

Outline of Coverage

Long-Term Care Insurance Outline Of Coverage – Custom Care II Policy Series LTC-03 CTP

John Hancock Life Insurance Company

LTC Administrative Office
333 West Everett Street, P.O. Box 2986, Milwaukee, WI 53203



This Outline of Coverage describes a Precertified Long Term Care Insurance Policy that provides Medicaid Asset Protection under



Additional Consumer Information is available by calling the State of Connecticut Partnership for Long-Term Care Information Service at 1-800-547-3443.

COORDINATION WITH OTHER BENEFITS NOTICE: As long as this Policy remains precertified for Medicaid Asset Protection, benefits provided under this Policy may be reduced to the extent that similar benefits are payable under any other plans or programs to which You are entitled (including Medicare). Please refer to the Coordination With Other Benefits provision of this Policy for a full explanation. This provision will NOT reduce the Policy Limit under this Policy.

FEDERAL TAX CONSEQUENCES: This Policy is intended to be a qualified long-term care contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

Long-term care insurance was granted favorable federal income tax treatment in the Health Insurance Portability and Accountability Act of 1996. Policies meeting certain criteria outlined in this Act are eligible for this treatment. To the best of Our knowledge, We have designed this Policy to meet the requirements of this law. If, in the future, it is determined that this Policy does not meet these requirements, We will make every reasonable effort to amend the Policy if We are required to do so in order to gain such favorable federal income tax treatment. We will offer you an opportunity to receive these amendments.

CAUTION: The issuance of this long-term care insurance Policy is based upon Your responses to the questions on Your application. A copy of Your application is enclosed. If Your answers are incorrect or untrue, the company has the right to deny benefits or rescind Your Policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of Your answers are incorrect, contact the company at this address: John Hancock Life Insurance Company, LTC Administrative Office, 333 West Everett Street, P.O. Box 2986, Milwaukee, WI 53203 or call Us at 1-800-377-7311.

NOTICE TO BUYER: This Policy may not cover all of the costs associated with long-term care incurred by You during the period of coverage. You are advised to review carefully all Policy limitations.

1. This Policy is an individual policy of insurance which was issued in Connecticut.

2. **PURPOSE OF OUTLINE OF COVERAGE.** This Outline of Coverage provides a very brief description of the important features of this Policy. You should compare this Outline of Coverage to outlines of coverage for other policies available to You. This is not an insurance contract, but only a summary of coverage. Only the individual Policy contains governing contractual provisions. This means that the Policy sets forth in detail the rights and obligations of both You and the insurance company. Therefore, if You purchase this coverage, or any other coverage, it is important that You READ YOUR POLICY CAREFULLY!

3. **TERMS UNDER WHICH THE POLICY MAY BE RETURNED AND PREMIUMS REFUNDED**

(a) **THIRTY DAY FREE LOOK.** If You are not completely satisfied with this Policy for any reason, You may return it within 30 days from the date it was delivered to You. To return the Policy, mail or deliver the Policy to Our LTC Administrative Office or to the agent from whom you purchased this policy. We will then refund any premium paid, and the Policy will be treated as if it had never been issued.

(b) **REFUND OF UNEARNED PREMIUMS.** Upon receipt of notice that You have died, We will refund the premium paid for any period beyond the date of death.

4. **THIS IS NOT A MEDICARE SUPPLEMENT POLICY**

If You are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from John Hancock. Neither John Hancock Life Insurance Company

Care Advisory Services Benefit. This benefit is equal to 1/2 of the Long-Term Care Benefit Amount if the monthly option is chosen or 15-times the Long-Term Care Benefit Amount if the daily option is chosen. Care Advisory Services include: an assessment of the need for long-term care services; the development of a plan of care that is consistent with the assessment; coordination of the delivery of care and services; and monitoring the care and services delivered. You must meet the eligibility requirements in the Policy. You do not have to satisfy the Elimination Period to receive this benefit. Benefits paid under the Care Advisory Services Benefit do not reduce the Policy Limit.

