

SERFF Tracking Number: LCNC-126293409 State: Arkansas  
Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 43619  
Company Tracking Number: LN870 - AR  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: LN870 with schedule pages LN870-1  
Project Name/Number: MG 2009/LN870

## Filing at a Glance

Company: The Lincoln National Life Insurance Company

Product Name: LN870 with schedule pages LN870-1 SERFF Tr Num: LCNC-126293409 State: Arkansas

TOI: L09I Individual Life - Flexible Premium SERFF Status: Closed-Approved- State Tr Num: 43619  
Adjustable Life Closed

Sub-TOI: L09I.001 Single Life Co Tr Num: LN870 - AR State Status: Approved-Closed  
Filing Type: Form Reviewer(s): Linda Bird

Authors: Sue Pape, William Otten, Disposition Date: 10/05/2009

Lori Saltmarsh

Date Submitted: 09/28/2009 Disposition Status: Approved-Closed

Implementation Date Requested: On Approval  
State Filing Description:

Implementation Date:

## General Information

Project Name: MG 2009

Project Number: LN870

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 10/05/2009

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 10/05/2009

Created By: Lori Saltmarsh

Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: William Otten

Filing Description:

Hon. Jay Bradford

Commissioner of Insurance

Compliance-Life & Health

Attn: Joe Musgrove

1200 West Third Street

Little Rock, AR 72201-1904

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The Lincoln National Life Insurance Company  
NAIC# 020-65676 FEIN # 35-0472300

Re: NEW SUBMISSION

LN870 Flexible Premium Adjustable Life Insurance Policy  
LN870-1 Insert Policy Schedule Pages  
LR870 Convalescent Care Benefits Rider (LTC rider)  
LR871 Extension of Benefits Rider (LTC rider)  
LR872 Nonforfeiture Benefit Rider (LTC rider)  
B10465F Enhanced Surrender Value Endorsement  
MGF06450 Application for Life Insurance – Part I

Dear Mr. Musgrove:

We submit the above noted forms for your review and approval. These forms are new and do not replace any other forms previously approved by your Department. These forms do not contain any unusual or controversial items from normal company or industry standards and are intended to comply with all laws, rules, bulletins and published guidelines of your jurisdiction applicable to these forms. The enclosed forms are submitted in final printed format and are subject only to minor modifications in paper stock, ink, and adaptation to computer printing.

These forms will be distributed in the general individual life market and will be available for issue ages 35 - 85 inclusive. These forms will not be illustrated, therefore a Statement of Policy Cost and Benefit Information that reflects guaranteed values will be provided to each client.

We provide the following descriptions for the enclosed forms:

LN870 – Flexible Premium Adjustable Life Insurance Policy  
Policy form LN870 is a non-participating individual flexible premium adjustable life insurance policy form.

LN870-1 - Insert Policy Schedule Pages  
Insert Policy Schedule pages form LN870-1 is submitted for use with Flexible Premium Adjustable Life Insurance Policy form LN870.

LR870 - Convalescent Care Benefits Rider  
Rider form LR870 is submitted for use with Flexible Premium Adjustable Life Insurance Policy form LN870, and any

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individual flexible premium life insurance policy which may be approved in your jurisdiction. This form is an individual long-term care insurance rider that may only be elected at issue. This optional rider provides for accelerated payments of the Specified Amount to reimburse the Owner for qualified long-term care expenses incurred during the period of coverage. There is a charge for this rider that is deducted on a monthly basis. The Owner may elect Optional Inflation Protection, which automatically increases coverage provided under the rider annually without underwriting. An additional charge for Optional Inflation Protection, if elected, is also deducted on a monthly basis.

#### LR871 - Extension of Benefits Rider

Rider form LR871 is submitted for use with Flexible Premium Adjustable Life Insurance Policy form LN870, and any individual flexible premium life insurance policy which may be approved in your jurisdiction. This form is an individual long-term care insurance rider that may only be elected at issue and is available only when purchased with Convalescent Care Benefits Rider form LR870. This optional rider extends the benefits provided by the Convalescent Care Benefits Rider after the Convalescent Care Benefits Rider's benefit limit has been reached. There is a charge for the Extension of Benefits Rider that is deducted on a monthly basis. The Owner may elect Optional Inflation Protection, which automatically increases coverage provided under the rider annually without underwriting. An additional charge for Optional Inflation Protection, if elected, is also deducted on a monthly basis.

