



You're In Charge®

The Lincoln National Life Insurance Company

**Wealth**Protection Expertise<sup>SM</sup>

# Plan for a healthier financial future

See the value long-term care protection brings

## LONG-TERM CARE PLANNING

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		

ICC151221056

Lincoln *MoneyGuard*® II

## Client Guide

The purpose of this communication is the solicitation of insurance.

Contact will be made by a licensed insurance agent/producer or insurance company.



## **You've prepared for retirement. Now what's your plan for care?**

Chances are you know someone who has received long-term care.

**According to research**



# 70%

of people turning age 65 can expect to use some form of long-term care during their lives.

Source: U.S. Department of Health & Human Services, "Medicare & You 2015," [www.Medicare.gov](http://www.Medicare.gov), [www.medicare.gov/Pubs/pdf/10050.pdf](http://www.medicare.gov/Pubs/pdf/10050.pdf), revised December 2014.

# The basics of long-term care

Long-term care is the need for assistance or supervision with the activities of daily living.

Eating	Bathing	Dressing
Toileting	Transferring	Continence

There are many health-related issues that can play a role in the need for long-term care—chronic illness, advanced age, accident, stroke, Alzheimer’s disease, and other cognitive impairments.

Regardless of the cause or type of assistance needed, long-term care can have a big impact on your family and your portfolio. That’s why it’s so important to create a wealth protection strategy to help manage long-term care expenses.

**If you lose your ability to independently perform at least two activities of daily living for at least 90 days or require substantial supervision due to a severe cognitive impairment, long-term care protection can help you cover the costs.**

**Lincoln Wealth Protection Expertise** can help protect your financial outcomes from many of the biggest financial challenges—long-term health costs, inflation, taxes and longevity.

# Know the costs

Many people think they've saved sufficiently for long-term care costs, but in reality, they may not be prepared.

**\$97,612** is the national average annual cost for a private room in a licensed nursing facility.

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**\$50,944** is the national average annual cost of a private, one-bedroom unit in an assisted living facility.

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**\$21.77** is the national average hourly rate for a certified home health aide provided by a home healthcare agency.

Source: "2014 Lincoln Financial Group Cost of Care Survey" conducted by LTCG, January 2015. For a printed copy, call 877-ASK-LINCOLN.

As long-term care costs continue to rise, many people take steps to help protect their wealth before they retire.



# Here are some options



**Medicare** typically offers short-term or limited coverage for medically necessary nursing facilities or home healthcare. It does not cover ongoing care or help with personal care, such as bathing or getting dressed. Medicare can help with rehabilitation in a facility after an illness, but it is not a resource for long-term care needs.

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**Medicaid** is a government program that can help pay for nursing home and healthcare services for individuals with very limited means. Not all nursing homes accept Medicaid, which can limit choices for individuals. If a nursing home does accept Medicaid, you must deplete most of your assets before coverage can begin.

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**Family** may assume the responsibility of long-term care management or expenses, but this can bring emotional and financial stress along the way.

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**Traditional long-term care insurance** helps cover long-term care expenses; but if you never need care, you typically lose the benefits and the premiums you paid.

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**Hybrid life/long-term care insurance** is a life insurance policy with an optional qualified long-term care insurance rider. The primary advantage of this life insurance combination product is that you'll get benefits for your premiums regardless of whether you ever need long-term care, as long as all planned premiums are paid.

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# Self-insuring with savings versus having a hybrid life/long-term care policy

See what a Lincoln *MoneyGuard*® II hybrid long-term care policy can do.

Lincoln *MoneyGuard* II is a universal life policy with an optional qualified long-term care insurance rider. It helps reimburse you for qualified long-term care costs if you become chronically ill and meet specific requirements.

