

MoneyGuard Fixed Advantage[®]

Universal life insurance policy with a long-term care rider for qualified long-term care expenses

Prepared for:
Valued Client
in Michigan on 4/9/2023

Prepared by:
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30+ years' expertise in providing long-term care solutions.

THIS IS A LIFE INSURANCE POLICY PROJECTION OF VALUES AND NOT A CONTRACT. ACTUAL RESULTS MAY VARY FROM THE VALUES SHOWN IN THIS PROJECTION OF VALUES. POLICY LIMITATIONS AND EXCLUSIONS ARE DESCRIBED IN THE OUTLINE OF COVERAGE THAT ACCOMPANIES THIS PROJECTION OF VALUES. GUARANTEES ARE SUBJECT TO THE FINANCIAL STRENGTH OF THE LINCOLN NATIONAL LIFE INSURANCE COMPANY.

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**The Lincoln National Life Insurance Company,
Fort Wayne, IN**

Financial strength¹

The Lincoln National Life Insurance Company



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This Projection of Values is not complete without all pages.

LONG-TERM CARE PLANNING

Projection of Values

Product overview

MoneyGuard Fixed Advantage® is a powerful solution designed to provide:



Guaranteed, income tax-free long-term care benefits¹

Protect your income, legacy and loved ones with a dedicated, tax-efficient funding source for long-term care expenses.²



Flexibility

Access a broad range of covered services with no elimination period to support changing care needs, including in-home care, cash benefits to compensate caregivers or family members, and have the option to pass on benefits.



Care resources & services

Benefit from dedicated support from a company with decades of claims-paying expertise to make the process as seamless as possible for you and/or your caregiver.



Legacy protection

Leave a meaningful legacy, if care is not needed, through an income tax-free death benefit.³

MoneyGuard Fixed Advantage® is a universal life insurance policy with a long-term care (LTC) rider for qualified long-term care expenses.

1. Assuming all premiums are paid on-time, no post-issue loans, withdrawals increases or decreases.


2. LTC reimbursements are generally paid income tax-free under Internal Revenue Code Section 104(a)(3).

3. Beneficiaries may receive an income tax-free death benefit under IRC Section 101(a)(1).

This is a Projection of Values for Lincoln **MoneyGuard Fixed Advantage®** which is an Individual Flexible Premium Adjustable Life Insurance policy issued by The Lincoln National Life Insurance Company, Fort Wayne, IN on Policy Form **ICC19-MG890**, with a Long-Term Care Benefits Rider (LTCBR) on Rider Form **ICC19LTCBR-890**, a Terminal Illness Acceleration of Death Benefit Rider on Form **ICC19TIR-891**, a Benefit Transfer Rider on Form **ICC21BTR-894**, and a Value Protection Endorsement on Form **ICC19END-10534**.

Summary of your benefits

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration




Your
**PLANNED
PREMIUM**

\$10,000

initial annual premium

The premium shown, from ages 55 to 64, depicts the total premium, equal to \$100,000.¹



Your
LTC BENEFITS²
if you need care

Year 1

\$4,165

maximum monthly
LTC benefit

Age 80

\$8,720


maximum monthly
LTC benefit

\$4,360 available for
Flex Care Cash³

3% Compound Inflation

What is Flex Care Cash?

Access cash to compensate caregivers, including spouses or family members.



Your beneficiaries receive
DEATH BENEFITS⁴
if you don't need care

Year 1

\$99,955

death benefit

Age 80

\$100,000

death benefit

What happens to my specified amount of death benefit if I need care?

Long-term care reimbursements reduce the \$99,955 specified amount of death benefit on a dollar-for-dollar basis. Minimum death benefit is the \$4,997 Residual Death Benefit.

Your return of premium option selected is 70%.⁵

Our O-day elimination period gives you access to your benefits sooner without incurring out-of-pocket costs, once qualified.

1. Assuming all premiums are paid on-time as illustrated, no post-issue loans, withdrawals increases or decreases.
 2. LTC reimbursements are generally paid income tax-free under Internal Revenue Code Section 104(a)(3).
 3. Subject to Per Diem LTC Limit in effect at that time.
 4. Beneficiaries may receive an income tax-free death benefit under IRC Section 101(a)(1).
 5. The return of premium option must be chosen at purchase and cannot be changed.