- **Stay at Home Benefit.** The Stay at Home Benefit can be used to pay for a variety of Your long-term care expenses while You are living in Your Home that are not otherwise covered under the Policy. Stay at Home Services include:

1. Home Modifications;
2. Emergency Medical Response Systems;
3. Durable Medical Equipment;
4. Caregiver Training;
5. Home Safety Check; and
6. Provider Care Check.

The Stay at Home Lifetime Benefit Amount is equal to 1 times the Long-Term Care Benefit Amount if the monthly option is chosen or 30-times the Long-Term Care Benefit Amount if the daily option is chosen. Benefits paid under the Stay at Home Benefit will not reduce the Policy Limit. You do not have to satisfy the Elimination Period to receive benefits under the Stay at Home Benefit. The days for which You receive only the Stay at Home Benefit do not count toward the Elimination Period. You may receive benefits under the Long-Term Care Benefit and/or Care Advisory Services Benefit while receiving benefits under the Stay at Home Benefit.

- **Return of Premium upon Death Benefit.** *Important Notice - The Return of Premium Benefit is not applicable to You if You are age 65 or older.*

If You die before Your 65th birthday, We will pay to Your beneficiary a Return of Premium upon Death Benefit if Your Policy is in force on the date of Your death. The Return of Premium upon Death Benefit will be calculated by subtracting the sum of all benefits paid under

Your Policy for charges incurred prior to the date of Your death from the sum of all premiums paid for Your Policy (accumulated without interest).

Important Notice Regarding Federal Income Tax Law – Please note that the payment of the Return of Premium Benefit may have Federal Income Tax implications for Your estate or beneficiary. You are advised to review this benefit with a qualified tax professional or attorney to determine any such tax impact.

- **Double Coverage for Accident Benefit.** *(This benefit will only be included in the Policy if You: are under age 65; and have met Our underwriting guidelines for this benefit.)*

If You become eligible for benefits under this Policy due to an Accidental Injury prior to Your 65th birthday, We will pay the actual charges incurred by You for Long-Term Care Services up to the Double Coverage for Accident Benefit Amount. The Double Coverage for Accident Benefit Amount is equal to 2-times the Long-Term Care Benefit Amount. Benefits paid in excess of the Long-Term Care Benefit Amount will **not** be deducted from the Policy Limit. We will never pay more than the actual charges You incur for care and services covered by this Policy. Payment of the Double Coverage for Accident Benefit will begin only after You have satisfied Your Elimination Period.

- (c) **How to Qualify for Benefits.** We will pay for the Qualified Long Term Care Services covered by this Policy if:

- You are a Chronically Ill Individual; and
- The services are prescribed for You in a written Plan of Care.

You will be considered a Chronically Ill Individual when one of the following criteria are met:

- You are unable to perform, without Substantial Assistance from another person, two or more Activities of Daily Living due to a loss of functional capacity and the loss of functional capacity is expected to last for a period of at least 90 days; or
- You have a Severe Cognitive Impairment requiring Substantial Supervision to protect Yourself from threats to health and safety.

The certification that You are a Chronically Ill Individual must be made by a Licensed Health

Care Practitioner, within the preceding 12 months and must be renewed at least every 12 months. The services to be paid must be prescribed in a written Plan of Care prepared by a Licensed Health Care Practitioner. Home and community-based care must be prescribed in a written Plan of Care developed and approved by a Licensed Health Care Practitioner that is an employee of an Access Agency.

All of the services covered by this policy are Qualified Long-Term Care Services.

Activities of Daily Living mean the following activities: bathing, continence, dressing, eating, toileting, and transferring.

A Licensed Health Care Practitioner means a Physician, a registered nurse (R.N.), a licensed social worker, or other licensed professional designated by Us in accordance with regulations issued by the Secretary of the Treasury.

Qualified Long-Term Care Services means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance or personal care services that are required by a Chronically Ill Individual, and are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

Severe Cognitive Impairment means a loss or deterioration in intellectual capacity that is:

- Comparable to (and includes) Alzheimer's Disease and similar forms of irreversible dementia; and
- Measured by clinical evidence and standardized tests that reliably measure impairment in the individual's:
 - Short-term or long-term memory;
 - Orientation as to people, places or time; and
 - Deductive or abstract reasoning.