#### LR872 – Nonforfeiture Benefit Rider

Rider form LR872 is submitted for use with Flexible Premium Adjustable Life Insurance Policy form LN870, and any individual flexible premium life insurance policy which may be approved in your jurisdiction. This form is an optional rider that may only be elected at issue and is available only when purchased with Extension of Benefits Rider form LR871. This optional rider provides for limited long-term care coverage if the policy and Extension of Benefits Rider lapse, subject to the terms and conditions of the rider. There is a charge for the Nonforfeiture Benefit Rider that is deducted on a monthly basis.

#### B10465F - Enhanced Surrender Value Endorsement

Enhanced Surrender Value Endorsement form B10465F is submitted for use with Flexible Premium Adjustable Life Insurance Policy form LN870, and any individual flexible premium life insurance policy which may be approved in your jurisdiction. This endorsement will be automatically attached to each policy. The standard issue ages for this endorsement are 35 to 85 inclusive, the Company reserves the right to modify the issue ages based on premium mode. This endorsement provides for an enhanced surrender value if the policy is surrendered. In addition, the endorsement modifies the calculation of the Minimum Required Death Benefit. There is no charge for this endorsement.

#### MGF06450 – Life Insurance Application – Part I

Application form MGF06450 will be used when applying for the base life policy (LN870) and supplemental long-term care benefits provided by rider forms LR870, LR871, and LR872.

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We have also included an informational copy of the following form:

#### MGF07209 - Long-Term Care Insurance Personal Worksheet

This form will be completed by each individual who applies for Convalescent Care Benefits Rider form LR870.

We have bracketed certain items in the forms as variable information because they may change for new issues in the future (but not in-force policies). It is our understanding that changes to the bracketed items for new issues will not necessitate a new filing of these forms. We confirm that the brackets will not actually appear on the forms at issue and any of the changes made will be completed within the allowable limits of the laws in the state in which the policy was issued. The use of variability in the enclosed forms will be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination.

Please accept this as our assurance that we are in compliance with the requirements of Arkansas Code Ann. 23-79-138, we provide a document entitled " Important Information to Policyholders" which contains the required information. Also, please accept this as our assurance that we are in compliance with the requirements of Regulation 49 and we provide the required Guarantee Association Notice at the point of policy delivery.

Please note that the forms submitted for review and approval are not intended to be considered qualified for the Arkansas Long Term Care Partnership Program as outlined in Rule 94. The forms submitted have been based on the NAIC Long-Term Care Insurance Model Regulation and the corresponding Arkansas Rule # 13

Thank you for your attention to this filing. Please do not hesitate to contact me if you require any additional information that may assist with your review.

Sincerely,

Sue Pape, Contract Analyst  
The Lincoln National Life Insurance Company  
Phone: (800) 238-6252, ext. 1492  
FAX: (860) 466-1348  
E-Mail: Sue.Pape@LFG.com

## Company and Contact

### Filing Contact Information

Sue Pape, Contract Analyst

Sue.Pape@lfg.com

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350 Church Street 860-466-1492 [Phone]  
 MPM1 860-466-1348 [FAX]  
 Hartford, CT 06103-1106

**Filing Company Information**

The Lincoln National Life Insurance Company CoCode: 65676 State of Domicile: Indiana  
 350 Church Street - MPM1 Group Code: 20 Company Type: Life  
 Hartford, CT 06103-1106 Group Name: State ID Number:  
 (860) 466-2899 ext. [Phone] FEIN Number: 35-0472300

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**Filing Fees**

Fee Required? Yes  
 Fee Amount: \$245.00  
 Retaliatory? Yes  
 Fee Explanation: \$35 ea form x 7 forms = \$245.00  
 Per Company: No

| COMPANY                                     | AMOUNT   | DATE PROCESSED | TRANSACTION # |
|---|----------|----------------|---------------|
| The Lincoln National Life Insurance Company | \$245.00 | 09/28/2009     | 30892551      |

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## Correspondence Summary

### Dispositions

| Status              | Created By | Created On | Date Submitted |
|---------------------|------------|------------|----------------|
| Approved-<br>Closed | Linda Bird | 10/05/2009 | 10/05/2009     |