Your guaranteed values

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

ALL VALUES AND BENEFITS SHOWN ARE GUARANTEED(1)

End of Year	Age	Planned Premium	Surrender Value(3)	Death Benefit Amount	IRR(4)	Long-Term Care Reimbursement Benefits Limits (2) 3% Compound Inflation			
						Total	Annual	Monthly	IRR(5)
1	55	10,000	7,000	99,955	899.6%	323,275	49,978	4,165	407.3%
2	56	10,000	14,000	99,955	170.1%	332,974	51,477	4,290	132.6%
3	57	10,000	21,000	99,955	73.7%	342,963	53,021	4,418	77.8%
4	58	10,000	28,000	99,955	40.2%	353,252	54,612	4,551	54.5%
5	59	10,000	35,000	99,955	24.1%	363,849	56,251	4,688	41.4%
6	60	10,000	42,000	99,955	14.8%	374,765	57,938	4,828	33.1%
7	61	10,000	49,000	99,955	8.9%	386,008	59,676	4,973	27.4%
8	62	10,000	56,000	104,160	5.8%	397,588	61,467	5,122	23.2%
9	63	10,000	63,000	114,030	4.7%	409,515	63,311	5,276	20.5%
10	64	10,000	70,000	123,900	3.9%	421,801	65,210	5,434	18.4%
		100,000							
11	65	0	70,000	121,800	3.0%	434,455	67,167	5,597	16.8%
12	66	0	70,000	119,000	2.3%	447,489	69,182	5,765	15.4%
13	67	0	70,000	116,200	1.8%	460,913	71,257	5,938	14.3%
14	68	0	70,000	114,100	1.4%	474,741	73,395	6,116	13.4%
15	69	0	70,000	112,000	1.1%	488,983	75,597	6,300	12.6%
16	70	0	70,000	109,200	0.8%	503,652	77,865	6,489	11.9%
17	71	0	70,000	107,100	0.6%	518,762	80,201	6,683	11.3%
18	72	0	70,000	105,000	0.4%	534,325	82,607	6,884	10.8%
19	73	0	70,000	103,600	0.2%	550,354	85,085	7,090	10.3%
20	74	0	70,000	101,500	0.1%	566,865	87,638	7,303	9.9%
		100,000							

1. Projection values based on guaranteed policy charges and guaranteed minimum credited rate. No-Lapse Protection provided by the Value Protection Endorsement. This projection assumes all planned premiums paid on due date.

2. Total benefit limits for reimbursement of Qualified Long-Term Care Services. These values assume the monthly maximum is used for the entire duration selected and the Long-Term Care value will continue to increase on each policy anniversary as a result of the inflation option chosen. The monthly benefit shown is the amount available for the first 12 months of care.

3. The amount paid on surrender reflects any Return of Premium.

4. Internal Rate of Return on the Death Benefit Amount.

5. Internal Rate of Return on the Total LTC Benefits.

Your guaranteed values

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

ALL VALUES AND BENEFITS SHOWN ARE GUARANTEED(1)

End of Year	Age	Planned Premium	Surrender Value(3)	Death Benefit Amount	IRR(4)	Long-Term Care Reimbursement Benefits Limits (2) 3% Compound Inflation			
						Total	Annual	Monthly	IRR(5)
21	75	0	70,000	100,000	0	583,871	90,267	7,522	9.6%
22	76	0	70,000	100,000	0	601,387	92,975	7,748	9.2%
23	77	0	70,000	100,000	0	619,429	95,764	7,980	8.9%
24	78	0	70,000	100,000	0	638,011	98,637	8,220	8.7%
25	79	0	70,000	100,000	0	657,152	101,597	8,466	8.4%
26	80	0	70,000	100,000	0	676,866	104,645	8,720	8.2%
27	81	0	70,000	100,000	0	697,172	107,784	8,982	8.0%
28	82	0	70,000	100,000	0	718,087	111,018	9,251	7.8%
29	83	0	70,000	100,000	0	739,630	114,348	9,529	7.6%
30	84	0	70,000	100,000	0	761,819	117,779	9,815	7.5%
		100,000							
31	85	0	70,000	100,000	0	784,673	121,312	10,109	7.3%
32	86	0	70,000	100,000	0	808,213	124,952	10,413	7.2%
33	87	0	70,000	100,000	0	832,460	128,700	10,725	7.0%
34	88	0	70,000	100,000	0	857,434	132,561	11,047	6.9%
35	89	0	70,000	100,000	0	883,157	136,538	11,378	6.8%
36	90	0	70,000	100,000	0	909,651	140,634	11,720	6.7%
37	91	0	70,000	100,000	0	936,941	144,853	12,071	6.6%
38	92	0	70,000	100,000	0	965,049	149,199	12,433	6.5%
39	93	0	70,000	100,000	0	994,000	153,675	12,806	6.4%
40	94	0	70,000	100,000	0	1,023,820	158,285	13,190	6.3%
		100,000							

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3. The amount paid on surrender reflects any Return of Premium.