You will be considered to have a Severe Cognitive Impairment when one of the following tests is met:

- You have been assessed using the Mental Status Questionnaire (MSQ) and have seven or more incorrect answers on the MSQ test; or
- You exhibit specific behavioral problems which require daily supervision and You have taken the Mental Status Questionnaire test and have four or more incorrect answers; or

- You exhibit specific behavioral problems, which require daily supervision and You have taken the Folstein Mini-Mental State Examination and achieved a score of 23, or lower.

Behavioral problems include, but are not limited to, wandering, abusive or assaultive behavior, poor judgment or uncooperativeness which poses a danger to You or others, and extreme or bizarre personal hygiene habits.

Substantial Assistance means You need Hands-on or Standby Assistance.

- Hands-on Assistance means the physical assistance of another person without which You would be unable to perform the Activity of Daily Living.
- Standby Assistance means the presence of another person within arm's reach of You that is necessary to prevent, by physical intervention, injury to You while You are performing the Activity of Daily Living (such as being ready to catch You if You fall while getting into or out of the bathtub or shower as part of bathing or being ready to remove food from Your throat if You choke while eating).

Substantial Supervision means You need continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect You from threats to their health or safety (such as may result from wandering).

(d) **Conditions.** To receive benefits under this Policy, You must:

- satisfy Your Elimination Period;
- receive covered Qualified Long-Term Care Services while this Policy is in effect;
- receive Qualified Long-Term Care Services that are consistent with Your care needs and are covered under this Policy, specified in a Plan of Care and are in accordance with accepted medical and nursing standards of practice; and
- submit a current Plan of Care and written Proof of Loss must be submitted to Us.

We will work with Your Licensed Health Care Provider to obtain the required Plan of Care and written Proof of Loss directly from such provider.

- (e) **Reduced Benefit Period Option.** If Your Policy is about to lapse, We will notify You of Your right to reduce Your Policy Limit and reduce Your premium. You will have no less than 35 days after the Grace Period to reduce Your Policy Limit under this provision. The premium for the new Policy Limit will be based upon Your age at the time Your Policy was originally issued. It will be Your responsibility to continue to promptly pay this new reduced premium before the end of each Grace Period.

The reduced Policy Limit will take into account any increases in coverage that have accumulated due to the Inflation Adjustment provision in Your Policy. For example, if Your Policy Limit grew from \$100,000 to \$200,000, the reduction must be taken from the \$200,000 amount.

The Daily Benefit amounts will NOT be reduced and will continue to reflect any increases in accordance with the Inflation Adjustment provision. For example, if Your Daily Benefit grew from \$200 to \$400, then after any reduction under this provision the Daily Benefit must be \$400 and will continue to increase annually. All other provisions in Your Policy will remain the same.

We will make such an offer whenever Your Policy is about to lapse during the first year it is in force, and at least once after the Policy has been in force for one year. We will NOT make a Reduced Benefit Period Option offer to You if the balance of Your Policy Limit (after any claims have been paid) would provide for the equivalent of one year of coverage or less.

- (f) **Optional Benefits.** You may elect any of the optional benefits listed. You must pay an additional premium for any of the optional benefits elected.

- **SharedCare.** The SharedCare Rider allows Your Partner to access benefits under Your Policy if Your Partner first exhausts the available benefits payable under his or her policy. You and Your Partner may both receive benefits under Your Policy at the same time. In no event will We pay benefits that exceed the maximum Policy Limits of both policies combined. Your Partner must also have added

an identical SharedCare Benefit Rider to his/her policy naming You as Covered Person for that policy.