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## Disposition

Disposition Date: 10/05/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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| Schedule            | Schedule Item                    | Schedule Item Status | Public Access |
|---------------------|----------------------------------|----------------------|---------------|
| Supporting Document | Flesch Certification             | No                   | No            |
| Supporting Document | Application                      | No                   | No            |
| Supporting Document | Health - Actuarial Justification | No                   | No            |
| Supporting Document | Outline of Coverage              | No                   | No            |
| Supporting Document | Life Actuarial memorandum        | No                   | No            |
| Supporting Document | Statement of Policy Cost         | No                   | No            |
| Supporting Document | Compliance Certifications        | No                   | No            |
| Form                | Base Policy                      | No                   | No            |
| Form                | Data pages for LN 870            | No                   | No            |
| Form                | CCBR                             | No                   | No            |
| Form                | EOBR                             | No                   | No            |
| Form                | NFO Endorsement                  | No                   | No            |
| Form                | Flex ESVE                        | No                   | No            |
| Form                | MG Application                   | No                   | No            |

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## Form Schedule

### Lead Form Number: LN870

| Schedule Item Status | Form Number | Form Type Form Name  | Action  | Action Specific Data | Readability | Attachment         |
|----------------------|-------------|--|---------|----------------------|-------------|--------------------|
|                      | LN870       | Policy/Cont Base Policy<br>ract/Fratern<br>al<br>Certificate   | Initial |                      | 56.650      | AR LN870<br>.pdf   |
|                      | LN870-1     | Data/DeclarData pages for LN<br>ation Pages870   | Initial |                      | 56.650      | NW LN870-<br>1.pdf |
|                      | LR870       | Policy/Cont CCBR<br>ract/Fratern<br>al<br>Certificate:<br>Amendmen<br>t, Insert<br>Page,<br>Endorseme<br>nt or Rider | Initial |                      | 60.180      | NW<br>LR870.pdf    |
|                      | LR871       | Policy/Cont EOBR<br>ract/Fratern<br>al<br>Certificate:<br>Amendmen<br>t, Insert<br>Page,<br>Endorseme<br>nt or Rider | Initial |                      | 60.250      | NW<br>LR871.pdf    |
|                      | LR872       | Policy/Cont NFO Endorsement<br>ract/Fratern<br>al<br>Certificate:<br>Amendmen<br>t, Insert                           | Initial |                      | 64.510      | NW<br>LR872.pdf    |

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|          |  |         |        |                              |
|----------|--|---------|--------|------------------------------|
| B10465F  | Page,<br>Endorseme<br>nt or Rider<br>Policy/Cont Flex ESVE<br>ract/Fratern<br>al<br>Certificate:<br>Amendmen<br>t, Insert<br>Page,<br>Endorseme<br>nt or Rider | Initial | 53.380 | NW<br>B10465F.pdf            |
| MGF06450 | Application/MG Application<br>Enrollment<br>Form   | Initial | 52.070 | Fillable<br>MGF06450.p<br>df |



## The Lincoln National Life Insurance Company

(the "Company")  
A Stock Company

Service Office: [One Granite Place]  
[PO Box 515]  
[Concord, NH 03302-0515]  
[800 962-1654]

The Company agrees to pay the Death Benefit to the Beneficiary after receipt of Due Proof of the Insured's death while this policy is In Force and to provide the other rights and benefits in accordance with the terms of this Policy.

**Read This Policy Carefully.** This is a legal contract between You and Us.

**30 Day Right to Return This Policy.** You may return this policy for any reason to the insurance agent through whom it was purchased, to any of Our agents, or to Us at the address listed above within 30 days after You receive it. If returned, this policy will be considered void from the Policy Date and We will refund the premium paid less any prior loans, unpaid loan interest, and withdrawals.

Handwritten signature of Dennis R. Glass in cursive script.

[President]

Handwritten signature of Chas A. Brantley in cursive script.

[Secretary]

Insured [JOHN DOE]  
Policy Number [SPECIMEN]

### FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY

Proceeds payable at the death of the Insured. Flexible Premiums payable to the Insured's Attained Age 95. Non-participating – No Dividends.

LN870

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

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Rider or Endorsements providing supplemental benefits or policy changes, if any, and a copy of the application follow the provisions referenced above



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## Definitions

### **Age**

The Insured's Age, last birthday, on the Policy Date

### **Attained Age**

The Insured's Age as measured from the Policy Date plus the number of completed Policy Years.

### **Beneficiary**

The person(s) or entity(ies) named in the application, unless later changed as provided in this policy, to whom We will pay the Death Benefit upon the death of the Insured.

### **Cash Value**

The Cash Value is equal to the Gross Cash Value less Indebtedness.

### **Date of Issue**

The date the policy is issued at our Service Office and is shown on the policy schedule.

### **Death Benefit**

The amount payable upon death of the Insured as described in Death Benefit Provisions.

