



Alzheimer's Disease Rider

PROVIDING PEACE OF MIND

Life insurance provides a payment when an insured person dies. But did you know that you may also receive a payment if you are seriously ill or injured?

Living Benefits¹ provide protection during your lifetime. They are available with every National Life Group life insurance policy (depending on state approval). Our Alzheimer's Disease Rider allows for payment of a portion of an insured's death benefit, on a discounted basis. You need a qualifying diagnosis of Alzheimer's disease or Lewy Body Dementia to receive this accelerated benefit.

About 1 in 9 people

age 65 and older has
Alzheimer's dementia²

\$9,733 per month

is the average cost for a shared
room in a skilled nursing facility
in the U.S.³

Products issued by

National Life Insurance Company® | Life Insurance Company of the Southwest®

1. Living Benefits are provided by Accelerated Benefits Riders (ABRs) — supplemental benefits available at no extra cost. ABRs are not suitable unless you have a need for life insurance.

Payment of accelerated benefits will reduce the cash value and death benefit otherwise payable under the policy. Receipt of accelerated benefits may be a taxable event, may affect your eligibility for public assistance programs, and may reduce or eliminate other policy and rider benefits. Please consult your personal tax advisor to determine the tax status of any benefits paid under this rider and with social service agencies concerning how receipt of such a payment will affect you.

Riders are supplemental benefits that can be added to a life insurance policy and are not suitable unless you also have a need for life insurance. Riders are optional, may require additional premium and may not be available in all states or on all products. This is not a solicitation of any specific insurance policy.

2. 2024 Alzheimer's Disease Facts and Figures, <https://www.alz.org/media/Documents/alzheimers-facts-and-figures.pdf>, March 2024

3. Paying For Alzheimer's Care: Financial Help, Costs & Care Options, <https://www.payingforseniorcare.com/memory-care>, March 2024

National Life Group® is a trade name of National Life Insurance Company (NLIC), Montpelier, VT, Life Insurance Company of the Southwest (LSW), Addison, TX, and their affiliates. Each company of National Life Group is solely responsible for its own financial condition and contractual obligations. Life Insurance Company of the Southwest is not an authorized insurer in New York and does not conduct insurance business in New York.

No bank or credit union guarantee | Not a deposit | Not FDIC/NCUA insured | May lose value | Not insured by any federal or state government agency

Our Alzheimer's Disease Rider provides extra financial protection if you are diagnosed with Alzheimer's disease or Lewy Body Dementia.

How It Works

A qualifying diagnosis is needed of Alzheimer's disease or Lewy Body Dementia, determined by a Specialist. In addition, a Specialist needs to provide certification of both:

- A score of less than 20 out of 30 on Mini-Mental State Exam (MMSE), or an equivalent of this score under a widely accepted test of cognitive function
- Clinical impairment of at least two of the following:
 - Orientation to people, places, or time
 - Registration (ability to learn and remember new information)
 - Attention and calculation (reasoning and handling of complex tasks)
 - Visuospatial abilities
 - Language functions

In determining whether an insured has experienced a qualifying event, National Life Group may consider both the certification and the records of the insured's medical history, diagnosis, and treatments to ensure that the records support the certification.

The rider will not be available if the insured has a first-degree relative (mother, father, or siblings) with a history of Alzheimer's disease.

Exclusions

All other forms of dementia are not covered by this rider but may be covered by our Chronic Illness Rider. Examples of other forms of dementia include but are not limited to:

- Dementia induced by alcohol-related brain damage, toxic substance, or medication
- Dementia associated with Parkinson's disease, other than Lewy Body Dementia
- Vascular dementia
- Frontotemporal dementia
- Primary progressive aphasia
- Dementia associated with infectious disease such as, but not limited to, COVID, encephalitis, and meningitis

Benefit

The actual payment received is less than the portion of the death benefit accelerated because the benefits are paid prior to death. Values are based on a current interest rate and mortality rates. There is an initial administrative fee at the time the rider is exercised. The amount accelerated reduces the death benefit, the cash value, and the loan value.

Benefits do not have to be used for expenses associated with Alzheimer's disease or Lewy Body Dementia. They could be used for any purpose, including making structural changes to a home to accommodate the illness, compensating non-licensed care providers, non-medical expenses, and income replacement.

This rider is intended for favorable tax treatment under Section 101(g) of the Internal Revenue Code. Whether such benefits qualify depends on factors such as your life expectancy at the time benefits are accelerated. Consult with your personal tax advisor to determine the tax status of any benefits paid under this rider and with social service agencies concerning how receipt of such a payment will affect eligibility for public assistance.⁴

4. The companies of National Life Group® and their representatives do not offer tax or legal advice. For advice concerning your own situation, please consult with your appropriate professional advisor.

Alzheimer's Disease Rider, form series 20817(0622) is underwritten by National Life Insurance Company (NLIC), Montpelier, Vermont, and form series 20818(0622) is underwritten by Life Insurance Company of the Southwest (LSW), Addison, Texas. This rider is available on term and permanent life insurance policies issued by NLIC and LSW.