**Lincoln *MoneyGuard* II provides valuable benefits—even if you never need care, as long as you pay your planned premiums.**

## Meet Nancy



### Married, age 60, good health

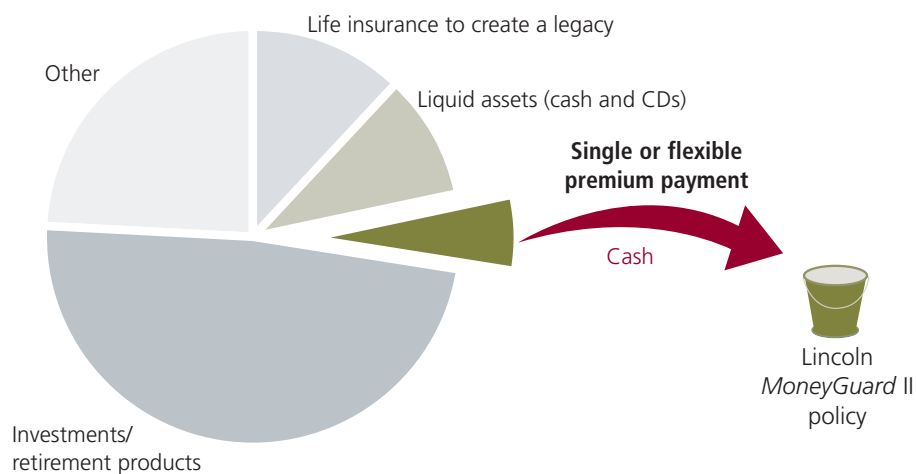
Nancy likes to be in control. She wants to prepare for retirement by protecting her portfolio with a solution that gives her options.

She's aware of the rising costs of long-term care and understands the importance of planning.

Nancy has sufficient liquid assets and considers paying for all long-term care costs out of her savings if the need arises. Before she retires, she'd like to have a strategy in place. She meets with her advisor, a licensed insurance agent/producer, who recommends that she purchase a Lincoln *MoneyGuard* II policy, which gives her premium payment options to help her pay the way she wants. Nancy can have a minimum of six years of long-term care benefits because her policy has a 2-year Long-Term Care Acceleration of Benefits Rider and a 4-year Long-Term Care Extension of Benefits Rider. If she needs care, she'll have benefits worth much more than her premium payment.

## How the wealth protection strategy works

### Nancy's portfolio



## Lincoln MoneyGuard® II gives her flexibility



### Tax-free leverage for long-term care

Income tax-free reimbursements for qualified long-term care expenses<sup>1</sup>

OR



### Legacy

An income tax-free death benefit for her beneficiaries, which would be reduced by any loans, withdrawals or benefits paid<sup>2</sup>

OR



### Return of premium options

A choice of more long-term care benefits or more liquidity<sup>3</sup>

#### Return of premium Option 1: More long-term care leverage than Option 2

Premium	Long-term care benefit			Death benefit	80% return of premium <sup>3</sup> (once all planned premiums are paid)
	Total LTC benefit	Annual LTC benefit (for six years)	Monthly LTC benefit		
<b>Single-pay \$100,000</b>	<b>\$519,921</b>	<b>\$86,654</b>	<b>\$7,221</b>	<b>\$173,307</b>	<b>\$80,000</b>
<b>10-pay (\$10,000 annually for 10 years)</b>	<b>\$447,531</b>	<b>\$74,589</b>	<b>\$6,216</b>	<b>\$149,177</b>	<b>\$80,000</b>

OR

Your total long-term care benefit amount will be greater with Option 1 than with Option 2.

#### Return of premium Option 2: More liquidity than Option 1<sup>4</sup>

Premium	Long-term care benefit			Death benefit	100% return of premium <sup>3</sup> (available after year 5, provided all planned premiums are paid, subject to the vesting schedule below)
	Total LTC benefit	Annual LTC benefit (for six years)	Monthly LTC benefit		
<b>Single-pay \$100,000</b>	<b>\$478,956</b>	<b>\$79,826</b>	<b>\$6,652</b>	<b>\$159,652</b>	<b>\$100,000</b>
<b>10-pay (\$10,000 annually for 10 years)</b>	<b>\$412,272</b>	<b>\$68,712</b>	<b>\$5,726</b>	<b>\$137,424</b>	<b>\$100,000</b>

#### Option 2 vesting schedule

Year 1: 80%	Year 2: 84%	Year 3: 88%	Year 4: 92%	Year 5: 96%	Years 6+: 100%
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This example is for hypothetical purposes only. Benefits will vary by age, gender and marital status. Assumes no inflation protection was purchased.

