



The Lincoln National Life Insurance Company

The purpose of this communication is the solicitation of insurance. Contact will be made by an insurance agent or insurance company.

You're In Charge®

Lincoln MoneyGuard® II

HELP PROTECT

your

FINANCIAL FUTURE

Prepare for long-term care expenses with Lincoln MoneyGuard II

Client Product Guide

LIFE SOLUTIONS

Not a deposit	Not FDIC-insured	May go down in value
Not insured by any federal government agency		
Not guaranteed by any bank or savings association		

The advantages and flexibility you want

Get ready for your future with protection that gives you a choice of premium options and provides benefits even if you never need long-term care. Lincoln *MoneyGuard*® II is a universal life insurance policy with an optional long-term care benefit rider* issued by The Lincoln National Life Insurance Company.

*Available at an additional cost.

Take charge with
Lincoln *MoneyGuard* II

Product features and benefits

Income tax-free long-term care benefits

Benefits are generally paid income tax-free under Internal Revenue Code (IRC) Section 104(a)(3).

If you need long-term care and have met eligibility requirements, the specified amount of death benefit is accelerated to pay for covered expenses up to a monthly maximum benefit amount. The acceleration of benefits is provided under the Long-Term Care Acceleration of Benefits Rider (LABR). You have a choice of either a two- or three-year LABR duration.

At issue, you may purchase additional coverage to continue your long-term care benefit payments for covered expenses after your initial specified amount of death benefit has been exhausted. You may choose to extend benefits for either a two- or four-year duration. The Long-Term Care Extension of Benefits Rider (LEBR) provides you with these benefits for a specified period. Long-term care coverage will continue as long as you remain eligible or until your entire long-term care benefit is exhausted.

Income tax-free death benefit

If you never need long-term care, provided all planned premiums are paid to keep your policy in-force, a death benefit is paid to your beneficiaries, income tax-free under IRC Section 101(a)(1).

If your entire specified amount of death benefit has been used to pay for long-term care, your beneficiaries receive a residual death benefit. At the time you purchase the policy, the benefit is equal to the lesser of 5% of your initial specified amount of death benefit or \$10,000, and will be adjusted for loans, withdrawals and policy loan repayments. The greater of either the unused specified amount of death benefit or the residual death benefit will pass to your beneficiary without the delay of probate—provided your estate is not your beneficiary.

Return of premium options

Your policy provides return of premium options to be selected at the time of purchase. Once chosen, they cannot be changed. The return of premium is provided through the Value Protection Rider available at issue on all policies. The amount returned will be reduced by any loans, withdrawals, and benefits paid. If surrendered before the planned premiums are paid, the surrender value will be paid. The Value Protection Rider contains complete terms and conditions. There may be tax implications when the return of premium feature is exercised. Please consult your tax advisor.

Return of premium options

Option 1

Choose to maximize your long-term care benefits

- A return of 80% of paid premiums is available once all planned premiums are paid.
- Your total long-term care benefit amount will be greater than with Option 2.

OR

Option 2

Choose to maximize your return of premium

- A return of 100% of paid premiums is available after year 5 once all planned premiums are paid, subject to the vesting schedule below. An additional premium load applies for the graded return of premium option.

Vesting schedule

Year 1: 80%	Year 4: 92%
Year 2: 84%	Year 5: 96%
Year 3: 88%	Year 6: 100%

Product features and benefits, cont'd.

Amount of coverage	Minimum specified amount	Maximum specified amount	
	\$50,000	\$500,000 with 2-year LABR	\$750,000 with 3-year LABR
Payment options	A choice of flexible payment options of 1 through 10 years		
Issue ages and classes	Ages 40–79 (age last birthday) Male/female Couples Discount (See eligibility on page 5.), standard		
Lifetime benefit guarantees	Benefits are guaranteed, assuming all premiums are paid when due, and subject to the claims-paying ability of The Lincoln National Life Insurance Company. Any loans or withdrawals may jeopardize your policy performance and guarantees, and may have tax implications.		
Interest credits and tax-deferred growth	Your policy is guaranteed a 2% credited interest rate and policy value growth is tax-deferred.		
No deductible or elimination period	You will not have a deductible or an elimination period to satisfy, and will receive benefits as soon as you are eligible.		



Benefit period
option

Choose between 2–7 years of long-term care benefits based on the duration of the LABR and LEBR options that you choose.

Optional
inflation
protection

At issue, you may purchase compound inflation protection that will increase your long-term care benefits.

You must buy the same inflation protection option for the Long-Term Care Acceleration of Benefits Rider (LABR) and the Long-Term Care Extension of Benefits Rider (LEBR).

Compound 3%

Compound 5%

Compound increases

On each policy anniversary, the monthly maximum benefit increases by 3% or 5% (depending on the option chosen) of the prior year's amount.