- **Survivorship and Waiver Benefit.** The Survivorship and Waiver of Premium Benefit rider provides that Your premiums will be waived in the event Your Partner dies or goes on claim after both policies have been in force for at least 10 years and no claims were payable in the first 10 years. Payments will resume if Your Partner's premiums are no longer waived or Your Partner's policy terminates.
- **Waiver of the Elimination Period for Home Care.** We will waive the requirement that you satisfy the Elimination Period if You are receiving Home Health Care, Hospice Care, or Adult Day Care. The Elimination Period must still be satisfied before benefits are payable under Long-Term Care Benefit for confinement in a Nursing Home or an Assisted Living Facility. However, days which the Home Health Care Elimination Period is waived will count toward meeting the facility Elimination Period.
- **Restoration of Benefits.** We will restore the Policy Limit on a one-time basis if You are not eligible for the payment of benefits for a continuous period of 180 days.
- **Enhanced Return of Premium upon Death Benefit.** We will pay to Your beneficiary the Enhanced Return of Premium upon Death Benefit if Your Policy is in force on the date of Your death regardless of Your age at the time of Your death. The Enhanced Return of Premium upon Death Benefit will be calculated by subtracting the sum of all benefits paid under Your Policy for charges incurred prior to the date of Your death from the sum of all premiums paid for Your Policy (accumulated without interest).

Important Notice Regarding Federal Income Tax Law – Please note that the payment of the Return of Premium Benefit may have Federal Income Tax implications for Your estate or beneficiary. You are advised to review this benefit with a qualified tax professional or attorney to determine any such tax impact.

- **Nonforfeiture Benefit.** If Your Policy lapses because You have not paid the premium within the Grace Period, after being in force at least three years (or one-year if You elect a limited

pay option), it will remain in force with a reduced policy limit equal to the sum of the premiums You have paid, or if greater, 30 times the nursing home daily benefit. In the event that You do not elect the Nonforfeiture Benefit, Your Policy will contain the Contingent Nonforfeiture Benefit provision. The Contingent Nonforfeiture Benefit provides that in the event We increase rates by more than a specified amount shown in the Contingent Nonforfeiture provision, We will provide You with the opportunity to: pay the increased premium, decrease Your benefits to a level supported by Your current premium, or elect the Contingent Nonforfeiture Benefit. Under the Contingent Nonforfeiture Benefit, Your Policy will remain in force with a reduced policy limit equal to the sum of the premiums You have paid. This means that a reduced benefit will be payable instead of the full Policy Limit.

MEDICAID ASSET PROTECTION

When Benefits Will Earn Medicaid Asset Protection

Benefits paid to You, or a provider of long-term care services on your behalf, under this Policy can count towards Medicaid Asset Protection for purposes of eligibility for Connecticut's Medicaid. In order for benefit payments to count towards Medicaid Asset Protection, the conditions in Items 1, 2, and 3 that follow must be met:

1. You have met one of the following Insured Events:
 - You have a documented need for Substantial Assistance, with two or more of the following Activities of Daily Living: Dressing, Bathing, Eating, Toileting, Transferring, and Continence; or
 - You have been assessed using the Mental Status Questionnaire (MSQ) and have seven or more incorrect answers on the MSQ test; or
 - You exhibit specific behavioral problems requiring daily supervision, including but not limited to, wandering, abusive or assaultive behavior, poor judgment or uncooperativeness which poses a danger to oneself or others, and extreme or bizarre personal hygiene habits; and
 - a) You have taken either the Mental Status Questionnaire test

- and have four or more incorrect answers, or
 - b) You have taken the Folstein Mini-Mental State Examination and achieved a score of 23 or lower.
2. The benefits are paid under this Partnership-approved Policy; and
 3. The benefits that are paid for Home Health Care, Adult Day Care, and any other community-based services are provided in accordance with a written Plan of Care approved by an Access Agency (approved by the Connecticut Partnership for Long-Term Care).

