

MoneyGuard Fixed Advantage[®]

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

Prepared for:
Valued Client
in Illinois on 6/28/2024

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.

This material was prepared to show the operation of an insurance product issued by The Lincoln National Life Insurance Company, based on the options, features and assumptions you or your financial professional specified. This projection, and the options, features or assumptions on which it is based, is not intended to be, and should not be, viewed as specific investment advice or any suggestion or recommendation by The Lincoln National Life Insurance Company or any of its employees for you or your investment situation. A financial professional can provide you with investment advice for your investment situation. The Lincoln National Life Insurance Company, its respective employees, representatives, and/or insurance agents do not provide tax, accounting, or legal advice.

**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 Male in Illinois 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

\$6,284

maximum monthly
LTC benefit

Age 85


\$15,253

maximum monthly
LTC benefit

\$7,626 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

\$150,813

death benefit

Age 85

\$150,813

death benefit

What happens to my specified amount of death benefit if I need care?
Long-term care reimbursements reduce the \$150,813 specified amount of death benefit on a dollar-for-dollar basis. Minimum death benefit is the \$7,540 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 Male in Illinois 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 | 150,813 | 1,408.1% | 487,760 | 75,407 | 6,284 | 659.2% |
| 2 | 56 | 10,000 | 14,000 | 150,813 | 241.6% | 502,393 | 77,669 | 6,472 | 182.9% |
| 3 | 57 | 10,000 | 21,000 | 150,813 | 106.2% | 517,465 | 79,999 | 6,667 | 102.8% |
| 4 | 58 | 10,000 | 28,000 | 150,813 | 61.0% | 532,989 | 82,399 | 6,867 | 70.9% |
| 5 | 59 | 10,000 | 35,000 | 150,813 | 39.4% | 548,979 | 84,871 | 7,073 | 53.8% |
| 6 | 60 | 10,000 | 42,000 | 150,813 | 27.1% | 565,448 | 87,417 | 7,285 | 43.1% |
| 7 | 61 | 10,000 | 49,000 | 150,813 | 19.3% | 582,411 | 90,040 | 7,503 | 35.8% |
| 8 | 62 | 10,000 | 56,000 | 150,813 | 14.0% | 599,884 | 92,741 | 7,728 | 30.4% |
| 9 | 63 | 10,000 | 63,000 | 150,813 | 10.2% | 617,880 | 95,523 | 7,960 | 26.8% |
| 10 | 64 | 10,000 | 70,000 | 150,813 | 7.4% | 636,417 | 98,389 | 8,199 | 23.9% |
| | | 100,000 | | | | | | | |
| 11 | 65 | 0 | 70,000 | 150,813 | 6.3% | 655,509 | 101,341 | 8,445 | 21.7% |
| 12 | 66 | 0 | 70,000 | 150,813 | 5.5% | 675,174 | 104,381 | 8,698 | 19.8% |
| 13 | 67 | 0 | 70,000 | 150,813 | 4.8% | 695,429 | 107,513 | 8,959 | 18.3% |
| 14 | 68 | 0 | 70,000 | 150,813 | 4.3% | 716,292 | 110,738 | 9,228 | 17.1% |
| 15 | 69 | 0 | 70,000 | 150,813 | 3.9% | 737,781 | 114,060 | 9,505 | 16.0% |