4. Internal Rate of Return on the Death Benefit Amount.

5. Internal Rate of Return on the Total LTC Benefits.

Your guaranteed values

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

ALL VALUES AND BENEFITS SHOWN ARE GUARANTEED(1)

End of Year	Age	Planned Premium	Surrender Value(3)	Death Benefit Amount	IRR(4)	Long-Term Care Reimbursement Benefits Limits (2) 3% Compound Inflation			
						Total	Annual	Monthly	IRR(5)
41	95	0	70,000	100,000	0	1,054,535	163,034	13,586	6.2%
46	100	0	70,000	100,000	0	1,222,495	189,001	15,750	5.8%
51	105	0	70,000	100,000	0	1,417,207	219,105	18,259	5.5%
56	110	0	70,000	100,000	0	1,642,931	254,003	21,167	5.3%
61	115	0	70,000	100,000	0	1,904,607	294,459	24,538	5.1%
66	120	0	70,000	100,000	0	2,207,962	341,359	28,447	4.9%
71	125	0	70,000	100,000	0	2,559,633	395,729	32,977	2.1%
		100,000							

1. Projection values based on guaranteed policy charges and guaranteed minimum credited rate. No-Lapse Protection provided by the Value Protection Endorsement. This projection assumes all planned premiums paid on due date.

2. Total benefit limits for reimbursement of Qualified Long-Term Care Services. These values assume the monthly maximum is used for the entire duration selected and the Long-Term Care value will continue to increase on each policy anniversary as a result of the inflation option chosen. The monthly benefit shown is the amount available for the first 12 months of care.

3. The amount paid on surrender reflects any Return of Premium.

4. Internal Rate of Return on the Death Benefit Amount.

5. Internal Rate of Return on the Total LTC Benefits.

How your policy works

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration



Tailored to match your lifestyle

In-home care

If you prefer to have assistance in your home

Assisted living

If you choose to downsize and prefer a social atmosphere

Alternative care services¹

For care needs not covered by traditional services or options that may evolve in the future

Respite care

Lets you access short-term services to relieve your primary caregiver

Caregiver training and care planning services²







Lets you further customize your plan

Nursing home

If you need more skilled care services

Additional care options include non-continual services, adult day care, hospice and bed reservation.

Most long-term care needs do not relate to medical care aid, but rather assistance with the Activities of Daily Living (ADL):

- | | |
|--|--|
|  Eating |  Dressing |
|  Bathing |  Toileting |
|  Transferring |  Continence |

Long-term care solutions help cover expenses if you lose the ability to independently perform at least two Activities of Daily Living for at least 90 days, or if you require substantial supervision due to severe cognitive impairment.

Keep in mind that long-term care events happen to loved ones, not just a person. Take control, protect your legacy, and build tax efficiency into your portfolio.

¹. Qualified long-term care services that are not covered under any other provision but are prescribed in the care plan that a licensed health care practitioner and Lincoln mutually agree are appropriate to meet the insured's long-term care needs, could be considered for reimbursement. These services must be provided as an alternative to services otherwise covered.

². Lifetime caregiver training benefit limit is \$500.

Tax status

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

The MoneyGuard Fixed Advantage® Death Benefit is generally received by the beneficiary income tax-free under Section 101(a) (1) of the Internal Revenue Code (IRC) and the Long-Term Care benefits paid are not includable in the policy owner's gross income under IRC Section 104(a) (3). While the policy is in-force, the interest earnings credited to the policy's Gross Cash Value are not includable in the owner's gross income.

Based on our understanding of applicable law, the projected policy is a Modified Endowment Contract (MEC) as defined in IRC Section 7702A. Distributions from a MEC may be subject to income tax, and an additional 10% federal income tax penalty applies to taxable distributions received before the policy owner reaches age 59 1/2.