How to Stay Qualified for Medicaid Asset Protection Under the Partnership

1. Each year Your Daily Benefit must equal or exceed the minimum inflation-adjusted daily benefit specified by the Connecticut Insurance Department. The inflation-adjusted Daily Benefit increase provided to You each year under the Inflation Adjustment provision will allow You to keep pace with the Department's minimum requirements.
2. You were a resident of Connecticut when You applied for and subsequently were issued this Partnership-approved long-term care insurance.
3. Benefits paid for Home and Community-based care covered under this Policy, count toward Medicaid Asset Protection only when an Access Agency (approved by the Connecticut Partnership for Long-Term Care) developed and approved the written Plan of Care. Nursing Facility care need not be approved by an Access Agency to count towards Medicaid Asset Protection. Services may be provided in Connecticut or elsewhere.
4. You can accumulate Medicaid Asset Protection wherever Your Policy pays benefits. If You need to access Medicaid to pay for Your care and You want to utilize the Medicaid Asset Protection You have earned, You must apply to Connecticut's Medicaid program or to any other state Medicaid program that has a reciprocal agreement with Connecticut. You must be a resident of and receive care in the state where You apply to Medicaid.

The following section applies only if You purchased the optional SharedCare Rider.

Impact on Medicaid Asset Protection When A Policy Covers Both You and Your Spouse/Partner

The amount of assets You can protect under a Partnership-approved Policy is equal to the amount of benefits paid for Your care. Please note that Medicaid Asset Protection is only available to the individual actually receiving the benefits. This means that if You receive benefits under this Policy or under the SharedCare Rider the specific dollar amount of assets You can protect is dependent upon (limited to) the amount of coverage You, as an individual, use for Your long-term care services.

If one Spouse/Partner is accessing benefits under this Policy, the other Spouse/Partner will NOT receive Medicaid Asset Protection for that care. Medicaid Asset Protection is NOT transferable between Spouses/Partners. In addition, continued access by one Spouse/Partner to this Policy's benefits could lead to the exhaustion of the Policy Limit. In such an event this Policy will terminate.

7. LIMITATIONS AND EXCLUSIONS

In addition to the Conditions to qualify for benefits set forth above, the following limitations and exclusions apply to the Policy.

(a) **Exclusions.** This Policy does not cover care, treatment or charges:

- for intentionally self-inflicted injury.
- required as a result of alcoholism or drug addiction (unless drug addiction was a result of the administration of drugs as part of treatment by a Physician).
- due to war (declared or undeclared) or any act of war, or service in any of the armed forces or auxiliary units.
- provided by a member of Your Immediate Family, unless:
 - the family member is one of the following professionals -- a duly licensed registered nurse, licensed vocational nurse, licensed practical nurse, physical therapist, occupational therapist, speech therapist, respiratory therapist, licensed social worker, or registered dietitian; and

- the family member is a regular employee of a Nursing Home, Assisted Living Facility, Adult Day Center or Home Health Care Agency which is providing the services;
 - the organization receives the payment for the services; and
 - the family member receives no compensation other than the normal compensation for employees in his or her job category.
- provided outside the fifty United States and the District of Columbia except as described in the International Coverage section of this Policy.

(b) **Coordination With Other Benefits.**

The benefits of this Policy are designed to supplement NOT duplicate other benefits.

If You have any health insurance plan or non-Partnership long-term care plan and You are entitled to benefits under those plans that would also be covered services under this Policy, You are required to obtain coverage for those benefits first, prior to using benefits under this Policy. Examples of health insurance plans include, but are not limited to, basic hospital, health maintenance organization (HMO), medical/surgical, major medical plan, Medicare, Medicare managed care plan, Medicare supplemental programs, and any other individual long-term care policy issued by Us.

If You are eligible to receive benefits under this Policy and any other Partnership-approved long-term care plans, then the plan with the earliest Effective Date shall be deemed to be the primary coverage and the other Partnership-approved plans shall be deemed secondary coverage, in order by Effective Date, from earliest to latest.

Any benefit amounts that You are entitled to receive under this Policy will be reduced by any benefits payable by those other plans. This provision will NOT reduce the Policy Limit payable under this Policy.

(c) **Charges not Covered.** We will not pay for any of the following: Physician's charges; hospital and laboratory charges; prescription or non-prescription medication; medical supplies; durable medical equipment; transportation; items and services furnished at Your request for beautification, comfort, convenience or entertainment; and charges for care or services which are not included in and/or are inconsistent with Your Plan of Care.

THIS POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.

