

CONTINENTAL AMERICAN INSURANCE COMPANY

Columbia, South Carolina
800.433.3036

Long-Term Care Accelerated Death Benefit Rider

This Rider contains an **Accelerated Death Benefit** for the Certificateholder and Insured Spouse, if any, **only**. It is part of the Certificate and is subject to all Certificate provisions unless modified here. Each benefit payment under this Rider will reduce the following Certificate Values: Life Insurance Benefit Amount and Death Benefit.

NOTICE: This Rider is intended to be a federally tax-qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986, as amended. As with all tax matters, You should consult Your personal tax advisor to assess the impact of benefits received under this Rider. We are not responsible for any tax consequences of any benefits received under this Rider. If a change to this Rider is required in order to conform to changes in the requirements of the Internal Revenue Code, we will send You an amendment describing the change, and You will be given a choice of accepting or rejecting the amendment. If You reject such an amendment, You must give Us written notice, and Your refusal may result in this Rider no longer being tax-qualified or other adverse tax consequences. If the acceleration of life insurance benefits qualifies for such favorable tax treatment, the benefits will be excludable from Your income and not subject to federal taxation.

Tax laws relating to acceleration of life insurance benefits are complex. As with any tax matter, You should consult Your tax advisor to evaluate any tax impact of rejecting any such amendment. Receipt of Accelerated Death Benefits may affect eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. You are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect You, Your Spouse and Your family's eligibility for public assistance.

NOTICE TO BUYER: THIS RIDER MAY NOT COVER ALL OF THE COSTS ASSOCIATED WITH HOME HEALTH CARE OR LONG-TERM CARE INCURRED BY THE BUYER DURING THE PERIOD OF COVERAGE. THE BUYER IS ADVISED TO REVIEW CAREFULLY ALL RIDER LIMITATIONS. IN ADDITION, YOU ARE ADVISED THAT BASED ON CURRENT HEALTH CARE COST TRENDS, THE BENEFITS PROVIDED BY THIS RIDER MAY BE SIGNIFICANTLY DIMINISHED IN TERMS OF REAL VALUE TO YOU, DEPENDING ON THE AMOUNT OF TIME WHICH ELAPSES BETWEEN THE DATE OF PURCHASE AND THE DATE UPON WHICH YOU FIRST BECOME ELIGIBLE FOR THOSE BENEFITS.

You have 30 days from the day You receive this Rider to review it and return it to the Company if You decide not to keep it. You do not have to tell the Company why You are returning it. If You decide not to keep it, simply return it to the Company at its administrative office. Or You may return it to the agent/insurance producer that You bought it from. You must return it within 30 days of the day You first received it. The Company will refund the full amount of any premium paid within 30 days after it receives the returned Rider. The premium refund will be sent directly to the person who paid it. The Rider will be void as if it had never been issued.

RIGHT TO CHANGE PREMIUM: We may change the premium You pay for this Rider. However, We will only change premium for all riders like Yours, based on the state in which Your Rider was issued, on a class basis. We will provide You with written notice of any change in the premium at least 45 days prior to any change. We will not change premium more than once in any 12-month period.

SAMPLE

THIS RIDER IS GUARANTEED RENEWABLE. This means that You have the right, subject to the terms of the Rider, to continue the Rider in force until benefits have been exhausted by paying the required premium when due. We cannot cancel or refuse to continue the Rider, except as provided for under the Incontestability provision of the Certificate. We can change Your premium as provided above. We cannot change any other terms of the Rider without Your consent unless the change is required by law.

EFFECTIVE DATE

If issued at the same time as the Certificate, this Rider becomes effective when the Certificate becomes effective. If issued after the Certificate, this Rider will have a later Effective Date.

DEFINITIONS

When the terms below are used in this Rider, the following definitions will apply (other applicable terms and definitions are included in the Definitions section of the Certificate):

Accelerated Death Benefit means the Life Insurance Benefit Amount in the Certificate payable to the Insured Person as a result of the Insured Person's having a Chronic Condition. The Life Insurance Benefit Amount will reduce in accordance with the Age Benefit Reduction Rules in the Certificate.