<sup>1</sup>Long-term care reimbursements are generally income tax-free under IRC Section 104(a)(3).

<sup>2</sup>Beneficiaries can receive an income tax-free death benefit under IRC Section 101(a)(1). Estate and local taxes may apply. The death benefit would be reduced by any loans, withdrawals and benefits paid.

<sup>3</sup>Once chosen, the return of premium option 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.

<sup>4</sup>Additional cost applies.

# A choice of qualified long-term care services, once eligible<sup>1</sup>

Convenience means everything when you need long-term care services. That's why you'll have so many options to fit your needs.<sup>2</sup>



## Care at home and in your community

### Home healthcare and personal care services

These are services provided by a licensed home healthcare agency in your home, including activities of daily living, personal hygiene, medication management, and homemaker services.

Services provided by a nurse or licensed physical therapist, occupational therapist and speech therapist, plus any needed audiology, medical, and social services.

### Respite care

Short-term services provided in your home or in a community-based program or facility to relieve your primary caregiver.

### Adult day care

Social and health-related services by a state-licensed or certified program in a group setting.



## Facility care

### Assisted living

A residential facility that provides ongoing assistance with activities of daily living.

### Nursing home facility

A licensed facility that provides continual nursing care.



## Additional care and services<sup>3</sup>

### Hospice services

Your policy provides benefits for palliative care to alleviate the physical, emotional, social and spiritual discomforts in the terminal phase of life. Services include supportive care given to the primary caregiver.

### Noncontinuous alternative care services

Your policy will reimburse 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 once per calendar year—up to the monthly maximum benefit.

### Caregiver training

Up to a \$500 lifetime maximum, your policy reimburses training provided to a primary caregiver who helps care for you if you become chronically ill.

### Care planning

Your policy will reimburse expenses for care plan services provided by a care planning agency under the direction of a licensed healthcare practitioner.

<sup>1</sup>Subject to the plan of care that's prescribed by a licensed healthcare professional.

<sup>2</sup>Reimbursements are subject to monthly and annual maximums specified in your policy and eligibility requirements.

<sup>3</sup>Qualified long-term care services not covered under any of the above provisions, but are prescribed in the care plan that a licensed healthcare practitioner and Lincoln mutually agree are appropriate to meet the insured's long-term care needs, could be considered for reimbursement. We reserve the right to decline to authorize benefits and services. These services must be provided as an alternative to services otherwise covered by this rider. Alternative Care Services will be covered only to the extent that they are qualified long-term care services. Alternative care services may include, but are not limited to, forms of assistance provided in facilities, by organizations, or by persons other than the insured's immediate family, that do not otherwise meet the definitions of this rider. They must meet or exceed the applicable professional standards and state legal requirements for the services that are performed.



# Turn to Lincoln *MoneyGuard*<sup>®</sup> II for flexibility and options

## Feel confident with Lincoln *MoneyGuard* II.

You'll have:

**No deductible or waiting period** for long-term care benefits to begin, once you're eligible

**An income tax-free death benefit** to help protect your legacy<sup>4</sup>

**Streamlined underwriting** with no medical exams or lab tests required

**International benefits** if qualified long-term care is needed while you're abroad<sup>5</sup>



### Optional inflation protection

Help protect your wealth with optional compound inflation protection that will increase your long-term care benefits.

**Choose a compound increase of 3% or 5% for an additional cost.**

Your monthly maximum benefit increases by 3% or 5% of the prior year's benefit on each policy anniversary depending on which percentage option you chose.

If elected, the inflation protection option must be purchased for both the policy's Long-Term Care Acceleration of Benefits Rider and Long-Term Care Extension of Benefits Rider.



### Couples Discount

Available to married couples and domestic partners as recognized in the state of policy issue at the time of application. Only one partner needs to apply to get the discount.

<sup>4</sup>The death benefit will be reduced by any loans, withdrawals and benefits paid.

<sup>5</sup>International benefits are part of the Long-Term Care Acceleration of Benefits Rider benefits only. Only applies to care received in a nursing home or assisted living facility.

# Get help finding long-term care and support services

Lincoln Concierge Care Coordination is here for you. It's a specialized service that can help you and your family find and coordinate long-term care services, find resources, and file a claim.\* Lincoln Concierge Care Coordination is available for all policyowners of a Lincoln life/long-term care combination product.