The Pension Protection Act of 2006 (PPA) changed the tax treatment of your MoneyGuard® policy effective January 1, 2010. Based on our understanding and analysis of the PPA:

- Qualified Long-Term Care Rider charges will continue to be treated as distributions from your policy, but Lincoln will not report the distributions as taxable (even if your policy is a MEC).
- Qualified Long-Term Care Rider charges will reduce the investment in the contract (cost basis), but not below zero, as the charges are taken from your policy.
- Once the investment in the contract has been reduced to zero, distributions for Qualified Long-Term Care Rider charges will come from any gain in the contract (but will still not be reported as taxable distributions). You will receive a 1099-R form for the charges, but the charges are not reported as taxable.

Please note that the state income tax laws in certain states may not conform to the federal income tax treatment of the Qualified Long-Term Care Rider charges described above. In such states, the charges may be treated as taxable distributions from the policy for state income tax purposes. However, the federal income tax treatment described above will continue to apply to such charges.

It is important to remember that these rider charges now and in the future impact the policy's investment in the contract. In the event any other financial transaction is requested, the investment in the contract is used in determining if that transaction creates a taxable event. As previously noted, the investment in the contract is reduced as a result of these rider charges. The full surrender of the policy may result in a taxable event and the owner should consult his/her personal tax professional regarding this and other applicable tax matters.

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

This projection of values is neither a contract nor an offer to contract. A full description of the policy provisions and limitations is included in the policy itself and any applicable riders.

The applicant certifies the following: 1) I have received a copy of this Projection of Values, 2) I have reviewed the Modified Endowment Contract disclosure statement above and understand that the proposed plan of insurance would be a Modified Endowment Contract subject to special tax treatment, 3) I have been advised to consult with my own tax professional regarding the tax effects of the projected policy, its valuation, as well as the potential tax impact on surrender under the Return of Premium Provision and 4) I have received a copy of an Outline of Coverage.

Date Applicant Signature

The agent certifies the following: 1) I certify that this Projection of Values has been presented to the applicant and that I have made no statements that are inconsistent with the Projection of Values and 2) I certify that I have presented to the applicant an Outline of Coverage.

Date Licensed Agent/Representative Signature

Policy features, benefits and definitions

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

Year

The policy year beginning with the effective date of the policy.

Age

The insured's age at the beginning of the policy year shown.

Benefit Transfer Rider

Provides for the potential to add benefits for this policy using Death Claim dollars from a different policy. Also allows for the Death Claim dollars from this policy to add additional benefits on a different policy. In order to utilize this feature, both policies must include the Benefit Transfer Rider, in addition to insured and beneficiary designations aligning between the two policies.

Flex Care Cash

Provides receipt-free cash for care needs. Up to 50% of the maximum daily LTC benefit is available. Benefit is available until specified amount is reduced to \$0 due to claims, withdrawals or reductions. Please see the policy for more information.

No-lapse Guarantee

This feature guarantees that your policy will not lapse if the no-lapse premium test is satisfied. The no-lapse guarantee is provided through the Value Protection Endorsement (VPE).

Specified Amount of Death Benefit

The minimum amount of death benefit and the basis of the LTCBR and Endorsement benefits. Long-term care reimbursements reduce the Specified Amount of death benefit on a dollar-for-dollar basis.

Residual Death Benefit

Death Benefit paid after benefits have been exhausted as defined in your policy.

Internal Rate of Return

The Internal Rate of Return is the rate at which outlays (premiums) up to that year must be compounded each year to generate the death benefit or LTC benefits shown. For this calculation, all outlays are assumed to occur at the beginning of the year with the death benefit or LTC benefits occurring at the end of the year.

Benefit eligibility

When you contact our claims department to file a claim, we will request an assessment to be performed by a licensed health care practitioner to determine your benefit eligibility. If we provide the assessor, it will be provided at our expense. We may also choose to accept the assessment of your licensed health care practitioner. To be eligible for benefits, the licensed health care practitioner who performs the assessment must certify that you are chronically ill and unable to perform at least two activities of daily living (bathing, continence, dressing, eating, toileting, and transferring) for at least 90 days.

You are also considered chronically ill if you require substantial supervision to protect you from threats to health and safety caused by severe cognitive impairment. Recertification of your benefit eligibility is required at least annually.

New Business Data

You **MUST** include the New Business Data when submitting the projection of values to Home Office.
The following are initial values and do not reflect future changes.