Activities of Daily Living (ADLs) mean activities used in measuring the Insured Person's levels of personal functioning capacity. Normally, these activities are performed without Substantial Assistance, allowing the Insured Person's personal independence in everyday living.

The ADLs are:

- Bathing: washing oneself by sponge bath or in either a tub or shower, including the task of getting into or out of the tub or shower;
- Maintaining continence: controlling urination and bowel movements, including the ability to use ostomy supplies or other devices such as catheters;
- Transferring: moving between a bed and a chair, or a bed and a wheelchair;
- Dressing: putting on and taking off all necessary items of clothing;
- Toileting: getting to and from a toilet, getting on and off a toilet, and performing associated personal hygiene; and
- Eating: feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.

Chronic Condition: The inability to perform two or more Activities of Daily Living (ADLs) for at least 90 consecutive days without Substantial Assistance from another individual or severe Cognitive Impairment, and similar forms of dementia, requiring Substantial Supervision to protect such individual from threats to health and safety, as certified by a Licensed Health Care Practitioner. Certification by the Licensed Health Care Practitioner of the Insured Person's Chronic Condition must occur at least once every 12 months.

Cognitive Impairment means the deterioration or loss of the Insured Person's intellectual capacity that requires them to be continually supervised for the protection of themselves and others. The impairment must be evidenced by a clinical diagnosis as well as by results from standardized tests that measure the Insured Person's:

- short-term and long-term memory;
- orientation as to person, place and time;
- deductive or abstract reasoning; and
- judgment as it relates to safety awareness.

Elimination Period means the first 90 consecutive days of Qualified Long-Term Care Services for which no benefits are payable. If a claim ends and a new claim is requested for a different diagnosis, a new elimination period must be satisfied.

SAMPLE

Immediate Family Member means anyone related to You in the following manner: spouse; brothers or sisters (includes stepbrothers and stepsisters); children (includes stepchildren); parents (includes stepparents); grandchildren (includes step-grandchildren); grandparents (includes step-grandparents); father- or mother-in-law; brothers- or sisters-in-law; and spouses, as applicable.

Insured Person means, for the purposes of this Rider, You and Your Insured Spouse.

Licensed Health Care Practitioner means any doctor of medicine or osteopathy authorized to practice medicine and surgery in the state where such action is performed, and any registered professional nurse, licensed social worker, or other individual who meets such requirements as may be prescribed by the Secretary of the Treasury. A Licensed Health Care Practitioner does not include an Insured Person's Immediate Family Member.

Plan of Care means a written description of the Insured Person's needs, and the type, frequency, providers, and cost of all formal and informal services required by the Insured Person, which is prepared and signed by a Licensed Health Care Practitioner.

Pre-existing Condition means a condition for which medical advice or treatment was recommended by or received from a Licensed Health Care Practitioner or other member of the medical profession within six months before the Effective Date of this Rider.

Qualified Long-Term Care Services means services that meet the requirements of Section 7702B(c)(1) of the Internal Revenue Code of 1986, as amended, as follows: necessary diagnostic, preventive, therapeutic, curative, treatment, mitigation and rehabilitative services, and maintenance or personal care services which are required by a chronically ill individual, and are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

Substantial Assistance means assistance from another party required to help the Insured Person perform an ADL, each and every time the Insured Person performs that activity, because of an inability to perform the entire activity alone with the supports and mechanical aids normally available to the Insured Person.

Substantial Supervision: Continual supervision (which may include cuing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect the Insured Person with Cognitive Impairment from threats to their health or safety (such as may result from wandering).