| 16 | 70 | 0 | 70,000 | 150,813 | 3.6% | 759,914 | 117,482 | 9,790 | 15.1% |
| 17 | 71 | 0 | 70,000 | 150,813 | 3.3% | 782,712 | 121,007 | 10,084 | 14.3% |
| 18 | 72 | 0 | 70,000 | 150,813 | 3.1% | 806,193 | 124,637 | 10,386 | 13.6% |
| 19 | 73 | 0 | 70,000 | 150,813 | 2.9% | 830,379 | 128,376 | 10,698 | 12.9% |
| 20 | 74 | 0 | 70,000 | 150,813 | 2.7% | 855,290 | 132,228 | 11,019 | 12.4% |
| | | 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 Male in Illinois 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 | 150,813 | 2.5% | 880,949 | 136,194 | 11,350 | 11.9% |
| 22 | 76 | 0 | 70,000 | 150,813 | 2.4% | 907,377 | 140,280 | 11,690 | 11.4% |
| 23 | 77 | 0 | 70,000 | 150,813 | 2.2% | 934,599 | 144,489 | 12,041 | 11.0% |
| 24 | 78 | 0 | 70,000 | 150,813 | 2.1% | 962,637 | 148,824 | 12,402 | 10.7% |
| 25 | 79 | 0 | 70,000 | 150,813 | 2.0% | 991,516 | 153,288 | 12,774 | 10.3% |
| 26 | 80 | 0 | 70,000 | 150,813 | 1.9% | 1,021,261 | 157,887 | 13,157 | 10.0% |
| 27 | 81 | 0 | 70,000 | 150,813 | 1.8% | 1,051,899 | 162,624 | 13,552 | 9.7% |
| 28 | 82 | 0 | 70,000 | 150,813 | 1.8% | 1,083,456 | 167,502 | 13,959 | 9.5% |
| 29 | 83 | 0 | 70,000 | 150,813 | 1.7% | 1,115,960 | 172,527 | 14,377 | 9.2% |
| 30 | 84 | 0 | 70,000 | 150,813 | 1.6% | 1,149,438 | 177,703 | 14,809 | 9.0% |
| | | 100,000 | | | | | | | |
| 31 | 85 | 0 | 70,000 | 150,813 | 1.6% | 1,183,922 | 183,034 | 15,253 | 8.8% |
| 32 | 86 | 0 | 70,000 | 150,813 | 1.5% | 1,219,439 | 188,526 | 15,710 | 8.6% |
| 33 | 87 | 0 | 70,000 | 150,813 | 1.5% | 1,256,022 | 194,181 | 16,182 | 8.4% |
| 34 | 88 | 0 | 70,000 | 150,813 | 1.4% | 1,293,703 | 200,007 | 16,667 | 8.3% |
| 35 | 89 | 0 | 70,000 | 150,813 | 1.4% | 1,332,514 | 206,007 | 17,167 | 8.1% |
| 36 | 90 | 0 | 70,000 | 150,813 | 1.3% | 1,372,490 | 212,187 | 17,682 | 7.9% |
| 37 | 91 | 0 | 70,000 | 150,813 | 1.3% | 1,413,664 | 218,553 | 18,213 | 7.8% |
| 38 | 92 | 0 | 70,000 | 150,813 | 1.2% | 1,456,074 | 225,110 | 18,759 | 7.7% |
| 39 | 93 | 0 | 70,000 | 150,813 | 1.2% | 1,499,756 | 231,863 | 19,322 | 7.5% |
| 40 | 94 | 0 | 70,000 | 150,813 | 1.2% | 1,544,749 | 238,819 | 19,902 | 7.4% |
| | | 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 Male in Illinois 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 | 150,813 | 1.1% | 1,591,091 | 245,984 | 20,499 | 7.3% |
| 46 | 100 | 0 | 70,000 | 150,813 | 1.0% | 1,844,511 | 285,163 | 23,764 | 6.8% |
| 51 | 105 | 0 | 70,000 | 150,813 | 0.9% | 2,138,294 | 330,582 | 27,549 | 6.4% |
| 56 | 110 | 0 | 70,000 | 150,813 | 0.8% | 2,478,868 | 383,235 | 31,936 | 6.1% |
| 61 | 115 | 0 | 70,000 | 150,813 | 0.7% | 2,873,688 | 444,275 | 37,023 | 5.8% |
| 66 | 120 | 0 | 70,000 | 150,813 | 0.7% | 3,331,392 | 515,037 | 42,920 | 5.6% |
| 71 | 125 | 0 | 70,000 | 150,813 | 0.6% | 3,861,996 | 597,069 | 49,756 | 2.7% |
| | | 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 Male in Illinois 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.



