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Bridge® by EquiTrust:
The Guaranteed Issue LTC Solution Advisors Need to Know



Presented by
Leon Fitch, Lawrence Vivenzio, and Richard Rusoff

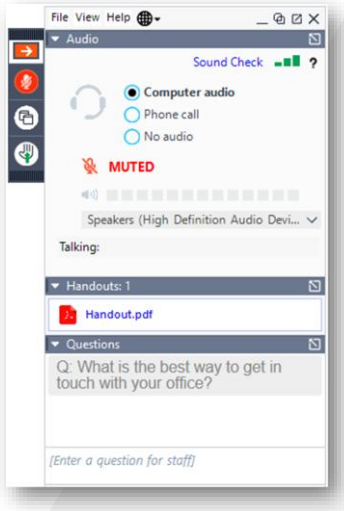
June 18, 2026

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Questions & Handouts

- Download **today's handouts** from the GoToWebinar toolbar.
- Don't forget to **complete the survey** at the end of the presentation!



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About Us

Krause Agency is a national wholesaler of insurance products tailored to the senior market. With a focus on asset preservation solutions, we provide products, training, and support to agents and advisors helping clients plan for retirement and long-term care.



30+
Years of Experience

400+
Clients Helped Monthly

1,300+
Active Agents

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Today's Goals

1. Review the Equitrust Bridge Plan
2. Focus on the Long-Term Care Features
3. Learn to see this plan not only for uninsurable prospects but also as a good investment



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The Next Generation of LTC/Retirement Products



- **Protected Accumulation**
  Annuity to prevent loss if market goes down and additional benefits if health status deteriorates
- **Excellent LTC Coverage**
  Added long-term care benefits included with additional LTC benefits for those who participate in the wellness program (further protection against inflation)
- **NeverStop® Health Coaching & Rewards Program**
  Science-based action plans and coaches to prevent disability, cope with challenges, improve cognition and physical abilities

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BRIDGE – ANNUITY FEATURES

A Competitive Fixed-Index Annuity

$50K Minimum initial premium (non-qualified)

10 Year surrender schedule

10% Free withdrawals each year after the first year

Effective July 7, 2025

Account Options	Current Rate
1-Year Interest	5.00%
S&P 500 1-Year Point-to-Point Cap	9.00%
S&P 500 1-Year Point-to-Point Participation	50.00%
S&P 500 1-Year Monthly Average Participation	95.00%
Barclays Focus50 1-Year Point-to-Point Participation	180.00%
S&P MARC 5% Excess Return 1-Year Point-to-Point Participation	200.00%

Low-volatility indexes with high participation rates

Uncapped participation strategies

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BRIDGE – LTC RIDER

LTC Rider High Level Review

Benefits Eligibility

Standard LTC benefit eligibility requirements (inability to perform 2 of 6 ADLs for at least 90 days OR severe cognitive impairment, licensed healthcare practitioner plan of care, annual physician certification, usage only for qualified LTC services)

Tax-Free Benefits

Receive benefits tax free* for qualified LTC services – home care, assisted living, adult day-care, or nursing home care

IRS Revenue Bulletin **2024-25**
Section 2.62*

Section 844 of the U.S. Pension Protection Act of 2006
Excludes from gross income any charge against the cash value of an annuity contract…made as payment for coverage under a qualified long term care insurance contract which is part of or a rider on such annuity…if the investment in the contract is reduced (but not below zero). The maximum that can be paid on a tax-free basis for 2026 is $430/day or $13,079/month, subject to exceptions permitting tax deductibility if actual expenses over the maximum can be documented.

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**The Bridge Annuity is intended to be tax qualified under IRS rules. The tax information provided her is only a high-level summary. IRS rules are highly complex and exceptions may apply. You should consult with a tax advisor for full information and guidance.*

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BRIDGE – LTC RIDER

The LTC Rider



Everyone is approved* for LTC benefits!

- Guaranteed approval*/Zero declines!
- 3 rate classes
  - *Preferred*
  - *Standard*
  - *Secure*
- Roughly 70% of decisions are Preferred

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**Must pass annuity suitability requirements; guarantees based on the claims-paying ability of EquiTrust Life Insurance Company.*

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BRIDGE – LTC RIDER

The LTC Rider

LTC Benefit Base Calculation

- Initial LTC Benefit = Premium x Coverage Ratio
- Years' 1-5 premiums are multiplied by Coverage Ratio and added to LTC Benefit Base
- Subsequent premiums added dollar for dollar to the Benefit Base.