BENEFIT PROVISIONS

LONG-TERM CARE ACCELERATED DEATH BENEFIT

Eligibility for the Payment of Benefits

For benefits to be payable, You must:

- Receive a diagnosis of a Chronic Condition by a Licensed Health Care Practitioner;
- Be prescribed a Plan of Care by a Licensed Health Care Practitioner;
- Be receiving Qualified Long-Term Care Services; and
- Satisfy the Elimination Period.

Once We have been notified that any of the above have not been satisfied, then You are no longer eligible to receive benefit payments under this plan of insurance.

SAMPLE

Amount of Benefit
You may choose a lump-sum payment or periodic payments.

Payment is subject to the rights of any assignee of record or any irrevocable Beneficiary. The assignee or irrevocable Beneficiary must agree that any Long-Term Care Accelerated Death Benefit paid will automatically reduce the Death Benefit payable under the Certificate by the accelerated amount paid under this Rider.

Proceeds are only payable under this Rider upon due Proof of Loss for a Chronic Condition Diagnosis received at Our Administrative Office before the Insured Person's death. Payment will be made as soon as such due Proof is received; otherwise, We will pay any required interest on the amount due from the date of receipt of Proof of Your eligibility to receive payment under this Rider to the date of payment. The interest rate will be the current rate of interest on proceeds left on deposit.

If We receive notice of the Insured Person's death after they request to receive payment under this Rider but before such payment is issued, the request will be deemed cancelled, and the Death Benefit paid pursuant to the Certificate.

Lump-Sum Payment Method
You may request a one-time lump sum payment for the Long-Term Care Accelerated Death Benefit up to 50% of the Life Insurance Benefit Amount shown in the Certificate *SCHEDULE OF BENEFITS*. If any periodic payments have been made for a Chronic Condition and You later request a lump-sum payment for the same Insured Person, the amount payable will be minus any amount paid for a Chronic Condition under the Periodic Payments Method. If a lump-sum payment has been made for a Chronic Condition, no further benefit will be payable under this Rider and coverage under this Rider will end for such Insured Person.

Periodic Payments Method
You may request to receive periodic payments for the Long-Term Care Accelerated Death Benefit. You may request up to a lifetime maximum of 25 periodic payments in the amount of 4% of either:

- The Life Insurance Benefit Amount shown in the Certificate *SCHEDULE OF BENEFITS*., or
- $50,000-$500,000, whichever is less.

After the initial payment, You will receive an additional periodic payment 30 days after the most recent periodic payment. Each periodic payment must be separated by a period of 30 days or more from the most recent periodic payment.

Effect of Long-Term Care Accelerated Death Benefit on this Rider
Whenever a payment under this Rider is made, the amount of the Death Benefit payable under the Certificate will be automatically reduced by the accelerated amount paid under this Rider.

When a payment under the Accelerated Death Benefit is made for the Insured Person's Chronic Condition, You must continue to pay Premiums to keep the Certificate and any attached Riders in force and avoid a lapse of coverage.

In no event will Your and Your Insured Spouse's coverage under the Policy be continued beyond the date coverage would otherwise end according to the terms of the *DATE INSURANCE ENDS* provision in the Certificate.

IMPORTANT: If the Extension Benefit is chosen under the Optional Protection Rider issued with Your Certificate and the Lump-Sum Payment Method is chosen under this Rider, benefits will not be payable for such Insured Person and coverage under both riders will end.

SAMPLE

EXCLUSIONS AND LIMITATIONS

This Rider does not pay benefits for care that is related to or arising from any of the following:

- The Insured Person or their Licensed Health Care Practitioner resides outside the United States and its territories;
- You or Your Spouse are required by law to accelerate benefits to meet the claims of creditors; or
- A government agency requires You or Your Spouse to apply for benefits to qualify for a government benefit or entitlement.
- Qualified Long-Term Care Services where:
    - Treatment is provided in a government facility, unless otherwise required by law;
    - Services are paid by any state or federal workers' compensation; or
    - Services are covered by employer's liability or occupational disease law, or any motor vehicle no fault law.

