



Generation Protector[®] Long Term Care Insurance Policy

**Marketing Guide and Endorsed Group Application
for Employers and Associations**

What is long term care insurance?

Let's start by defining what long term care insurance is – and isn't. Long term care insurance, or LTCi, is usually more than nursing home coverage. LTCi can pay for medical needs that are generally not covered by private health insurance policies (or Medicare) because the recipient does not require skilled help.

Due to an accident, illness, or the effects of aging, many individuals need assistance getting out of bed, bathing, eating, dressing, and with other activities that are part of our daily lives. LTCi coverage can make it possible for the insured to choose to stay at home, while receiving needed assistance from a professional, friend, or family member.

Who needs it?

Surprisingly, more than one-third of Americans who require long term care are not retired or elderly. In fact, roughly 40% of people who receive long term care services are working age adults!¹ These are individuals who are challenged by emphysema, diabetes, MS, and other illnesses. Because of their relative youth, these individuals may require care for decades, often from family members (who could be your company's current or future employees).

¹ *"Where Does the Population Live and Who Cares for Them? LTC: Diverse Population Includes Millions of Americans of All Ages," U.S. General Accounting Office, Jan. 2001*



Memo for business principals:

Why should your company care?

There are two compelling reasons to consider making LTCi coverage available to your employees. The first is that they may need its protection for their personal health expenses.

Just as important, however, is the financial assistance LTCi can provide when your employees must care for disabled or chronically ill family members. For these employees, providing care is a part-time job and a full-time concern.

Lacking the financial support offered by LTCi, many of these employee/caregivers may rearrange work schedules, decline business trips or promotions, or use unpaid leave to meet their responsibilities. They may be forced to seek employment closer to home so they can minimize the hours they required of an outside caregiver.

The burden of providing assistance to a family member can result in increased anxiety, stress, and distraction for the employee/caregiver. That can hamper their productivity, impact their efficiency – and cost your company money!

LTCi is one employee benefit that's also an employer benefit.

Obviously, offering a LTCi package can provide your employees with peace of mind. LTCi coverage demonstrates your concern for your company's employees and their loved ones. But more than this, it can also make good business sense.

Long term care insurance can be a cost-effective addition to your company's package of employee benefits. As such, it provides valuable advantages to employer and employees alike.

LTCi coverage can:

- Make your company more attractive to potential employees, while it contributes to loyalty among your current staff
- Increase retention among your most highly skilled employees
- Increase productivity and decrease absenteeism among employees who are also caregivers to family members
- Allow the company to tailor flexible coverage and benefits to fit its budget, while allowing your employees to increase their coverage limits or benefits.

Long term care coverage has long term tax advantages.¹

In addition to these human resources benefits, long term care insurance can offer measurable tax advantages. As an employer offering LTCi coverage, your company can deduct:

- The initial costs of setting up an LTCi plan
- Your ongoing contributions to LTCi premiums as a business expense
- Premiums the company pays for retirees (or the spouses of covered employees).

Your Allianz Life® agent, financial planner, or tax advisor can discuss the full impact LTCi coverage can have on your company's tax liability.

Need one more incentive? How about a price break!²

If your business qualifies as an endorsed group, all of your covered employees will receive a 7% discount on their Allianz Life LTCi coverage. For more information, please refer to page 5.

¹Not intended as legal or tax advice. Consult your attorney, accountant, or tax advisor.

²Not available in all states.

Why Allianz Life should be your source for LTCi coverage:

No one can predict your organization's future long term care needs.

With Generation Protector from Allianz Life®, you don't have to. If you have ever been responsible for planning a group event (like a picnic or holiday party) you know you can't please everybody. The same holds true when you choose a resource for your company's long term care insurance plan.

Start by choosing an established provider that has a reputation and track record you can trust. Once you've made that decision, go with a product that allows flexibility and choices, while providing a reliable foundation of core benefits.

That would be Generation Protector from Allianz Life.

A solid partner you can trust: Allianz Life

Allianz Life Insurance Company of North America is a member of the Allianz Group, one of the world's leading providers of integrated financial services. If you look at the list of the world's largest corporations in the July, 2004 issue of *Fortune*, you will find our parent company, Allianz AG, at number 11. The 11th largest corporation on the planet. Not bad.

In addition to its considerable financial strength, Allianz Life has extensive experience in the long term care insurance business. We've been issuing long term care policies – and paying claims on them – since the early 1990s. We've done the research to discover what people want in a long term care insurance policy. And that's exactly what we give them.

If you're considering offering long term care insurance coverage as a benefit, you would be hard pressed to find a better combination of financial stability and long term care insurance expertise than Allianz Life.

A product that allows flexibility and choices: Generation Protector

It's generally recognized that there are millions of people in nursing homes, but far more people are receiving care in their homes. That's why we created Generation Protector long term care insurance.

Generation Protector pays for care received at home, in an assisted living facility, in a nursing facility, or in a community care environment.

The environment in which a person receives care is his or her business. Helping pay for that care is our business. At Allianz Life® we focus on the person receiving the care, not the building where it is being dispensed.