The Benefit Transfer Rider provides your beneficiary (spouse, child, sibling or other loved one) with the option to increase benefits or select a legacy payout.³

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.

3. To use the Benefit Transfer Rider both the insured and beneficiary must be policyholders, the Benefit Transfer Rider must be active on both policies and the beneficiary must be the insured on their policy.

Tax status

Valued Client, 55 year-old Male in Illinois 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.

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 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 3) I have received a copy of an Outline of Coverage.

The undersigned confirms that the policy or contract was solicited, issued and delivered in the state where the application was signed. Communications between the Producer and the Owner pertaining to the sale and solicitation of the policy or contract, including the signing of the application, the collection of initial premium and the issuance for delivery of the policy/contract to the Owner have taken, or will take place, outside of New York.

_____ 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 Male in Illinois 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® - 01/22/24 |
| Sub-Plan Code | 012224 |
| State | IL |

| Insured | |
|---------|-------------------------|
| Name | Valued Client |
| Gender | Male |
| Age | 55 |
| Class | Couples Discount |

| Policy design | |
|----------------------|-----------------------------|
| Death Benefit Option | Level |
| Face Amount | \$150,813 |
| 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® - 01/22/24 |
| Specified Amount (2b) | \$150,813 |
| 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 |

| Tax Status | |
|---------------|--------------------|
| 7-Pay Premium | \$11,615.85 |
| MEC Status | Not a 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 | First Year Total Premiums | |
|------|----------------|---------------------------|-----------|
| | | Month | Premium |
| 1 | 10,000.00 | 1 | 10,000.00 |
| 11 | 0 | 2 | 0 |
| | | 3 | 0 |
| | | 4 | 0 |
| | | 5 | 0 |
| | | 6 | 0 |
| | | 7 | 0 |
| | | 8 | 0 |
| | | 9 | 0 |
| | | 10 | 0 |
| | | 11 | 0 |
| | | 12 | 0 |

| | |
|------------------|--------------------------|
| Software Version | FLEX-I v65.0 C |
| Date & Time | 6/28/2024 4:46 PM |
| 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 | |



What care costs

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

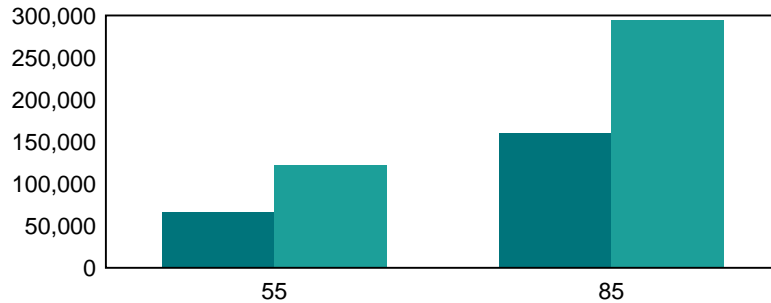
A look at the cost of long-term care services in Illinois

The cost of long-term care services is an important variable in determining your planning needs.

Below we show the current average costs for care in your state for

- 1) 40 hours per week of home health care by a Home Health Aide, and
- 2) a private room in a nursing home.

It is vital to note that long-term care costs are highly variable within a region, state, or even a city. We also show an estimate of the projected costs in 30 years, based on an assumed inflation rate of 3.00%.¹



| | | Annual | Monthly |
|-------------------------------|--------|-----------|----------|
| Home Health Care ² | Age 55 | \$66,081 | \$5,506 |
| | Age 85 | \$160,395 | \$13,366 |
| Nursing Home ² | Age 55 | \$121,322 | \$10,110 |
| | Age 85 | \$294,480 | \$24,540 |

Your LTC benefit limits

Below are amounts available to reimburse for qualified long-term care expenses when your policy is issued, and at age 85. Amounts are based on your policy assumptions shown above, and assume you pay all premiums of \$100,000 as planned, with no loans or withdrawals. Total LTC Payout is based on the Minimum LTC Duration purchased.

| | | |
|-----------------------------|--------|-------------|
| LTC Benefit Limit | Age 55 | \$487,760 |
| | Age 85 | \$1,183,922 |
| Maximum Monthly LTC Benefit | Age 55 | \$6,284 |
| | Age 85 | \$15,253 |

Planning Ahead

It's important to understand how much your long-term care planning will cover if and when the need arises. Review your information with your financial professional and determine what your income is projected to be at age 85.