- Reduce the challenges you and your loved ones would face in finding appropriate care.
- Determine the long-term care services needed to maintain your independence at home.
- Find appropriate long-term care providers in your community, or secure residential care.
- Review your long-term care insurance benefit eligibility and what's covered by your policy.
- Get help filing a claim for benefits from our dedicated specialists.

## Stay connected. Stay independent.

Lincoln Concierge Care Coordination's support and resources can help you—and those you care for—stay independent.

## Enjoy these advantages before you even file a claim.



### A connection to local resources

Explore services—from lawn care and home maintenance to skilled nursing and living options, all in your local area.



### A needs assessment

Take an online assessment to create a plan that considers your unique situation and needs.



### An online library with a wealth of information

You'll find articles, videos and checklists on a multitude of issues regarding health, aging and elder care.



### A social network

It's easy to keep loved ones and caregivers connected, informed and communicative. It's a social network that centers around you or those in your care.



### Customized care recommendations

Request a Provider Search & Match—a customized list of three provider options in your area.

\*Concierge Care Coordination includes claims support provided by Lincoln Financial and services provided by a third party vendor not affiliated with Lincoln Financial. See back page of brochure for details. Ask your advisor, a licensed insurance agent/producer, how to access Concierge Care Coordination services.

# You can count on our experience

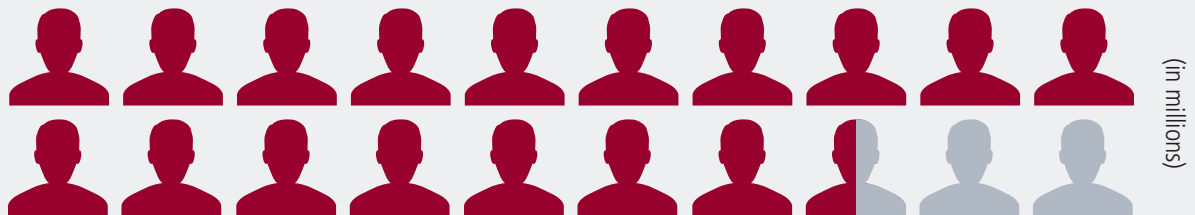
For more than a quarter century, Lincoln *MoneyGuard*® solutions have been helping individuals like you protect their wealth from the impact of long-term care costs.

We are product innovators, and that innovation means designing products to fit your needs and protect your wealth. We know the important role long-term care planning plays in your retirement strategy. We know how important it is to offer excellent customer service. That's why you'll have a dedicated Lincoln *MoneyGuard* claims specialist to manage your claims from the start.

**We take pride in our claims-paying history.**

Your satisfaction is top priority. Over 98% of claims are paid within five days or less once all claims requirements are met.

Source: Based on 2014–2015 Lincoln *MoneyGuard*® solutions claims, provided by Lincoln Information Systems.



Today more than 17 million customers trust Lincoln Financial Group® retirement, insurance and **wealth protection expertise** to help address their lifestyle, savings and income goals, and help guard against the impact of long-term care expenses.

Source: Lincoln Financial Group Investor Relations, March 31, 2015; <https://www.lfg.com/LincolnPageServer?LFGPage=/lfg/lfgclient/abt/ivrel/index.html>.