Maximum coverage ratios:

- Preferred 300% - 330%
- Standard 200% - 230%
- Secure 125% - 155%

Payment of Benefits

- Benefits paid from cost basis first, then gain
- LTC Benefit Base is reduced by the amount of benefits paid.
- Benefit payments reduce the annuity Accumulation Value dollar for dollar but continue even if the annuity's Accumulation Value is depleted – as long as no additional withdrawals are taken.

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BRIDGE – LTC RIDER

The LTC Rider

Additional LTC Rider Highlights

- LTC pool grows by 3% compound for 20 years or until claim time, whichever happens first
- 5-year benefit period
  - LTC pool is divided by 60 months
- Cash indemnity monthly benefits
  - No receipts or provider approvals required
- No elimination period
- Tax-qualified/tax-free LTC distributions*
- 4-year vesting period
  - 20/40/60/80%
  - Fully vested in 5th year
  - Only LTC leverage is vested, not annuity value



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Up to IRS per diem maximum

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BRIDGE – LTC RIDER

Vesting Explained

Vesting schedule:

- 20% in year 1
- 40% in year 2
- 60% in year 3
- 80% in year 4
- Fully vested in years 5+

How to calculate vested LTC:

- You always get ALL of your money (the annuity account value).
- PLUS you get 20/40/60/80% of the net amount at risk.

Vesting is based on the "net amount at risk"

- The difference between the LTC pool and the annuity account value
- For example, $315K LTC pool minus $100K annuity account value = $215K net amount at risk

Vesting is NOT based on the total LTC pool.

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BRIDGE – LTC RIDER

Vesting Example

A 70-year-old with $100K annuity account value, non-vested initial LTC pool of $310K

- Year 1 vested LTC is $142K
  - That's your money, $100K – the annuity account value.
  - PLUS $42K – 20% of the $210K net amount at risk
- Remember, vesting is a moot point by year 5.
- How many LTC clients go on claim in the first 5 years?



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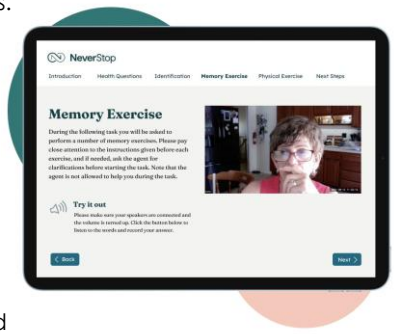
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BRIDGE – LTC RIDER

Optional Low-Friction Underwriting

3 rate classes – **Preferred, Standard, and Secure**

- Underwriting is required to qualify for Standard and Preferred classes.
- 30-40 minutes live video call with cognitive and physical tasks
- Decision typically within minutes of completion



Secure risk class is available to clients who:

- Choose to opt out of underwriting
- Answer "Yes" to any of the first 3 of 5 health questions
- Undergo underwriting and do not qualify for Standard and Preferred classes

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BRIDGE – LTC RIDER

1. Do you currently live and receive care in or use, have applied to, or have been advised to reside in a nursing home, assisted living facility, any other residential care facility, home health care, or adult day care?
2. Do you currently need any assistance or supervision in performing an of the following activities of daily living: bathing, dressing, eating, walking, moving in or out of a bed or chair, toileting and/or bowel/bladder control?
3. Do you currently use a wheelchair, motorized scooter, stair lift, Hoyer lift, or respirator?
4. Have you been diagnosed or advised by a member of the medical profession as having or been treated for any of the following conditions in the past five years: heart attack, bypass angioplasty, stent surgery of the heart or legs, COPD, chronic kidney failure, cancer of the bone/esophagus/liver/lung/ovary/pancreas/stomach/uterus, lymphoma, leukemia or any metastatic cancer?
5. In the past five years, have you received Social Security Disability Insurance benefits?

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BRIDGE – LTC RIDER

LTC Rider Examples



65-year-old, Preferred, $100K deposit

- Initial LTC pool $315K
- Age 85 LTC pool $569K PLUS earned wellness credits
- Tax free* LTC benefits



75-year-old, Preferred, $100K deposit

- Initial LTC pool $305K
- Age 85 LTC pool $410K PLUS earned wellness credits
- Tax free* LTC benefits



80-year-old, Standard, $200K 1035

- Initial LTC pool $400K
- Age 90 LTC pool $538K PLUS earned wellness credits
- Tax free* LTC benefits

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**Subject to daily IRS maximum; must be used for qualifying long-term care services*

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NeverStop focuses on small steps that people **can** do, **want** to do, and are **effective** in reducing LTC risk!