Discuss your specific needs, expectations and preferences with your financial professional. Based on your situation, factoring in the information provided above, determine what your estimated long-term care costs might be, and discuss if you have the coverage you need. Amounts shown are estimates based on the assumptions shown, and are not guaranteed. Projected costs and inflation rates vary by state, region, and may be impacted by other factors. Actual costs may be more or less than those shown.

¹ Inflation rate based on information from "What Care Costs" annual survey, including recent claim cost trends; actual inflation rates may vary.

² "What Care Costs" survey. Published 5/2024 (updated annually); <https://whatcarecosts.com/Lincoln>. What Care Costs is a third party not affiliated with Lincoln Financial Group, Lincoln is not responsible for the content and does not guarantee the accuracy of any information.

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.

Long-Term Care Benefits Disclosures

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

General Exclusions and Limitations

This Rider will not provide benefits for:

- a. treatment or care due to alcoholism or drug addiction;
- b. treatment arising out of an attempt at suicide, whether sane, mentally or psychologically impaired or insane, or an intentionally self-inflicted injury;
- c. treatment provided in a Veteran's Administration or government facility, unless the Insured or the Insured's estate is charged for the confinement or services or unless otherwise required by law;
- d. loss to the extent that benefits are payable under any of the following:
 1. Medicare or any other governmental programs (except Medicaid);
 2. state or Federal workers' compensation laws;
 3. employer's liability laws;
 4. occupational disease laws; and
 5. any motor vehicle no-fault laws;
- e. confinement or care received outside the United States, other than benefits for Nursing Home Care Services and Assisted Living Facility Services as described in the "International Benefits" provision;
- f. services provided by a facility or an agency that does not meet this Rider's definition for such facility or agency as described in the "Covered Services" section of this Rider, except as provided in the "Alternative Care Services" provision above;
- g. services provided by an Immediate Family Member, except as provided in the "Flexible Care Cash Benefits" provision, unless:
 1. the Immediate Family Member is a regular employee of the service or care provider furnishing the service or care;
 2. the service or care provider receives the payment for the service or care; and
 3. the Immediate Family Member receives no compensation other than the normal compensation for an employee in his or her job category; and
- h. services for which no charge is or would normally be made in the absence of insurance.

Renewability, Termination and Cancelability

The LTCBR is non-cancelable. This means you have the right, subject to the terms of your policy and rider, to continue this rider as long as your policy stays in force. The Lincoln National Life Insurance Company cannot change any of the terms of your policy and rider on its own and cannot increase the monthly rider charge.

Pre-Existing Conditions

We will not deny benefits for pre-existing conditions. This does not preclude us from exercising other remedies available at law, in equity or in contract because of misrepresentations. A pre-existing condition is a condition of the insured for which medical advice or treatment was discussed with, recommended by, or received from, any provider of health, psychological or other care services within 6 months preceding the issue date.

Reductions

Partial surrenders and decreases to the specified amount, will reduce the LTCBR benefit limit. Any reduction in the LTCBR benefit limit will reduce the LTCBR maximum monthly benefit proportionately. If there is debt on the policy, any benefit paid under this rider will first be used to repay a portion of the outstanding debt.

Tax Qualification

This policy is intended to qualify as life insurance under the Internal Revenue Code. The death benefit provided by this policy is intended to qualify for the Federal Income Tax exclusion. The LTCBR is intended to be a federally tax-qualified long-term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

Elimination Period and Grace Period

There is no waiting period once the policyowner has qualified for benefits. If your policy enters a grace period, we will allow 61 days to pay a premium sufficient to prevent your policy from lapsing.