# Product features and benefits

<p>Income tax-free long-term care benefits</p>	<p>Benefits are generally paid income tax-free under Internal Revenue Code Section 104(a)(3).</p> <p>If you need qualified long-term care and have met eligibility requirements, the specified death benefit amount is accelerated to pay for covered expenses up to a monthly maximum. 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 Long-Term Care Acceleration of Benefits Rider duration. At policy issue, you may purchase additional coverage to continue your long-term care benefit payments after your initial specified amount of death benefit has been exhausted. You may choose to extend benefits for either an additional two- or four-year period. The Long-Term Care Extension of Benefits Rider (LEBR) provides these benefits for a specified period.</p> <p>Choose between 2–7 years of long-term care benefits based on the duration of the LABR and LEBR options that you choose.</p> <p>Long-term care coverage will continue as long as you remain eligible or until your entire long-term care benefit is exhausted.</p>						
<p>Income tax-free death benefit</p>	<p>If you never need long-term care and 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).</p> <p>If your entire specified death benefit amount 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 death benefit amount 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 beneficiaries without the delay of probate—provided your estate is not your beneficiary.</p>						
<p>Issue ages and classes</p>	<p>Ages 40–79 (age last birthday)</p> <p>Male/female</p> <p>Couples Discount, standard</p>						
<p>Amount of coverage</p>	<table border="1"> <thead> <tr> <th data-bbox="630 1644 885 1717">Minimum specified amount</th> <th colspan="2" data-bbox="885 1644 1372 1717">Maximum specified amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="630 1717 885 1791">\$50,000</td> <td data-bbox="885 1717 1128 1791">\$500,000 with 2-year LABR</td> <td data-bbox="1128 1717 1372 1791">\$750,000 with 3-year LABR</td> </tr> </tbody> </table>	Minimum specified amount	Maximum specified amount		\$50,000	\$500,000 with 2-year LABR	\$750,000 with 3-year LABR
Minimum specified amount	Maximum specified amount						
\$50,000	\$500,000 with 2-year LABR	\$750,000 with 3-year LABR					
<p>Premiums</p>	<p>May be paid as a single premium or as flexible premiums over a number years.</p>						
<p>Interest credits and tax-deferred growth</p>	<p>Your policy is guaranteed a 2% credited interest rate, and policy value growth is tax-deferred.</p>						

<p>Bed reservation benefit</p>	<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>
<p>Preexisting conditions</p>	<p>Preexisting conditions disclosed on your application will be covered after your policy is issued. A preexisting condition is a condition for which you were diagnosed or received treatment within six months preceding the issue date of your policy.</p>

## Benefit eligibility

<p>Coverage requirements</p>	<p>If a licensed healthcare practitioner certifies that you are chronically ill and unable to perform at least two activities of daily living for at least 90 days, you'll be reimbursed for qualified long-term care expenses—up to the monthly/annual maximum benefit specified in your policy—under a care plan your licensed healthcare practitioner prescribes. Activities of daily living include bathing, continence, dressing, eating, toileting, and transferring.</p> <p>Your long-term care benefits will continue as long as you are chronically ill, until your entire Long-Term Care Acceleration of Benefits Rider benefit plus any benefits provided by your Long-Term Care Extension of Benefits Rider are exhausted.</p>
<p>Chronic illness</p>	<p>A chronically ill person is an individual who has been certified by a licensed healthcare practitioner as unable to perform, without substantial assistance from another person, at least two activities of daily living for a period of at least 90 days due to a loss of functional capacity.</p> <p>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.</p> <p>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.</p>
<p>Alzheimer's disease and senile dementia</p>	<p>Your policy covers care received due to 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.</p>

# Exclusions and limitations

## Benefits are not provided for

- Services provided by the insured's or owner's immediate family or for which no charge is normally made in the absence of insurance, unless:
  - The immediate family member is a regular employee of the service or care provider furnishing the service or care
  - The service or care provider receives the payment for the service or care
  - The immediate family member receives no compensation other than the normal compensation for an employee in his or her job category
- Alcoholism or an addiction to drugs or narcotics (except for an addiction to a prescription medication when administered as prescribed by a physician)
- Care needed because of illness, treatment or medical condition arising from attempted suicide or an intentionally self-inflicted injury
- Care provided by a Veterans Administration or government facility, unless a valid charge is made to you or your estate
- Confinement or care received outside the United States, other than benefits for care in a nursing home or assisted living facility, as described in the International Benefits provision
- Services provided by a facility or agency that does not meet the definition for such facility or agency as described in the Covered Services provision of the Long-Term Care Acceleration of Benefits Rider

## Nonduplication

Benefits will be paid only for covered expenses that are in excess of the amount paid or payable under:

- Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount)
- Except for Medicaid, state or federal workers compensation laws, employer's liability laws, occupational disease laws and motor vehicle no-fault laws

## Underwriting

Issuance of the policy and riders is subject to medical underwriting.