Couples
Discount

- Available at time of application to married couples or domestic partnerships as recognized in the state of policy issue.
- Both partners need not apply.

Eligibility for long-term care benefits

Coverage requirements

Your policy will reimburse you for qualified long-term care services if a licensed healthcare practitioner certifies that you are chronically ill (See “Chronic illness.”) and if care is provided under a care plan prescribed by your licensed healthcare practitioner.

You’ll be reimbursed for covered expenses as provided in the policy and up to the maximum benefit specified in your policy.

Your long-term care benefits will continue as long as you are chronically ill, until your entire LABR benefit, plus any benefits provided by the LEBR, are exhausted.

Chronic illness

A chronically ill person is any individual who has been certified by a licensed healthcare practitioner as being unable to perform, without substantial assistance from another individual, at least two activities of daily living (ADLs) for a period of at least 90 days as a result of loss of functional capacity. ADLs are bathing, continence, dressing, eating, toileting, and transferring.

You are also considered chronically ill if you were certified by a licensed healthcare practitioner as requiring substantial supervision to protect you from threats to health and safety caused by severe cognitive impairment.

Prior hospitalization is not required. Care must be provided under a plan of care prescribed by your licensed healthcare practitioner. Your chronic illness and care plan must be reconfirmed at least once every 12 months for as long as care is required. Lincoln may periodically review the extent of your eligibility.

Alzheimer's disease and senile dementia

Your policy covers care received due to a chronic illness as a result of Alzheimer’s disease and similar forms of mental capacity loss. Once you have qualified for a policy, your claim cannot be denied because of these conditions.



Qualified long-term care services, available once eligible

Policy coverage	<p>Once eligible for benefits, your policy covers qualified long-term care services, which are necessary diagnostic, preventative, therapeutic, curing, treating, mitigating, rehabilitative, or maintenance services provided under a plan of care prescribed by your licensed healthcare practitioner.</p> <p>Your benefits will continue as long as you remain chronically ill, until your entire long-term care benefit is exhausted.</p>
Home healthcare benefits	<p>Qualified long-term care services provided by a licensed home healthcare agency include but are not limited to:</p> <ul style="list-style-type: none">• Part-time intermittent skilled nursing services• Home health aide services• Physical therapy• Occupational therapy• Chemotherapy• Speech therapy• Audiology services• Medical social services by a social worker
Nursing home benefits	<p>If you are claim eligible and admitted as an overnight resident patient to any state-licensed nursing home, your policy will reimburse you for all covered expenses, which are subject to the monthly maximum benefit.</p>
Assisted-living facility benefits	<p>If you are claim eligible and receiving care in an assisted-living facility, the policy will reimburse the expenses incurred while you are confined in a facility (not to exceed the monthly maximum benefit).</p>
International benefits provision	<p>If you are confined to a nursing home or assisted-living facility outside the United States, its territories or its possessions, benefits under the LABR will still be available to you. You are eligible to receive reimbursements up to your maximum monthly benefit. Your full LABR benefit limit may be used for this purpose.</p>
Bed reservation benefit	<p>If, while you are a resident of a nursing home and receiving benefit payments, you must temporarily leave for any reason other than discharge, the policy will reimburse the expenses you incur to reserve (or to hold) your bed in the nursing home. This includes, but is not limited to, a hospital stay or your spending holidays or other time with family.</p> <p>The policy will pay up to 1/30 of the monthly maximum benefit for each day the bed is reserved for you for up to 30 days during each calendar year.</p>

Qualified long-term care services, available once eligible

Adult day-care services	Your policy will reimburse the costs of health, social and/or health-related services provided by a state licensed or certified program involving adult day care in a community group setting up to the monthly maximum benefit.
Respite care	Short-term care services provided in a facility, your home or a community-based program to relieve your primary caregiver may be reimbursed up to 1/30 of the monthly maximum benefit for up to 21 days in each calendar year.
Caregiver training	Your policy will reimburse up to a lifetime maximum benefit of \$500 to provide a primary caregiver with the knowledge and skills to care for you when you are chronically ill.
Care planning	Your policy will reimburse the expenses incurred for care plan services provided by a care planning agency under the direction of a licensed healthcare practitioner.
Alternative care services	If you need services that aren't specifically covered, the policy will reimburse for long-term care prescribed under a plan of care agreed to by your licensed healthcare practitioner and Lincoln, to the extent that these are qualified long-term care services.
Hospice services	<p>Your policy provides benefits to reimburse for palliative care to alleviate the physical, emotional, social and spiritual discomforts when you are in the terminal phase of life.</p> <p>These services include supportive care given to the primary caregiver.</p>
Non-continual alternative care services	Your policy will reimburse expenses for services received on a one-time basis, such as durable medical equipment or modifications to your residence to accommodate a wheelchair or other device. This benefit is limited to no more than one claim per calendar year and cannot exceed the monthly maximum benefit.



