Survivorship Plus Select® Indexed Universal Life

Penn Mutual

Survivorship Plus Select® Indexed Universal Life Features and Options (Coverage Riders)

This information complements, and therefore, must be accompanied by the Survivorship Plus Select IUL brochure.

Accelerated Death Benefit Rider: Makes a portion of the death benefit available if terminal illness occurs.[1]

Issue Ages: 20-85
Automatically included with your policy at issue
This rider provides access to a portion of the policy death benefit if the surviving insured (after the first death) is diagnosed with a terminal illness resulting in a life expectancy of 12 months or less. The amount accessed:

- Must be at least $10,000
- May not exceed $250,000 or 50 % of the specified death benefit amount
- Is usually tax-free.

To exercise the benefit, the insured person must be diagnosed by a licensed physician[2] of the United States who is not the policy owner, insured, beneficiary o or a relative thereof as defined in the policy.[3] Exercising the Accelerated Death Benefit Rider will reduce your death benefit and cash value, but it can provide an important financial safety net when you need it most.

[1] CA residents: Please see important information on page 8.
[2]The company reserves the right to seek additional medical opinions at its own expense to determine benefit eligibility.
[3]Your financial professional can provide details about excluded relatives.

Rider form number ICC15-PI-ACDB. Rider form numbers and features may vary by state.

Chronic Illness Accelerated Benefit Rider: Allows access to a portion of the death benefit if chronic illness strikes.[1]

Issue Ages: 20-85
Automatically included with your policy at issue[2]

This rider provides access to a portion of the policy death benefit should the surviving insured (after the first death) become chronically ill. To be eligible for accelerated benefits, a US-licensed health care practitioner who is not the policy owner, insured, beneficiary or a relative thereof as defined in the policy[3] must have certified in the last 12 months that the surviving insured:

- Is unable to perform at least two of the six activities of daily living—bathing, continence, dressing, eating, toileting, and transferring or;
- Requires substantial supervision by another to avoid injury or harm due to severe cognitive impairment
- Has had the chronic illness for a period of at least 90 consecutive days
- Is expected to require care in an eligible facility or at home for the remainder of their life.

There is no charge for this protection at policy issue and no impact on the policy unless the benefit is used. Exercising this benefit will reduce the policy death benefit and value, but it can provide resources a family needs if a chronic illness strikes.

[1] CA residents: Please see important information on page 8.
[2]This benefit is automatically included on most permanent life insurance policies subject to certain eligibility requirements.
[3] Your financial professional can provide details about excluded relatives.

Rider form number ICC15-PI-ABCI. Rider form numbers and features may vary by state.

Estate Growth Benefit Rider: Provides guaranteed death benefit growth to keep you ahead of inflation.

Issue Ages: 20-79
Available at policy issue only[1]

Beginning in the second policy year, this benefit protects against inflation by automatically increasing the policy coverage amount by a fixed percentage annually. Here's how it works:

- You choose an increase of 1, 2, 3, 4, 5 or 6 percent when your policy is first issued.
- The benefit is in effect to age 80 of the younger insured, or until the maximum benefit amount is reached.

The Estate Growth Benefit Rider is not available with the Extended No-Lapse Guarantee Rider.

[1]Availability based on the age of the younger insured. Subject to certain eligibility requirements.

Rider form number ICC17-PI-EGB. Rider form numbers and features may vary by state.

Estate Preservation Term Insurance Rider: Helps offset estate taxes if both insureds die before policy ownership transfers to an irrevocable trust.

Issue Ages: 20-85
Available at policy issue only

This joint life, four-year term rider helps mitigate the estate tax risk involved if both insureds die prior to transferring ownership of the policy to an irrevocable trust. This rider death benefit can help offset estate taxes if the policy is included in the insureds' taxable estate because of a transfer of asset ownership in the last three years.

The death benefit for this rider may not exceed 125% of the total specified coverage amount (base specified amount plus any Supplemental Term Rider amount).

Rider form number ICC17-PI-EPSTI. Rider form numbers and features may vary by state.

Extended No-Lapse Guarantee Rider: Protects your death benefit up to policy maturity.

Issue Ages: 20-85
Available at policy issue only

This rider keeps your existing death benefit in force should your policy's net cash surrender value be insufficient to cover monthly premium deductions when due. This protection can extend to the end of the policy's term, up to age 121 of the younger insured.

The Extended No-Lapse Guarantee Rider remains in force as long as the required premiums are paid on time and no policy loans are outstanding or taken.[1] The Extended No-Lapse Guarantee Rider is available only with the level death benefit option. The Extended No-Lapse Guarantee Rider is not available with the Estate Growth Benefit Rider, Return of Premium Term Insurance Rider, Premium Continuation Rider, Surrender Benefit Enhancement Rider or Waiver of Surrender Charges Rider.

[1]Policy loans will nullify this rider; however, the rider may be reinstated when all loans are repaid.

Rider form number ICC18-PI-ENLGJ. Rider form numbers and features may vary by state.