Product	
Product	MoneyGuard Fixed Advantage® - 01/23/23
Sub-Plan Code	012323
State	MI

Insured	
Name	Valued Client
Gender	Female
Age	55
Class	Couples Discount

Policy design	
Death Benefit Option	Level
Face Amount	\$99,955
Planned Premium	Years 1-10: \$10,000
Payment Mode	Annual
Lump Sum Deposit	\$0
External Exchange	\$0
Internal Exchange	\$0
Solve Type	Face Solve
Months Backdated	n/a
Increase Premiums by missed modal premiums selected	No

Application Part 1 Information	
The following information should be used to complete fields in the Policy Information and Billing Information sections on Page 1 of the Application.	
Plan of Insurance (2a)	MoneyGuard Fixed Advantage® - 01/23/23
Specified Amount (2b)	\$99,955
Long-Term Care Benefits Rider Duration (2c)	6 Years
Return of Premium	Basic
Other Benefits/Riders/Options (2f)	Leave blank on application
Premium Amount (3a)	Years 1-10: \$10,000
Premium Mode (3a)	Annual

LCN-4215018-012122ICC22

Tax Status	
7-Pay Premium	\$7,285.87
MEC Status	MEC

Riders Selected	
LTCBR Benefit Duration	6 Years
LTCBR Inflation Option	3%
Value Protection Endorsement	Basic
Benefit Transfer Rider	Yes
Terminal Illness Rider	Yes
Living Well Endorsement	Yes

Planned Policy Changes	
Planned Policy Changes	No

Important Messages

Year	Total Premiums
1	10,000.00
11	0

Software Version	FLEX-I v60.0 C
Date & Time	4/9/2023 10:36 AM
TP	8,107.93
TPP	100,000.00
CP	\$81,079.30
Monthly NLP	\$852.09
VPET	\$102,250.80

YP 10
Marketing Code
MG Territory
eSubmitID



Quick Quote

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

Total Premiums	Payment Option	Payment Mode
\$100,000	10 Years	Annual

Benefit Period and Inflation Options	Specified Amount	Initial Monthly Max Benefit	Initial Total LTC Benefit	Age 80 Monthly Max Benefit	Age 80 Total LTC Benefit	Total LTC Crossover Age *
3 Years, No Inflation	135,235	5,635	202,853	5,635	202,853	
3 Years, 3% Compound Inflation	106,223	4,426	164,162	9,267	343,719	63
3 Years, 5% Compound Inflation	66,068	2,753	104,140	9,322	352,654	69
4 Years, No Inflation	128,397	5,350	256,794	5,350	256,794	
4 Years, 3% Compound Inflation	105,845	4,410	221,408	9,234	463,579	61
4 Years, 5% Compound Inflation	65,683	2,737	141,551	9,268	479,343	68
5 Years, No Inflation	123,620	5,151	309,050	5,151	309,050	
5 Years, 3% Compound Inflation	102,879	4,287	273,099	8,975	571,809	60
5 Years, 5% Compound Inflation	60,926	2,539	168,328	8,597	570,017	68
6 Years, No Inflation	122,005	5,084	366,016	5,084	366,016	
6 Years, 3% Compound Inflation	99,955	4,165	323,275	8,720	676,866	60

* The age represented in this column is the age the insured will be when the Total Long-Term Care benefits for the applicable inflation option are scheduled to exceed the Total Long-Term Care benefits for the Level option, for that respective Benefit Period.

Issuer: The Lincoln National Life Insurance Company, Ft. Wayne, IN.

The purpose of this communication is the solicitation of life insurance. Contact will be made by a licensed insurance agent/producer or insurance company.

Premium Options

Valued Client, 55 year-old Female in Michigan with a "Couples Discount" underwriting class and 6-year minimum LTC duration

LTC Duration	Initial Max Monthly Benefit	Initial Total LTC Benefits	Specified Amount
6 Years	\$4,165	\$323,275	\$99,955

Premium Options	Modal Premium	Total Planned Premium
1 Year	81,078	81,078
2 Years	41,528	83,056
3 Years	28,355	85,065
4 Years	21,777	87,108
5 Years	17,836	89,180
6 Years	15,214	91,284
7 Years	13,345	93,415
8 Years	11,948	95,584
9 Years	10,864	97,776
10 Years	10,000	100,000

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