### **Due Proof of Death**

A certified copy of an official death certificate, a certified copy of a decree of a court of competent jurisdiction as to the finding of death, or any other proof of death satisfactory to Us.

### **Gross Cash Value**

The Gross Cash Value reflects the premium received, interest credited under this policy, withdrawals, fees, charges, monthly deductions, and repayments of loans or loan interest, as applicable.

### **In Force**

Not surrendered or terminated for any reason.

### **In Writing (Written Request, Written Notice)**

With respect to any notice or request to Us, this term means a written form satisfactory to Us signed by You and received at Our Service Office. With respect to any notice from Us to You or any other person, this term means a Written Notice by ordinary mail to such person at the most recent address in Our records. We will not be held responsible for any payment or other action We have taken before Your Written Request or Written Notice is recorded at Our Service Office.

### **Irrevocable Beneficiary**

A Beneficiary named by You as irrevocable.

### **Indebtedness**

The amount of any outstanding loan against this policy, including loan interest accrued but not yet charged.

**Insured**

The person whose life is insured under this policy as shown on the policy schedule.

**Lapse**

Terminate without value.

**Minimum Required Death Benefit**

An amount equal to the Gross Cash Value multiplied by the applicable percentage shown on the policy schedule in the Minimum Required Death Benefit Percentages Table.

**Monthly Anniversary Day**

The same day in each month as the Policy Date. If that day is not a business day, then We will deduct the monthly deduction on the next business day immediately following the Monthly Anniversary Day.

**Net Amount at Risk**

An amount equal to the Death Benefit less the Cash Value.

**Policy Anniversary**

The same date (month and day) each year as the Policy Date.

**Policy Date**

The date We use to determine Policy Anniversaries and monetary values. If a requested Policy Date should fall on the 29<sup>th</sup>, 30<sup>th</sup>, or 31<sup>st</sup> of the month, the Policy Date will be the 28<sup>th</sup> of such month.

**Policy Month**

The period from one Monthly Anniversary Day up to, but not including, the next Monthly Anniversary Day.

**Policy Year**

Twelve-month periods beginning on the Policy Date (month and day) to the next Policy Anniversary.

**Proceeds**

The money We will pay as a Death Benefit or if the policy is surrendered.

- 1 As a death claim. The Proceeds will be the amount of insurance described in Death Benefit Provisions.
- 2 Upon surrender. The proceeds will be the Surrender Value.

**Specified Amount**

The amount You chose at issue, which is used to determine the amount of Death Benefit and the amount of rider benefits, if any. The Specified Amount at issue ("Initial Specified Amount") and the minimum Specified Amount allowable under this policy are shown on the policy schedule.

**Surrender Value**

The Cash Value on the date of surrender or withdrawal less any applicable surrender charge shown on the policy schedule in the Table of Surrender Charges.

**We, Us, Our**  
The Company

**You, Your**  
The Owner of this policy.

## **General Policy Provisions**

### **Entire Contract**

This policy, the attached copy of the application for this policy, and any amendment(s), endorsement(s), rider(s), and supplemental application(s) that may be attached are the entire contract between You and Us.

All statements made in the application will, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this policy unless it is contained in the application.

### **Policy Changes**

Only an authorized officer of the Company can change the terms of this policy or waive provisions of this policy. A change must be In Writing.

### **Date of Coverage**

Coverage will be effective if:

- a. the initial premium has been paid in full on or before the Policy Date; and
- b. the policy has been delivered while the Insured is alive and prior to any change in the Insured's health and insurability as represented in the application.

The effective date of any rider or endorsement attached to this policy on the Policy Date will be the Policy Date as defined in this policy. Any reference to the effective date as the "Date of Issue" in any attached riders or endorsements will mean the "Policy Date" as defined in the policy.

### **Incontestability**

We will not contest this policy after it has been In Force during the lifetime of the Insured for 2 years from the Date of Issue.

### **Suicide**

If the Insured, while sane or insane, commits suicide within 2 years from the Date of Issue, the amount payable will be no more than the sum of the premiums paid less any Indebtedness and any withdrawals. The amount payable under this provision will be paid to the Beneficiary. Any amount payable will first be used to pay the interest of anyone to whom the policy has been assigned.

### **Termination of Coverage**

All coverage under this policy terminates on the first of the following to occur:

- a. a full surrender of this policy;

- b. death of the Insured; or
- c. failure to pay the amount of premium necessary to avoid termination before the end of any applicable grace period.