First Death Benefit Rider: Provides protection for the surviving insured.

Issue Ages: 20-70
Available at or after policy issue[1]

This rider allows you to add term life insurance that pays a death benefit to the named beneficiary after the first death. It can provide protection to help the surviving insured maintain a way of life. If the insureds were business partners, it can help the surviving partner buyout the business interests of family members or other heirs. The death benefit can also be used to help pay up the survivorship no-lapse coverage to age 121. Key features include a choice of:

- Coverage amounts between a minimum of $50,000 up to 125% of the total specified coverage amount (base specified amount plus any Supplemental Term Rider amount)
- Coverage term of any length up to the policy anniversary closest to the older insured's 100th birthday.

The First Death Benefit Rider is not available with the Flexible Period Single Life Term Rider.

[1]Availability based on the age of the older insured. Term coverage cannot be increased after age 70. Availability after issue is subject to medical underwriting and both insureds must be living.

Rider form number ICC17-PI-FDTI. Rider form numbers and features may vary by state.

Flexible Period Single Life Term Rider: Provides additional coverage for one or both insureds.

Issue Ages: 20-70
Available at or after policy issue[1]

This rider lets you add individual term life insurance coverage to your base policy for one or both of the insureds for the specified number of years you choose. If your needs change, you can convert the term insurance to permanent coverage that offers cash value any time before the earlier of age 70 and three years prior to your selected rider expiration date.

The rider coverage amount must be at least $50,000 up to a maximum of the total specified coverage amount (base specified amount plus any Supplemental Term Rider amount).

The Flexible Period Single Life Term Rider is not available with the First Death Benefit Rider.

[1]Subject to medical underwriting if added after policy issue.

Rider form number ICC17-PI-SLTI. Rider form numbers and features may vary by state.

Overloan Protection Rider: Keeps your policy in force despite outstanding loans.

Issue Ages: 20-85
Available at or after policy issue

This rider can prevent a policy lapse which may result from an outstanding loan exceeding the cash value. The rider keeps the policy intact as a "reduced paid-up policy"[1] if an outstanding loan exceeds 96% of the cash value.

To exercise the rider, you must be at least 75 years old and your policy must be in effect for at least 15 years.

[1]Based on the net cash value at the time the rider is exercised.

Rider form number ICC17-PI-OPBJ. Rider form numbers and features may vary by state.

Policy Split Option Rider: Lets you exchange your policy for two individual policies.

Issue ages 20-79
Automatically included with your policy at issue[1]

This rider allows your policy to be exchanged for two individual Penn Mutual universal life insurance policies in the event of a divorce or certain changes to federal estate tax laws, including:

- Repeal of the federal estate tax
- Reduction of federal estate tax rates by 25% or more
- A 50% or greater reduction or the elimination of the unlimited marital deduction under federal estate tax law.

The exchange must be within 90 days of a qualifying event. Medical evidence of insurability is not required as long as the policy split percentages are 50/50.

[1]Subject to certain eligibility requirements.

Rider form number ICC18-PI-PSO. Rider form numbers and features may vary by state.

Return of Premium Term Insurance Rider: Provides an added death benefit equal to premiums paid.

Issue Ages: 20-85
Available at policy issue only[1]

This rider provides an additional death benefit equal to the sum of all premiums paid up to the policy's most recent monthly anniversary. Suited for personal use and business uses such as executive benefit programs, the rider coverage is:

- Effective until the original maturity of the base policy
- Available only with the level death benefit option.

The Return of Premium Term Insurance Rider is not available with the Extended No-Lapse Guarantee Rider.

[1]Subject to certain eligibility requirements.

Rider form number ICC18-PI-ROPJ. Rider form numbers and features may vary by state.

Supplemental Exchange Rider: Provides flexibility to change one of the insureds.

Issue ages 20-85
Automatically included with your policy at issue

With this rider, you can replace one insured with another insured without having to purchase a new or additional policy.[1] The following provisions apply:

- The new insured must have the same relationship to the remaining insured as the original did, such as spouse or business partner
- The new insured must meet certain eligibility requirements and provide medical evidence of insurability
- Such an exchange may result in the policy's cash value becoming taxable.

[1]The change of insured may result in a premium change based on the new insured's age and rate class; however, it will not impact the existing policy cash value.

Rider form number ICC17-PI-SEJ. Rider form numbers and features may vary by state.

Supplemental Term Insurance Rider: Provides additional coverage and enhances long-term accumulation.

Issue Ages: 20-85
Available at policy issue only

This rider provides an additional death benefit and enhances long-term policy cash value accumulation through the purchase of non-convertible term life insurance covering the insureds. Key features include:

- A choice of term life coverage amounts starting at a minimum of $50,000 up to the specified base policy amount
- An annual .30% policy value enhancement, added in monthly increments, to non-loaned values based on the rider's share of the total specified coverage amount
- The rider's policy value enhancement will be added beginning the later of policy year 11 or attained age of 51 of the younger insured—in addition to any base policy enhancements.