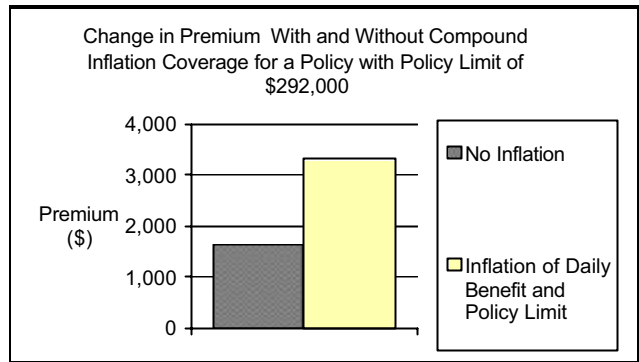
8. RELATIONSHIP OF COST OF CARE AND BENEFITS

Because the costs of long-term care services will likely increase over time, this Policy includes Compound Inflation Coverage.

Compound Inflation Coverage. Your Benefit Amount(s) will increase by an amount equal to 5% of the Benefit Amount in effect during the prior Policy year. The annual increase is automatic and will occur on each Policy anniversary. The premium for Compound Inflation Coverage is included in the Policy premium. Your premium will not change, except as described in the Policy.

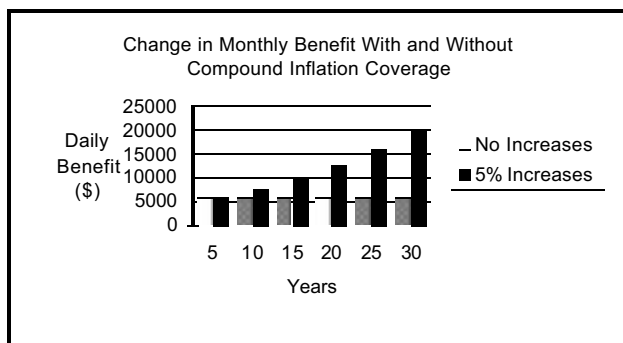
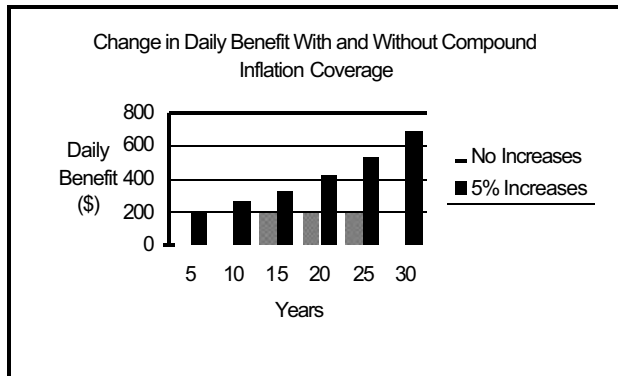
The graphs below show the change in the daily or monthly Benefit Amount and the annual premium under Compound Inflation Coverage. The graphs illustrate a policy, which has been issued to a person who is age 60, has chosen a monthly Long-Term Care Benefit Amount of \$6,000 or daily Long-Term Care Benefit Amount of \$200, and a 4-year Benefit Period.

Please note- All Connecticut Partnership policies are issued with inflation coverage. These charts are shown to illustrate the impact of inflation coverage.



NOTICE TO APPLICANT REGARDING MANDATORY INFLATION PROTECTION

In order for this long-term care Policy to remain Partnership-approved by the State of Connecticut and qualified to provide Medicaid Asset Protection for the Medicaid program in Connecticut, daily coverage benefits shall meet or exceed standards established by the State of Connecticut. We will provide You with a graphic comparison showing the differences in premiums and benefits, over at least a twenty (20) year period, between a policy that increases benefits and a policy that does not increase benefits. Failure to maintain the required daily coverage benefits will result in the policy losing its Partnership-approved status and no longer allow You to earn additional Medicaid Asset Protection. It is Our responsibility to automatically inflate daily coverage benefit levels in order to maintain Partnership-approval; it is Your responsibility to make premium payments in order to maintain coverage.