No action by Us after this policy has terminated, including any monthly deduction made after termination of coverage, will constitute a reinstatement of this policy or waiver of the termination. Any such deduction will be refunded.

#### **Misstatement of Age or Sex**

If the Age or sex of the Insured has been misstated, the amount of the Death Benefit will be adjusted to the amount which would have been provided by the most recent cost of insurance deduction at the correct Age and sex. The Gross Cash Value will not be affected.

#### **Deferment**

We reserve the right to defer payment of a loan, withdrawal or surrender for up to 6 months from the date of Your Written Request. However, We will not defer a loan or withdrawal to be used to pay premiums on this policy.

#### **Compliance with the Internal Revenue Code**

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. If at any time the premium paid under this policy exceeds the amount allowable for such qualification, We will refund the premium to You with interest within sixty days after the end of the Policy Year in which the premium was received. If, for any reason, We do not refund the excess premium within sixty days after the end of such Policy Year, the excess premium will be held in a separate deposit fund and credited with interest until refunded to You. The interest rate used on any refund or credited to the separate deposit fund created by this provision will be the current rate of interest We are paying on this policy until the date We notify You that the excess premium and the earnings on such excess premium have been removed from the policy. After the date of such notice, the interest rate paid on the separate deposit fund will be such rate as We may declare from time to time on advance premium deposit funds. We also reserve the right to refuse to make any change if such change would cause this policy to fail to qualify as life insurance under the Internal Revenue Code.

#### **Modified Endowment**

This policy will be allowed to become a modified endowment contract under the Internal Revenue Code only with Your consent. Otherwise, if at any time the premiums paid under the policy exceed the limit for avoiding modified endowment contract status, the excess premium will be refunded to You with interest within sixty days after the end of the Policy Year in which the premium was received. If, for any reason, We do not refund the excess premium within sixty days after the end of such Policy Year, the excess premium will be held in a separate deposit fund and credited with interest until refunded to You. The interest rate used on any refund or credited to the separate deposit fund created by this provision will be the current rate of interest We are paying on this policy until the date We notify You that the excess premium and the earnings on such excess premium have been removed from the policy. After the date of such notice, the interest rate paid on the separate deposit fund will be such rate as We may declare from time to time on advance premium deposit funds.

**Annual Report**

We will provide You with an Annual Report. This report will show the activity of the policy for the past Policy Year. It will list premiums paid, expenses charged, monthly deductions, interest credited, and withdrawals. It will show the then current Death Benefit, Gross Cash Value, Cash Value and Indebtedness, as well as any other information required by the jurisdiction in which the policy was issued.

## **Ownership, Assignment, and Beneficiary Provisions**

**Rights of Owner**

The Owner, at issue, is shown on the application or in an amendment attached to this policy. While the Insured is alive, the Owner may exercise all rights and options and receive all benefits under this policy. These rights, however, are subject to the consent of any assignee of record with Us or any Irrevocable Beneficiary.

**Change of Owner or Beneficiary**

While the Insured is alive, the Owner or Beneficiary may be changed. Any change will take effect as of the date the request is signed. The Insured need not be living when the requested change is recorded at Our Service Office, however the requested change must be delivered to Us prior to the death of the Insured.

**Death of the Owner or Beneficiary**

If an Owner other than the Insured dies while the Insured is living, all rights and options of the Owner will belong to the Owner's executors or administrators or to the Owner's successor in interest (if the Owner is a non-natural person) unless otherwise provided. The interest of any Beneficiary, including any Irrevocable Beneficiary, who dies before the Insured, will belong to the Owner unless otherwise provided.

**Assignment**

Only You have the right to assign this policy. We are not bound by any assignment of this policy unless it has been recorded at Our Service Office. We do not assume responsibility for the validity or sufficiency of any assignment.

## **Premium, Grace Period, and Reinstatement Provisions**

**Payment of Premiums**

All premiums are payable at Our Service Office or to any of Our authorized agents. The first premium is due on the Policy Date and is payable in advance. We will furnish a premium receipt signed by an officer of the Company if You request a receipt. Premiums are payable in United States currency.

Additional premiums may be paid at any time up to the Insured's Attained Age 95. If a payment of any additional premium would increase the Net Amount at Risk, We may reject the additional premium payment unless You submit satisfactory evidence of insurability and We agree to accept the risk. If satisfactory evidence of insurability is not received, the premium or any portion thereof may be returned. We reserve the right to limit the amount of premiums paid in accordance with the requirements of the Compliance with the Internal Revenue Code and Modified Endowment provisions.