## Return of premium options

Your policy provides return of premium options to be selected at the time of purchase. Once chosen, it 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							
<p><b>Option 1</b> Choose to maximize your long-term care benefits</p> <ul style="list-style-type: none"> <li>• A return of 80% of paid premiums is available once all planned premiums are paid.</li> <li>• Your total long-term care benefit amount will be greater than with Option 2.</li> </ul>	<p><b>Option 2</b> Choose to maximize your return of premium</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul> <p><b>Vesting schedule</b></p> <table border="0"> <tr> <td>Year 1: 80%</td> <td>Year 4: 92%</td> </tr> <tr> <td>Year 2: 84%</td> <td>Year 5: 96%</td> </tr> <tr> <td>Year 3: 88%</td> <td>Years 6+: 100%</td> </tr> </table>	Year 1: 80%	Year 4: 92%	Year 2: 84%	Year 5: 96%	Year 3: 88%	Years 6+: 100%
Year 1: 80%	Year 4: 92%						
Year 2: 84%	Year 5: 96%						
Year 3: 88%	Years 6+: 100%						

# Important facts about your policy

## Monthly insurance costs

- Each month, the insurance costs for your life and long-term care benefits are deducted from the policy cash value.

## Withdrawals and policy loans

- Long-term care benefits and death benefit will be reduced if any withdrawals or loans are taken. The residual death benefit, if available, will also be reduced. Withdrawals and loans may be taxable. Consult with your tax advisor for information about your specific situation. Taking loans or withdrawals may jeopardize your policy’s performance and guarantees.

## Lapse protection

- The policy’s no-lapse guarantee is provided through the Value Protection Rider. A minimum monthly no-lapse premium is required to ensure the guarantee.

## Total surrender

- Your policy has a surrender charge, which reduces to zero over 10 years. Please see your personalized projection of value for actual costs. If you totally surrender your policy while the Value Protection Rider is in effect, a surrender charge will be incurred only if the policy value at the time of surrender is greater than the return of premium benefit.

## Secondary guarantee

- The secondary guarantee is provided through the Value Protection Rider.
- A minimum monthly no-lapse premium is required to ensure the guarantee.

# Federal and state tax information

All references to tax benefits are based on the Lincoln understanding of current tax laws and regulations. Consult with your tax advisor for additional information.

Your licensed insurance agent/advisor can provide a detailed projection of values. You will receive an Outline of Coverage, which describes the long-term care benefits, exclusions, limitations, costs and terms regarding reductions of benefits and continuance of coverage.

## Qualified long-term care insurance

The Health Insurance Portability and Accountability Act (HIPAA) defines federal tax treatment of insurance policies that provide long-term care coverage. Policies that meet certain criteria are designated as “qualified long-term care insurance” and will receive certain tax incentives: The charges taken from the cash value of the life insurance contract to fund the rider benefits are excluded from taxable income, and long-term care benefits received will not be reported as taxable income.

This policy is intended to meet the criteria for qualified long-term care insurance. Policies that are not recognized as qualified long-term care insurance are treated differently. Premiums paid are not deductible as amounts paid for coverage under a qualified long-term care insurance contract, because the premiums are paid for coverage that is provided as part of a life insurance contract. Long-term care benefits received may constitute taxable income. Please consult your tax advisor to determine whether any medical expenses you incurred qualify as deductible medical expenses.

## Favorable tax treatment for qualified long-term care insurance

- This coverage, including the Long-Term Care Extension of Benefits Rider, is intended to be recognized as qualified long-term care insurance under federal law. The acceleration of life insurance benefits provided under the long-term care riders is intended to qualify for favorable tax treatment under Section 7702B(b) of the Internal Revenue Code.

For federal income tax purposes, the policy is considered a qualified long-term care insurance contract. Note that your state insurance department does not in any way warrant that this coverage meets the requirements of Section 7702B(b) of the IRC.

## Acceleration of life insurance benefits

Receiving accelerated life insurance benefits may affect eligibility for you, your spouse or your family for public assistance programs (e.g., Medicaid, Temporary Assistance for Needy Families (TANF), Supplementary Security Income (SSI) or drug assistance programs). For more information, consult a tax advisor or social service agency.