Rider form number ICC18-PI-STIJ. Rider form numbers and features may vary by state.

Surrender Benefit Enhancement Rider: Enhances cash surrender values during the early policy years.

Issue Ages: 20-70 (Ages 20-65 in California)
Available at policy issue only[1]

This rider is specifically designed for:

- Increasing the policy's business accounting collateral value for corporation owned, corporate trust owned or corporate sponsored policies when the policy is being used to fund an employee benefit program[2]
- Premium financed policies when the policy cash value serves as loan collateral.

By waiving surrender (cancellation) charges during the first nine years, this rider ensures higher cash surrender values during the early years of the policy. To further enhance early year surrender values, the rider also provides the following return of premium guarantees during the first six policy years[3]:

- 100% in the first three years
- 75% in the fourth year
- 60% in the fifth year
- 50% in the sixth year.

The Surrender Benefit Enhancement Rider is not available with the Waiver of Surrender Charges Rider.

[1]Availability based on the age of the older insured.
[2]The rider is not permitted for qualified plan use. Underwriting must confirm that the product is being used to satisfy a legitimate business accounting need.
[3]Return of premium guarantee is reduced by any partial withdrawals and does not apply if there are any loans on the policy.

Rider form number ICC17-PI-SBE2J. Rider form numbers and features may vary by state.

Waiver of Surrender Charges Rider: Waives surrender charges during the 9-year surrender charge period.

Issue Ages: 20-75 (Ages 20-65 in California)
Available at policy issue only[1]

This rider provides higher cash surrender values during the early policy years by waiving surrender charges during the first nine years. Designed for business use, this rider is specifically designed for:

- Increasing the policy's business accounting collateral value for corporation owned, corporate trust owned or corporate sponsored policies when the policy is being used to fund an employee benefit program.[2]
- Policies with premium financing when cash value must be used for collateral on the loan.

The Waiver of Surrender Charges Rider is not available with the Surrender Benefit Enhancement Rider.

[1]Availability based on the age of the older insured.
[2]This rider is not permitted for qualified plan use. Underwriting must confirm that product is being used to satisfy a legitimate business accounting need.

Rider form numbers ICC17-PI-WSCJ. Rider form numbers and features may vary by state.

All guarantees are based on the claims-paying ability of the issuer.

Survivorship Plus Select IUL (Policy form ICC18-PI-IALJ2) is a last-survivor indexed universal life insurance policy offered by The Penn Insurance and Annuity Company, a wholly owned subsidiary of The Penn Mutual Life Insurance Company. Policy form numbers may vary by state. Products and features may not be available in all states. This product is not offered in New York.

Optional riders and benefits may be subject to eligibility and underwriting requirements, additional premium requirements and/or minimum or maximum coverage amounts. Availability and rider provisions may vary by state.

The maximum issue ages for a Survivorship Plus Select IUL policy is a total combined insured age of 165, with no more than a 30-year age difference between the insureds.

Any reference to the taxation of life insurance products in this material is based on the issuing company's understanding of current tax laws. Penn Mutual and their representatives do not provide tax or legal advice. Please consult a qualified tax professional regarding your personal situation. Accessing cash values may result in surrender fees and charges, may require additional premium payments to maintain coverage and will reduce the death benefit and policy values.

For more information please contact your financial professional.

ACCELERATED BENEFIT – CHRONIC ILLNESS RIDER DISCLOSURE FOR CALIFORNIA RESIDENTS:

The Chronic Illness Accelerated Benefit Rider is a life insurance benefit that also gives you the option to accelerate some of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This rider does not provide long-term care insurance subject to California long-term care insurance law. This rider is not a California Partnership for Long-Term Care program policy. This rider is not a Medicare supplement policy.

An Accelerated Benefit Payment (ABP) is the actual benefit paid by the Chronic Illness Accelerated Benefit Rider and is subject to the ABP limits in the contract. The benefits provided by long-term care insurance are not the same as those provided by the Chronic Illness Accelerated Benefit Rider. The Chronic Illness Accelerated Benefit Rider requires a licensed health care practitioner to certify that continuous care in an eligible facility or at home is expected to be required for the remainder of the insured's life when the insured has a Chronic Illness, whereas long-term care insurance does not generally have this requirement. The Rider also does not restrict how the policy owner can use the Accelerated Benefit Payments, whereas long-term care insurance will generally require proof of expenses incurred. The Chronic Illness Accelerated Benefit Rider pays proceeds that are intended to qualify for favorable tax treatment under section 101(g) of the Federal Internal Revenue Code. The federal, state, or local tax consequences resulting from payment of Accelerated Benefit Payments (ABPs) will depend on the specific facts and circumstances, and consequently, advice and guidance should be obtained from a personal tax advisor prior to the receipt of any ABPs. Death benefits and policy values, such as cash values, premium payments and cost of insurance charges if applicable, will be reduced if an ABP is paid.