Participating earns real dollars added to the policy's LTC benefits.

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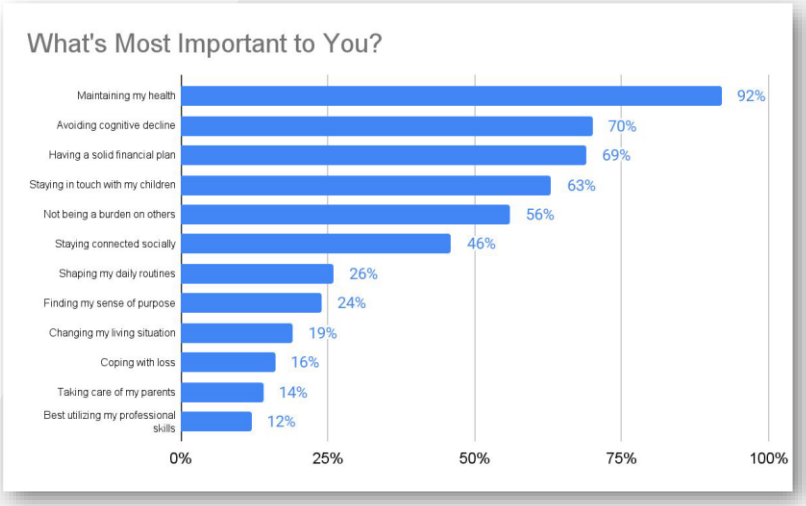
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Focusing on What Makes People Tick

Developing healthy actions across a spectrum of what consumers want

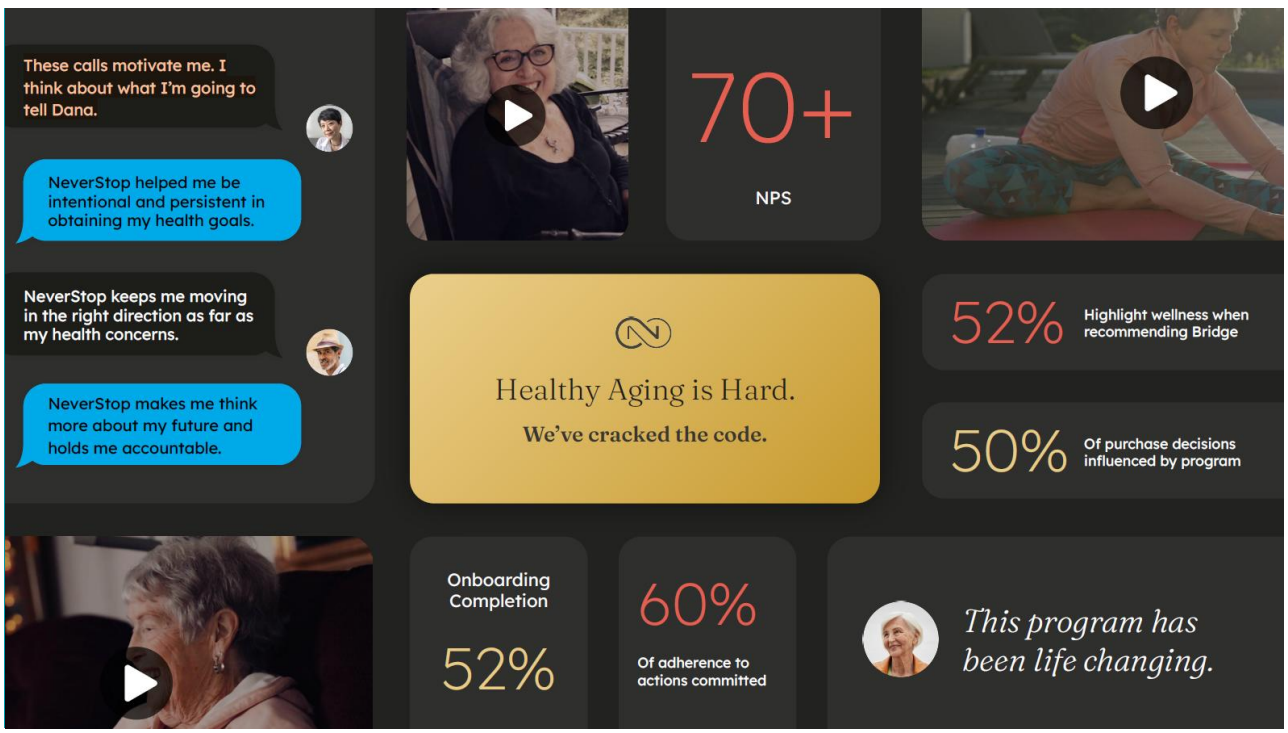
Source: Assured Allies Healthy Aging Survey; January 2025, N = 519