This is a supplemental report for Lincoln *MoneyGuard Fixed Advantage*® which is an Individual Flexible Premium Adjustable Life (Universal 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**. This supplemental report is based on guaranteed elements. For a complete description of the benefits, costs, exclusions, limitations and conditions of Lincoln *MoneyGuard Fixed Advantage*®, including other important information, please refer to the attached projection of values. Benefits provided are subject to medical underwriting. The insurance policy, riders and endorsement have exclusions and limitations; please contact The Lincoln National Life Insurance Company for costs and complete details.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

Quick Quote

Valued Client, 55 year-old Male in Illinois 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 85 Monthly Max Benefit | Age 85 Total LTC Benefit | Total LTC Crossover Age * |
|--------------------------------------|------------------|-----------------------------|---------------------------|----------------------------|--------------------------|---------------------------|
| 3 Years, No Inflation | 137,264 | 5,719 | 205,896 | 5,719 | 205,896 | |
| 3 Years, 3% Compound Inflation | 134,684 | 5,612 | 208,148 | 13,622 | 505,229 | 55 |
| 3 Years, 5% Compound Inflation | 89,653 | 3,736 | 141,316 | 16,145 | 610,759 | 63 |
| 4 Years, No Inflation | 135,990 | 5,666 | 271,980 | 5,666 | 271,980 | |
| 4 Years, 3% Compound Inflation | 156,574 | 6,524 | 327,524 | 15,835 | 794,986 | 49 |
| 4 Years, 5% Compound Inflation | 104,677 | 4,362 | 225,586 | 18,851 | 974,968 | 59 |
| 5 Years, No Inflation | 135,295 | 5,637 | 338,238 | 5,637 | 338,238 | |
| 5 Years, 3% Compound Inflation | 155,588 | 6,483 | 413,019 | 15,736 | 1,002,506 | 49 |
| 5 Years, 5% Compound Inflation | 98,219 | 4,092 | 271,361 | 17,688 | 1,172,805 | 60 |
| 6 Years, No Inflation | 130,684 | 5,445 | 392,052 | 5,445 | 392,052 | |
| 6 Years, 3% Compound Inflation | 150,813 | 6,284 | 487,760 | 15,253 | 1,183,922 | 48 |
| 6 Years, 5% Compound Inflation | 94,054 | 3,919 | 319,874 | 16,938 | 1,382,473 | 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.

Long-Term Care Benefits Disclosures

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

General Exclusions and Limitations

This Rider will not provide benefits for:

- a. treatment or care due to alcoholism or drug addiction;
- b. treatment arising out of an attempt at suicide, whether sane, mentally or psychologically impaired or insane, or an intentionally self-inflicted injury;
- c. treatment provided in a Veteran's Administration or government facility, unless the Insured or the Insured's estate is charged for the confinement or services or unless otherwise required by law;
- d. loss to the extent that benefits are payable under any of the following:
 1. Medicare or any other governmental programs (except Medicaid);
 2. state or Federal workers' compensation laws;
 3. employer's liability laws;
 4. occupational disease laws; and
 5. any motor vehicle no-fault laws;
- e. confinement or care received outside the United States, other than benefits for Nursing Home Care Services and Assisted Living Facility Services as described in the "International Benefits" provision;
- f. services provided by a facility or an agency that does not meet this Rider's definition for such facility or agency as described in the "Covered Services" section of this Rider, except as provided in the "Alternative Care Services" provision above;
- g. services provided by an Immediate Family Member, except as provided in the "Flexible Care Cash Benefits" provision, unless:
 1. the Immediate Family Member is a regular employee of the service or care provider furnishing the service or care;
 2. the service or care provider receives the payment for the service or care; and
 3. the Immediate Family Member receives no compensation other than the normal compensation for an employee in his or her job category; and
- h. services for which no charge is or would normally be made in the absence of insurance.

Renewability, Termination and Cancelability

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Reductions

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Premium Options

Valued Client, 55 year-old Male in Illinois 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 | \$6,284 | \$487,760 | \$150,813 |

| 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 |

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.