9. TERMS UNDER WHICH THE POLICY MAY BE CONTINUED IN FORCE OR DISCONTINUED

(a) **RENEWABILITY: THIS POLICY IS GUARANTEED RENEWABLE.** This means You have the right, subject to the terms of Your Policy to continue this Policy as long as You pay Your premiums on time. John Hancock cannot change any of the terms of Your Policy on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

(b) **WAIVER OF PREMIUM.** We will waive the payment of premiums under this Policy if You have received services for which benefits are payable under the Long-Term Care Benefit. The waiver period will start the day after Your Elimination Period has been satisfied and will end on the date when benefits are no longer payable for a period of 30 consecutive days. The premium will not be waived, however, if benefits are only being received

under the Stay at Home Benefit or Care Advisory Services Benefit.

- (c) **TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS.** We reserve the right to increase Your premium as of any premium due date; however, any changes in premium rates must apply to all similar policies issued in Your state on this Policy form. This means We cannot single You out for an increase because of any change in Your age or health. However, Your rates may go up based on the experience of all policyholders with a policy similar to Yours.

10. **ALZHEIMER’S DISEASE AND OTHER ORGANIC BRAIN DISORDERS**

We cover brain disorders with demonstrable organic cause (including Alzheimer’s Disease and similar forms of senility and irreversible dementia) that result in a Severe Cognitive Impairment which are diagnosed by a Physician after the Effective Date of Coverage.

11. **PREMIUMS**

The total premium for Your Policy as well as a breakdown of the premium by base policy and optional benefits are found below.

Annual Premium

Base Policy (includes inflation, if any)	\$ _____
• SharedCare	\$ _____
• Survivorship-Waiver Benefit	\$ _____
• Waiver of the Elimination Period For Home Care	\$ _____
• Restoration of Benefits	\$ _____
• Enhanced Return of Premium Benefit	\$ _____
• Nonforfeiture	\$ _____
Total Annual Premium	\$ _____

Your premium will be \$ _____ on a _____ basis.**

** You may elect to pay Your premium on an annual, semi-annual, quarterly or monthly basis. Please note that the more often you pay, the higher your premium amount will be per year. Additional premium charges are included for semi-annual, quarterly, and monthly premiums. These charges are called “modal fees”. These fees are based upon the following modal factors and are used to determine the premium amount for all payment options. The modal factors are 1.00 for annual, .52 for semi-annual, .27 for quarterly and .09 for monthly. To calculate Your approximate total annual

premium payment based on Your current policy selection:

- Multiply the “Total Annual Premium” as shown in the box above by the factor associated with Your selected mode of payment, and then
- Multiply that result by the number of payments required in a year based upon Your selected payment mode.

12. **ADDITIONAL FEATURES**

- (a) Issuance of Your coverage may depend upon certain medical information about You. This is generally known as medical underwriting.
- (b) This Policy provides added protection against lapse. You may name another person on the application to receive a termination notice 30 days after the premium due date. If Your Policy terminates because You did not pay a premium while You would meet the eligibility requirements for the payment of benefits, it may be reinstated within 5 months of the date of termination if:
- You give Us proof of the Severe Cognitive Impairment or Your inability to perform 2 of the Activities of Daily Living without Substantial Assistance; and
 - You pay all the unpaid overdue premiums.
- (c) This Policy includes an International Coverage Benefit. The International Coverage Benefit provides that we will pay actual charges incurred for covered Long-Term Care Services up to the International Coverage Benefit for care received outside the United States. The International Coverage Benefit will not be paid in excess of an amount equal to: 365-times the Long-Term Care Benefit Amount if You elected the daily Benefit Amount option; or 12-times the Long-Term Care Benefit if You elected the monthly Benefit Amount option.
- (d) This policy includes a Loyalty Credit. If this policy issued to You replaces Your existing individual long-term care policy issued by Us from a prior policy series which has been in force for two years or more, this policy will be issued with a 5% premium credit. The Loyalty Credit is not available if You are eligible for a premium credit due to the Upgrade Privilege in the replaced policy.