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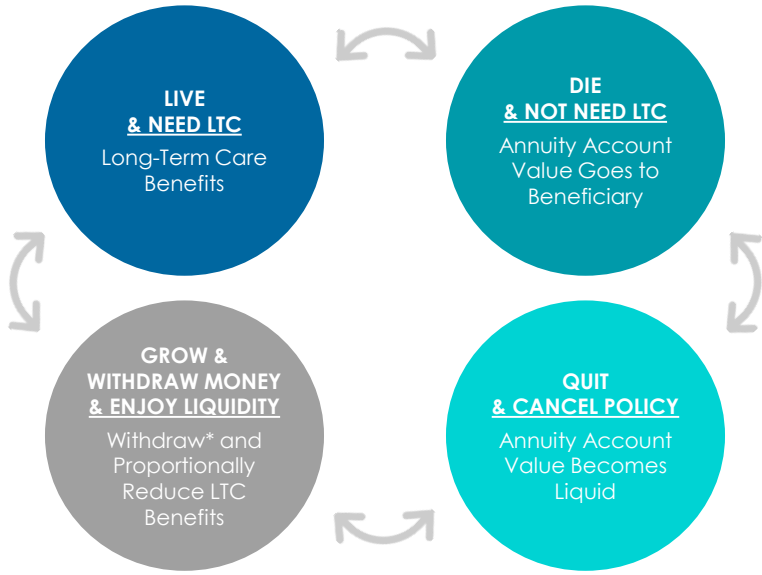
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Flexibility in LTC Planning



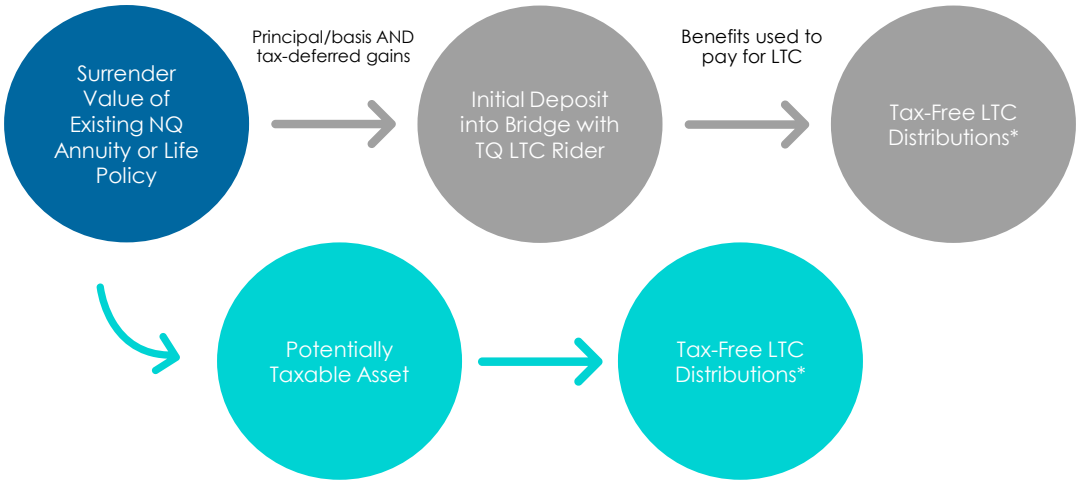
*Subject to 10-year surrender schedule

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PPA & 1035 Exchange Opportunity



*Subject to daily IRS maximum; must be used for qualifying long-term care services.

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RECAP

Help More Prospects With Bridge!

- ON Game changer product
- ON Simple design
- ON Get additional sales from existing book/prior declines
- ON No risk of decline + no/low friction process



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Questions

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To learn about this webinar topic and more, scan the QR code and schedule a call with our team!



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Thank you

for attending today's session!

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