Pre-existing Condition Limitation

This Rider does not pay benefits due to a Pre-existing Condition when Your inability to perform Activities of Daily Living (ADLs) or Your Cognitive Impairment starts before or during the first six months after the Effective Date of this Rider.

CLAIMS PROVISIONS

Proof of Loss for a Chronic Condition Diagnosis

You must send Proof that a Chronic Condition is expected to persist for a period of at least 90 consecutive days by a Licensed Health Care Practitioner in the United States or its territories. We may require a confirming diagnosis by another Licensed Health Care Practitioner. If a confirming diagnosis is required, it will be at Our expense and by a Licensed Health Care Practitioner of Our choice. In the case of conflicting opinions, eligibility for benefits will be determined by a third medical opinion that is provided by a Licensed Health Care Practitioner that is mutually acceptable to You and Us.

We may from time to time require additional Proof that the Chronic Condition persists. We will not ask for Proof more frequently than once every 12 months.

Time of Payment of Claims

Once We have received the required Proof of Loss and approved Your claim, any benefits due under this Rider will be paid within 30 days.

Right to Appeal

If You wish to file an appeal regarding an adverse claim decision, You must send a written request to Us, along with any additional supporting information, within 120 days of receiving notification of Our claim decision. We will complete Our review of Your appeal within 30 days of receipt of all information needed to make a final determination. If Our original determination is upheld upon appeal, the notice of the appeal decision shall describe any additional appeal rights offered by Us.

GENERAL PROVISIONS

Continuation of Benefits

Once payment of Your claim has begun, We will continue to pay Your claim as long as You qualify, subject to the Eligibility for the Payment of Benefits and the maximum lifetime benefit, even if Your Certificate is terminated.

Reinstatement

If this Rider terminates for nonpayment of premium and the cause is due to Cognitive Impairment or loss of functional capacity before the end of the Grace Period, this Rider may be reinstated without Evidence of Insurability within six months after the date of termination. You must provide Proof that failure to pay the premium was unintentional and due to Cognitive Impairment or loss of functional capacity. Reinstatement is subject to the payment of past due premiums during

SAMPLE

which period the Certificate will continue in force if the demonstration of Cognitive Impairment or loss of functional capacity is made.

If this Rider is reinstated under these conditions, the Certificate will also be reinstated. All past due premiums are due before the Certificate and Rider are reinstated. This amount of past due premiums is calculated for the coverage period from the last unpaid due date to the date of Reinstatement.

If You lapse for any reason other than the above, Reinstatement is governed by the Reinstatement provision in the Certificate.

Termination of Rider

This Rider will end on the earliest of:

- The date We receive Your Written request to cancel this Rider;
- The date any Premium remains unpaid for the Certificate or this Rider after the end of the Grace Period;
- When payment of proceeds under this Rider have been exhausted;
- The date You cease to be in an eligible class under the Certificate;
- The date the Policy ends; or
- The date Your coverage under the Certificate ends.

The end of this Rider will not prejudice the payment of benefits for any Chronic Condition that occurred while coverage under this Rider was in force.

Notice of Termination

Notification of termination will be provided to You or any designated addressee by first class United States mail, postage prepaid, 30 days after Your premium is due and unpaid. Notice shall be deemed to have been given as of five days after the date of mailing.

Contract

This Rider is a part of the Certificate to which it is attached. All provisions of the Certificate that do not conflict with the Rider provisions will also apply to this Rider. This Rider has no cash value or loan value and does not participate in dividends.

Signed for the Company at its Home Office,

Virgil R. Miller, President

J. Matthew Loudermilk, Secretary

Sample

LONG-TERM CARE ACCELERATED DEATH BENEFIT RIDER SCHEDULE

Employee -	John A. Doe	**Group Policy Number -**	XXXX
Effective Date -	XX.XX.XXXX	**Certificate Number -**	XXXX
Initial Premium -	$00.00 Monthly	**First Anniversary Date -**	XX.XX.XXXX