TLS, have you transmitted all R text files for this cycle update?

Date

Separation 1, Form 1099-LTC - Prints in Red Ink, J-6983.
Separation 2, Form 1099-LTC - Prints in Black Ink.

Action Date Signature
O.K. to print
Revised proofs requested

Form 1099-LTC

PAYER’S name, street address, city, state, ZIP code, and telephone no.

POLICYPOLICYHOLDER’S name number identification number

INSURED’S social security no.

PAYER’S federal identification number

POLICYHOLDER’S identification number

3 Check one:
   [ ] For
dead

   [ ] Reimbursed
   amount

Gross long-term care
benefits paid

$ 2 Accelerated death
benefits paid

$ 4 Qualified contract
(optional)

[ ] Check, if applicable:
   [ ] Chronically ill
   [ ] Terminally ill

Date certified

Gross long-term care
benefits paid

$ 2 Accelerated death
benefits paid

$ 4 Qualified contract
(optional)

[ ] Check, if applicable:
   [ ] Chronically ill
   [ ] Terminally ill

Date certified

Copy A

For Internal Revenue
Service Center

File with Form 1096.

For Privacy Act
and Paperwork
Reduction Act
Notice, see the
2006 General
Instructions for
Forms 1099, 1098,
5498, and W-2G.

Form 1099-LTC

Cat. No. 23021Z

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page
<table>
<thead>
<tr>
<th>Date certified</th>
<th>2006</th>
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</thead>
</table>

### Form 1099-LTC

**Long-Term Care and Accelerated Death Benefits**

<table>
<thead>
<tr>
<th>PAYER'S name, street address, city, state, ZIP code, and telephone no.</th>
<th>POLICYHOLDER'S name, street address, city, state, ZIP code, and telephone no.</th>
<th>INSURED'S name</th>
<th>Account number (see instructions)</th>
<th>Insured</th>
<th>Chronic Ill</th>
<th>Terminally Ill</th>
<th>Data certified</th>
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</thead>
<tbody>
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</table>

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.
Instructions for Policyholder

A payer, such as an insurance company or a viatical settlement provider, must give this form to you for payments made under a long-term care insurance contract or for accelerated death benefits. Payments include those made directly to you (or to the insured) and those made to third parties.

A long-term care insurance contract provides coverage of expenses for long-term care services for an individual who has been certified by a licensed health care practitioner as chronically ill. A life insurance company or viatical settlement provider may pay accelerated death benefits if the insured has been certified by either a physician as terminally ill or by a licensed health care practitioner as chronically ill.

Long-term care insurance contract. Generally, amounts received under a qualified long-term care insurance contract are excluded from your income. However, if payments are made on a per diem basis, the amount you may exclude is limited. The per diem exclusion limit must be allocated among all policyholders who own qualified long-term care insurance contracts for the same insured. See Pub. 502, Medical and Dental Expenses, and Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, for more information.

Per diem basis. This means the payments were made on a periodic basis without regard to the actual expenses incurred during the period to which the payments relate.

Accelerated death benefits. Amounts paid as accelerated death benefits are fully excludable from your income if the insured has been certified by a physician as terminally ill. Accelerated death benefits paid on behalf of individuals who are certified as chronically ill are excludable from income to the same extent they would be if paid under a qualified long-term care insurance contract.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1. Shows the gross benefits paid under a long-term care insurance contract during the year.

Box 2. Shows the gross accelerated death benefits paid during the year.

Box 3. Shows if the amount in box 1 or 2 was paid on a per diem basis or was reimbursement of actual long-term care expenses. If the insured was terminally ill, this box may not be checked.

Box 4. May show if the benefits were from a qualified long-term care insurance contract.

Box 5. May show if the insured was certified chronically ill or terminally ill, and the latest date certified.
PAYER'S name, street address, city, state, ZIP code, and telephone no. | POLICYHOLDER’S identification number | 1 | Gross long-term care benefits paid | $ |
| | | 2 | Accelerated death benefits paid | $ |

PAYER’S federal identification number | POLICYHOLDER’S identification number | 3 | Per diem Reimbursed amount | INSURED’S social security no. |

POLICYHOLDER’S name | INSURED’S name | Street address (including apt. no.) | Street address (including apt. no.) | City, state, and ZIP code | City, state, and ZIP code |

Account number (see instructions) | 4 | Qualified contract (optional) | 5 | (optional) | Chronically ill | Terminally ill | Data certified |

Form 1099-LTC (keep for your records) | Department of the Treasury - Internal Revenue Service
Instructions for Insured

A payer, such as an insurance company or a viatical settlement provider, must give this form to you and to the policyholder for payments made under a long-term care insurance contract or for accelerated death benefits. Payments include both benefits you received directly and expenses paid on your behalf to third parties.

If you are the insured but are not the policyholder, Copy C is provided to you for information only because these payments are not taxable to you. If you are also the policyholder, you should receive Copy B.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1. Shows the gross benefits paid under a long-term care insurance contract during the year.
Box 2. Shows the gross accelerated death benefits paid during the year.
Box 3. Shows if the amount in box 1 or 2 was paid on a per diem basis or was reimbursement of actual long-term care expenses. If you are terminally ill, this box may not be checked.
Box 4. May show if the benefits were from a qualified long-term care insurance contract.
Box 5. May show if you were certified chronically ill or terminally ill, and the latest date certified.
<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Gross long-term care benefits paid</td>
</tr>
<tr>
<td>2</td>
<td>Accelerated death benefits paid</td>
</tr>
<tr>
<td>3</td>
<td>Per diem reimbursed amount</td>
</tr>
<tr>
<td>4</td>
<td>Qualified contract (optional)</td>
</tr>
<tr>
<td>5</td>
<td>Chronically ill (optional)</td>
</tr>
<tr>
<td></td>
<td>Terminally ill (optional)</td>
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</tbody>
</table>

Form 1099-LTC

Department of the Treasury - Internal Revenue Service
Instructions for Payers

General and specific form instructions are provided as separate products. The products you should use to complete Form 1099-LTC are the 2006 General Instructions for Forms 1099, 1098, 5498, and W-2G, and the 2006 Instructions for Form 1099-LTC. A chart in the general instructions gives a quick guide to which form must be filed to report a particular payment. To order these instructions and additional forms, call 1-800-TAX-FORM (1-800-829-3676).

Due dates. Furnish Copy B of this form to the policyholder by January 31, 2007.

Furnish Copy C of this form to the insured by January 31, 2007.

File Copy A of this form with the IRS by February 28, 2007. If you file electronically, the due date is April 2, 2007. To file electronically, you must have software that generates a file according to the specifications in Pub. 1220, Specifications for Filing Forms 1098, 1099, 5498, and W-2G Electronically or Magnetically. IRS does not provide a fill-in form option.

Caution: Because paper forms are scanned during processing, you cannot file Form 1096, 1098, 1099, or 5498 that you download and print from the IRS website.