

More Care | More Convenience | More Control

The Big Picture

When you think about long-term care, what picture comes to mind? Do you think of a nursing home or depending on family members to take care of you? This is a common perception and sometimes the only image of what people associate with long-term care. However, long-term care is comprised of the following care services:

- Residential Care
- Home Health Care
- Homemaker Services
- Nursing Facility
- Personal Care
- Respite Care
- Adult Day Care
- Bed Reservation
- Hospice Care

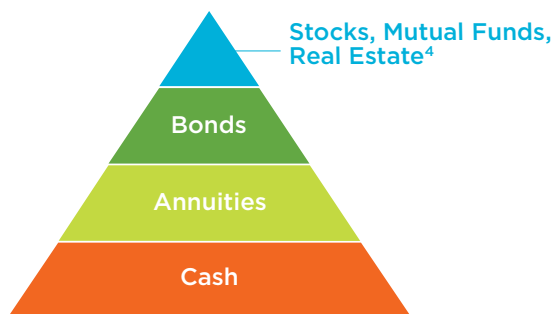
The Need

At some point over the age of 65, 70% of people will need some form of long-term care.¹ To qualify for long-term care benefits you must be certified by a licensed health care practitioner as chronically ill, which means you are severely cognitively impaired requiring substantial assistance to protect against threats to health and safety or are unable to perform at least two of the six Activities of Daily Living (ADLs).^{2,3}

- Eating
- Bathing
- Transferring/Mobility
- Dressing
- Using a Toilet
- Continence

The Payment Options

Long-term care services may be very expensive and quickly drain a person's savings and investments. There are several ways to pay for the costs of long-term care:



If a person chooses to pay for long-term care from personal savings and investments, which account would that person use first and would that person be willing to deplete all of the accounts to pay for long-term care?

This is a solicitation of long-term care insurance by **Forethought Life Insurance Company** and an agent/insurance producer may contact you.

WHAT IS YOUR CURRENT LONG-TERM CARE STRATEGY?

Is it one of these?

Own a long-term care policy

Money Set Aside

Don't Know

There might be a new approach that brings more advantages and more choices.

Would you like to learn more?

BY THE NUMBERS

56%

of long-term care is home health care.⁵

\$109,560

Maximum amount of assets Med-Cal allows the healthy spouse to keep.⁷

\$19,000

Average annual cost of in-home health care three times per week.⁶

Nearly 50%

of Americans will need long-term care at some point in their life.⁸

70%

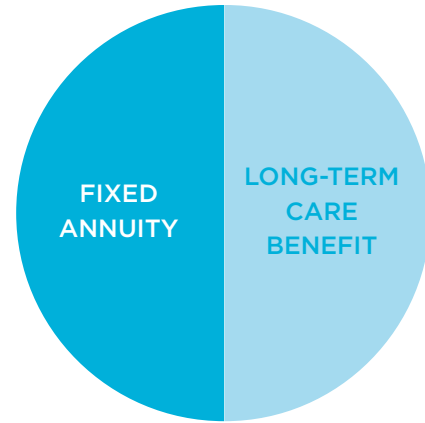
of people over age 65 will need long-term care services.¹

Is there a better way?

ForeCare Fixed Annuity

73% of annuity owners plan to use their annuity savings for an emergency fund in case of illness or nursing home care.⁹ Because ForeCare is a fixed annuity, it provides tax-deferral on interest credited to the contract value through withdrawals or income payout options, and any remaining contract value at death will pass directly to beneficiaries through a death benefit. However, if the insured is diagnosed as chronically ill by a licensed health care practitioner (is unable to perform at least two ADLs or is severely cognitively impaired), ForeCare may provide the following long-term care benefits:

- Double or triple the initial premium (net of any charges for optional riders) plus any contract growth in long-term care coverage available for qualified long-term care expenses (eligibility and multiple is determined through underwriting)¹⁰
- Benefits received for qualified long-term care expenses are typically federal income tax-free



For more information, please contact your financial professional or visit globalatlantic.com.

globalatlantic.com

¹ Medicare & You 2015, National Medicare Handbook, Centers for Medicare and Medicaid Services, Page 63, November 2015

² There is an elimination period of 90 days of covered care within 270 consecutive days. The elimination period is waived for home health care with a qualifying plan of care.

³ Covered Long-Term Care Services must be provided pursuant to a written Plan of Care that 1) was submitted by a Licensed Health Care Practitioner, and 2) has been approved by Forethought Life Insurance Company.

⁴ There are a multitude of different products that may be accessed for retirement income needs. For example, stocks, bonds, mutual funds, and variable annuities are securities and have different risk/reward characteristics, liquidity properties and tax consequences, particularly when compared to products such as CDs, savings accounts, money market accounts, fixed annuities and fixed index annuities. Certificate of Deposits (CDs) are bank products that are FDIC insured. Money Market funds are securities and are not FDIC insured and although these funds seek to preserve the value of an investment at \$1.00 per share, there is no guarantee they will maintain this value

⁵ American Association for Long Term Care Insurance. www.aaltci.com, 2013. For consumers Long-Term Care statistics, 2013.

⁶ Source: U.S. Department of Health and Human Services data from 2010. Paying for Long Term Care. www.longtermcare.gov, 2010.

⁷ Medicaid data for 2011.

⁸ Source: <http://www.longtermcareinsurancetree.com>, as of June 30, 2010.

⁹ 2009 Gallup Survey of Owners of Non-Qualified Annuity Contracts.

¹⁰ The ForeCare Multiplier provides two or three times (depending on underwriting eligibility) the amount of initial premium (net of any charges for optional riders) plus any contract growth in long-term care coverage to spend on qualified long-term care expenses. Benefits are subject to a maximum monthly benefit. The additional coverage in excess of the Contract Value is only available to use for a qualified long-term care benefit and will not become part of the contract value or the death benefit. Withdrawals, other than for qualified long-term care expenses, will adversely affect the amount of coverage for long-term care benefits in the future.

Guarantees are based on the claims-paying ability of Forethought Life Insurance Company and assume compliance with the product's benefit rules, as applicable.

Taxable distributions (including certain deemed distributions) are subject to ordinary income taxes, and if made prior to age 59½, may also be subject to a 10% federal income tax penalty.

A fixed annuity is intended for retirement or other long-term needs. It is intended for a person who has sufficient cash or other liquid assets for living expenses and other unexpected emergencies, such as medical expenses. A fixed annuity is not a registered security or stock market investment and does not directly participate in any stock or equity investments or index.

This information is written in connection with the promotion or marketing of the matter(s) addressed in this material. The information cannot be used or relied upon for the purpose of avoiding IRS penalties. These materials are not intended to provide tax, accounting or legal advice. As with all matters of a tax or legal nature, you should consult your tax or legal counsel for advice.

ForeCare fixed annuity is issued by Forethought Life Insurance Company, 10 West Market Street, Suite 2300, Indianapolis, Indiana. Available in most states with contract FA1101SPDA-01 with Comprehensive Long-Term Care Insurance Rider Form LTC2000-01-CA, Optional Inflation Protection Benefit Rider Form LTC2001-01-CA and Optional Nonforfeiture Benefit Rider Form LTC2002-01-CA. This is a solicitation of Long-Term Care insurance.

Products and features are subject to state variations and availability. Read the contract for complete details.

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Not a bank deposit	Not FDIC/NCUA insured	Not insured by any federal government agency	No bank guarantee	May lose value	Not a condition of any banking activity
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