With Generation Protector, covered endorsed group members can choose from a range of basic policy benefit options governing:

- The amount paid daily for facility care
- The amount paid daily for home and community care
- The length of time benefits will be paid
- The length of time between the start of care and the start of benefit payments, and more.

Generation Protector also offers a choice of optional riders¹ (at an additional charge) that give clients more control over:

- How much cash they will receive in addition to their chosen daily benefit
- Their policy's level of inflation protection
- Whether they pay level premiums (or higher premiums followed by a reduction)
- Whether they wish to share their maximum lifetime benefit amounts with a spouse, and many other options.

Obviously, we can't cover all of the possibilities here. That's why Generation Protector – and every Allianz Life insurance product – is sold exclusively through independent, professional insurance agents, and financial planners. Your Allianz Life agent will help you create a program that makes sense for the endorsed group members and administrators alike.

¹Not available in all states.

Did we mention the 7% discount?

Generation Protector offers a lot of benefits, a lot of flexibility, and a lot of peace of mind. It does all this at a very competitive price. This makes Generation Protector an exceptional value. When purchased by qualifying endorsed group members, however, that price is reduced an additional 7%! Even better, married couples who both purchase Generation Protector coverage receive a 30%² discount on both of their policies.³



What organizations qualify for the 7% endorsed group discount?

To qualify to receive the 7% endorsed group discount on Generation Protector, an endorsed group can be a business or an association:

1. Business groups include any business or employer having three or more employees.
2. Association groups are any association, trade or professional organization, or labor union:
 - Comprised of at least ten members
 - Having a constitution and bylaws
 - In existence and active for two or more calendar years
 - Formed in good faith for reasons other than simply obtaining insurance coverage.

Please note: business members of chambers of commerce, co-ops, and similarly structured organizations could qualify as Association Groups. So if, for example, a chamber of commerce is approved, the individual members actually on the chamber and their families are approved. Note, however, *the employees* of those individual chamber members would not be eligible under their Association Group endorsement. If one of the chamber's business owners wants their employees and their families to receive the discount, that member must furnish a separate Endorsed Group application.

Another example of a group that would not qualify for the discount would be clients of a law firm, accounting business, stock broker, realtor, etc.

¹ Not available in all states.

² In Florida, the discount is 25%.

³ In Montana, the discount is a joint discount.

How does an Employer/Organization know if it qualifies for endorsed group status?



1. The first step is to complete Allianz Life® form EG-A, our Application for Approval of Endorsed Group. The form must be filled out in its entirety, as it is presented. None of the form's questions can be altered or edited, and all must be answered completely.
2. The completed application must be personally signed by an authorized representative of the Business or Association seeking consideration. An agent may not offer to sign the form as a representative of the applicant.
3. The completed, signed form must be submitted to Allianz Life for review and verification.
4. If any further information or clarification is necessary, the Home Office will request it.
5. Once Allianz Life has reviewed the application, we will inform the agent of record as to our decision.



Application for Approval of Endorsed Group

Agent information

Agent of record _____
Agent number _____ Marketing organization _____
Phone number _____ Fax number _____
E-mail address _____

Group information

Business group Association

Name of Business group or Association _____

Mailing address _____

State(s) of operation _____

Number of potential members _____

Type of Business/Purpose of Association _____

(If the group is an Association)

How long has this Association been in existence? _____

Does this Association have a constitution and bylaws? Yes No

Statement by officer, director, or other official of the company or group

I _____ of
Name Title

_____, state as follows:
Name of Business group/Association

1. The policy's benefits, features, and premium rates have been fully explained to and reviewed by our management and/or directors.
2. As a result of such review, we hereby approve and endorse Allianz Life Insurance Company of North America's long term care insurance policy for solicitation to our employees/members.
3. Employees/members will be made aware that the premium rates being offered are discounted from the premium rates offered to the general public.

Signed _____ Date _____

For home office use only

- Approved Disapproved Further Information Required

Allianz Life® ID CODE for this Business group/Association _____
(NOTE: This number must appear on all future applications)

Comments _____

Authorized signature _____ Date _____

Our top priority is the safety of your money

All policies are issued by Allianz Life Insurance Company of North America, a member of the Allianz Group. With over 700 subsidiaries in more than 70 countries, the Allianz Group is one of the world's leading providers of integrated financial services.

Our goal is to provide policyholders with wealth management products that can help meet today's needs and financial objectives, with a product philosophy of offering fair and equitable values on each policy we issue.

Allianz Life® has consistently been assigned financial strength ratings by Standard & Poor's and A.M. Best that are among the highest available. It is one of a select group of major insurance companies to receive such high ratings.

These independent agency ratings are based on an analysis of financial results and evaluation of management objectives and strategies. The ratings do not indicate approval by the analysts and are subject to change.

Innovative products, exceptional customer service, and sound financial strength make Allianz Life the place to turn to help meet your retirement objectives.

Policy Series 10-P-Q issued by Allianz Life Insurance Company of North America, Minneapolis, MN. For costs and further details of coverage, including exclusions, limitations, and terms under which coverage may continue in force, contact your agent.

Agent name: _____

License number: _____

MO Residents: LTC Buyer's Guide available upon request from the Missouri Department of Insurance (800/726-7390).

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Product availability and benefits may vary by state