## Taxation of costs for specified policy riders and return of premium

The Long-Term Care Acceleration of Benefits Rider and Long-Term Care Extension of Benefits Rider are intended to provide qualified long-term care benefits under Internal Revenue Code Section 7702B(b).

- The costs for these riders are deducted monthly from the policy cash value and are federally treated as “distributions” from your Lincoln *MoneyGuard*® II policy.
- Lincoln will not report these distributions as taxable to you, even if your policy is a modified endowment contract (MEC). Instead, the costs will reduce the investment in the contract. Once the investment in the contract has been reduced to zero, distributions will come from any gain in the contract but will not be reportable as taxable distributions.
- Exercising the return of premium, available through the Value Protection Rider, may result in taxable income.
- An additional 10% federal tax may apply if such a distribution is taxable and occurs prior to age 59½. Lincoln Financial Group, its affiliated companies, and its representatives/insurance agents do not provide legal or tax advice.
- Consult your tax advisor to learn how this may apply to your specific situation.

## Tax-free exchanges

Consider the advantages, disadvantages and costs associated with an exchange. For example, your new policy could include a standard contestable period and surrender-charge schedule.

## Death benefit conditions

- An adjustment to the policy’s specified amount of death benefit will be made for any misstatement in age or gender of the insured.
- If the insured commits suicide within two years from the date of issue, any death benefit proceeds will be limited to the amount of premium paid less any loans or prior withdrawals, less any payments made for any covered services paid under the Long-Term Care Acceleration of Benefits Rider.



Help protect your wealth from the impact of long-term care costs with Lincoln *MoneyGuard*® II.

**Notes:**

A series of 22 horizontal dotted lines for writing notes.

Help protect what's important in your life—your savings, your independence, your loved ones and their legacy. Turn to Lincoln MoneyGuard® II.

Lincoln Financial Group is dedicated to helping you plan for retirement, prepare for the unexpected, and help protect your assets from key financial challenges: taxes, long-term health costs, longevity, inflation, and market risk. Rely on Lincoln Wealth Protection Expertise—the knowledge, experience, strategies, and products—to help you overcome the challenges and meet your goals.

Concierge Care Coordination includes claims support provided by Lincoln Financial and services provided by a third party vendor not affiliated with Lincoln Financial. Concierge Care third party vendors do not provide direct care or home services. Participating providers are not agents or employees of Lincoln Financial Group or the third party vendor. Results and outcomes cannot be guaranteed. The availability of any particular provider cannot be guaranteed and is subject to change. Lincoln Financial does not monitor or participate in the review of programs or services referred or recommended by third party vendors. Long-term care coverage is provided through the applicable long-term care rider offered through your Lincoln policy.

#### Important information:

Lincoln Financial Group® affiliates, their distributors, and their respective employees, representatives, and/or insurance agents do not provide tax, accounting, or legal advice. Please consult an independent advisor as to any tax, accounting, or legal statements made herein.

Lincoln MoneyGuard® II is a universal life insurance policy with a Long-Term Care Acceleration of Benefits Rider (LABR) that accelerates the specified amount of death benefit to pay for covered long-term care expenses. Long-Term Care Extension of Benefits Rider (LEBR) is available to continue long-term care benefit payments after the entire specified amount of death benefit has been paid. The return of premium options are offered through the Value Protection Rider (VPR) available at issue; Base option (1) is included in the policy cost; Graded option (2) is available at an additional cost. Any additional surrender benefit provided will be adjusted by any loans/loan interest/loan repayments, withdrawals taken, and claim payments made; and may have tax implications. The cost of riders will be deducted monthly from the policy cash value. The insurance policy and riders have limitations, exclusions and/or reductions. Long-term care benefit riders may not cover all costs associated with long-term care

costs incurred by the insured during the coverage period. All contract provisions, including limitations and exclusions, should be carefully reviewed by the owner. For costs and complete coverage details, contact your agent or producer.

**Issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, on Policy Form ICC13LN880 with the following riders: Value Protection Rider (VPR) on form ICC15LR880 Rev; Long-Term Care Acceleration of Benefits Rider (LABR) on form ICC13LR881; optional Long-Term Care Extension of Benefits Rider (LEBR) on form ICC13LR882.**

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Not FDIC-insured
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