- After year one, access of up to 10 percent of the annuity value is allowed in each contract year without a withdrawal charge. If more than 10 percent of the annuity value is accessed, the following withdrawal charge percentages will apply to the amount of the withdrawal in excess of 10 percent

Withdrawal Charges

Year	1	2	3	4	5	6	7	8	9	10
%	9	9	8	7	6	5	4	3	2	1

Waiver of Withdrawal Charges

United of Omaha will waive any applicable withdrawal charges if the owner requests a withdrawal or contract surrender under the following conditions, provided that the annuitant is eligible as described below.

Chronically Ill

Withdrawal charges will be waived if the annuitant is chronically ill and receiving covered services, as defined in the long-term care insurance rider.

This waiver is not contingent upon reaching the Coverage Eligibility Date.

Terminal Illness

Withdrawal charges will be waived if the annuitant is diagnosed as having a terminal illness. A terminal illness is a medical condition that, with a reasonable degree of medical certainty, will result in the annuitant’s death within six months or less. You must provide a written physician’s statement to establish that the annuitant has a terminal illness.

This waiver is not available if the annuitant is diagnosed as having a terminal illness prior to or on this contract’s issue date.

Annuitization

Your annuity’s accumulated value can be converted into income in amounts starting at \$100 when you annuitize the contract. There are several income options, and you can receive payments monthly, quarterly, semiannually, or annually. After the second contract year, you may elect a lifetime annuity¹ option to avoid surrender charges. All other annuitization options are based on the surrender value of the annuity. If annuitization is elected before the latest date allowed, the long-term care rider and any elected endorsements will terminate.

Inflation Protection Endorsement*

Inflation protection increases your daily benefit amount to help keep pace with the rising cost of long-term care services. On each rider anniversary date, through the life of your contract, all current daily benefit amounts and your current Maximum Lifetime Benefit will increase by five percent.

The compound Maximum Daily Benefit and Maximum Lifetime Benefit increases will continue annually without regard to age, changes in health, claims status, or length of time the annuitant has been insured under the long-term care insurance rider, as long as this Inflation Protection Endorsement remains in force.

This endorsement may only be elected at issue and there is an additional charge for this endorsement that is deducted from your annuity value. If, on a rider anniversary date, the annuity value is insufficient to increase the Maximum Daily Benefit by 5%, the owner will be required to pay an **Inflation Protection Payment** to increase the annuity value and obtain benefits under the endorsement.

Increases in benefits will not be determined by the actual amount of future inflation. The actual increases in benefits under the long-term care insurance rider may be greater or less than the amount of inflation.

Nonforfeiture Benefit Endorsement*

This is a shortened benefit period. Please see the Outline of Coverage for a description of this optional benefit.

Cost for the Long-Term Care Rider

The charge for the long-term care rider is determined by the age of the owner at the time of issue. The maximum charge allowed is no more than two times the initial charge. The cost is waived when a claim for long-term care benefits is submitted and approved.

Taxation

- Interest income earned in the annuity accumulates on a tax-deferred basis
- A 10 percent federal tax penalty may apply for withdrawals taken prior to age 59 1/2 unless an exception applies
- Consult your tax advisor before taking any withdrawals
- Distributions of income from the annuity, at death or otherwise, are taxable as ordinary income
- Withdrawal taken in tax years beginning prior to January 1, 2010 that pay qualified long-term care benefits and charges may be taxable as ordinary income and if the contract owner is not at least age 59 1/2, may be subject to the 10 percent tax

- The Living Care® Annuity Long-Term Care Rider is intended to be tax-qualified long-term care insurance in tax years beginning after December 31, 2009. Therefore, the long-term care rider charges will no longer be taxed and benefits will be treated as long-term care benefits after this date due to the provisions of The Pension Protection Act of 2006

Coverage Eligibility Date

The date you will be eligible to receive your long-term care benefits is two years from the date your contract is issued.

Long-Term Care Benefits

Covered long-term care benefits include:

- Nursing Home Care
- Home Health Care
- Assisted Living Facility Care
- Adult Day Care
- Care Coordinator Service
- Alternative Care Services**
- Homemaker Services
- Personal Care
- Respite Care
- Hospice Care
- Caregiver Training**

Elimination Period

- 90 days – this is cumulative and must be satisfied only once in your lifetime

Daily Benefit

- The daily benefit is the lesser of actual costs or 1/730th of annuity value at time of first claim

Annuity Sample Value:

\$100,000

Maximum Daily Benefit:

$\$100,000 / 730 \text{ days} = \$136.99/\text{day}$

Maximum Lifetime Benefit :

$\$100,000 \times 3 = \$300,000$

- The long-term care daily benefit is deducted from the annuity until \$1.00 of value is left
- Then the daily benefits are provided by United of Omaha until you have exhausted your Maximum Lifetime Benefit
- This daily benefit may not cover all of the costs associated with long-term care incurred by the insured during the period of coverage. Please carefully review your contract and outline of coverage for full details
- The values shown do not reflect any withdrawals or election of the Inflation Protection Endorsement

Important: This is a general description of Living Care® Annuity. It does not include all terms, conditions, rules, and/or exclusions. Please read the Living Care® Annuity contract and refer to your outline of coverage for complete details. Your United of Omaha agent can provide you with a copy of this contract.

*Additional charges apply and will be deducted each month from your annuity value.

**May require the use of care coordinator service. Please refer to your Outline of Coverage for details.



**UNITED OF OMAHA LIFE
INSURANCE COMPANY**

A MUTUAL *of* OMAHA COMPANY

Underwritten by:

UNITED OF OMAHA LIFE INSURANCE COMPANY

Home Office: Mutual of Omaha Plaza

Omaha, NE 68175

mutualofomaha.com

Exclusions, limitations, and reductions may apply. Contract forms B420LNA07P, B439LNA07R,
B422LNA07R, B440LNA07R.

This is a solicitation of insurance.