**Planned Premiums**

You may, from time to time, change the amount and frequency of premium payments. Any change in the planned premiums may impact the policy values and benefits. We will send premium reminder notices for the amounts and frequency of payments You establish. We reserve the right to stop sending reminder notices if no premium payment is made within 2 Policy Years.

**Net Premiums**

Each net premium will be computed by (a) minus (b) where:

- (a) is the total premium received in a Policy Year; and
- (b) is determined by multiplying each premium paid by the premium expense charge shown on the policy schedule for the applicable Policy Year and any cumulative premium received during the applicable Policy Year.

**Grace Period**

This policy will enter the grace period described below if the Cash Value on any Monthly Anniversary Day is less than the required monthly deduction. We will allow a grace period of 61 days to pay a premium sufficient to prevent this policy from Lapsing. This premium will be an amount equal to the monthly deductions due and unpaid plus two additional monthly deductions.

At least 30 days before the end of the grace period, We will send a Written Notice to You and to any assignee of record that there is insufficient Cash Value under this policy. The notice will show the amount of premium required to prevent this policy from Lapsing. If You do not pay this billed premium within the grace period, all coverage under this policy will Lapse at the end of the grace period. If the Insured dies during the grace period, We will deduct any overdue monthly deductions from the Death Benefit.

**Reinstatement**

If this policy has Lapsed as described in the Grace Period provision, You may reinstate this policy within 5 years from the date of Lapse and prior to the Insured's Attained Age 95, provided the policy has not been surrendered so long as:

- a. You submit satisfactory evidence of insurability to Us;
- b. You pay a premium equal to the monthly deductions due and unpaid during the grace period plus two additional monthly deductions; and
- c. any Indebtedness is either paid or reinstated.

The Cash Value on the date of reinstatement will be equal to (a) plus (b) minus (c) where:

- a. is the Gross Cash Value on the date of Lapse;
- b. is the net premiums credited at the time of reinstatement; and

c. is any Indebtedness at the time of reinstatement.

Any surrender charge and surrender charge period, applicable to the reinstated policy, will be based on the duration from the original Policy Date as though the policy had never Lapsed.

The reinstated policy will be effective as of the Monthly Anniversary Day after the date on which We approve the application for reinstatement and We receive the premium due to reinstate the policy. In addition to payment of the premium due to reinstate the policy, We recommend that You review the reinstated policy against Your objectives when You purchased the policy to be certain the policy will continue to meet those objectives. We recommend You review any future premium payments with Your agent in order to provide coverage beyond the initial period following the date of reinstatement. Limitations may apply to reinstating any riders or endorsements issued with this policy. Please review all attached riders or endorsements carefully.

We will not contest this policy for misrepresentations made in the application for reinstatement after the policy has been In Force during the lifetime of the Insured for 2 years from the date of reinstatement.

#### **Continuation of Policy After the Insured's Attained Age 95**

If this policy is In Force at the Insured's Attained Age 95, but not in the grace period, the following will occur:

- a. the policy will continue In Force until the death of the Insured;
- b. no further premium payments may be made;
- c. no further monthly deductions will be taken;
- d. policy loans and withdrawals can continue to be taken. Loan interest rates will apply as stated on the policy schedule and noted in the Loan provision; and
- e. interest will continue to be credited to the Gross Cash Value at the rate stated on the policy schedule.

If this policy is in the grace period at the Insured's Attained Age 95, You will need to pay the billed premium amount, as described in the Grace Period provision, in order to guarantee continuation of this policy beyond the Insured's Attained Age 95.

#### **Rate Class Changes**

Rate Class changes may occur upon Your request (such as a change in Tobacco User status) at any time after the first Policy Year while the Insured is still alive and prior to the Insured's Attained Age 95. Changes in Rate Class will be effective on the Monthly Anniversary Day following the date of approval by Us of the request for a change, unless another Monthly Anniversary Day acceptable to Us is requested.

## Death Benefit Provisions

### Death Benefit

If the Insured dies while this policy is In Force, We will pay a Death Benefit equal to the greater of:

- a. the Specified Amount on the date of death, less any Indebtedness; or
- b. the Minimum Required Death Benefit, less any Indebtedness.

Any Death Benefit payable will be paid in a lump sum unless You elect a settlement option made available by Us. We may require return of this policy when settlement is made.

### Notice of Claim

You or someone on Your behalf must provide Us with Due Proof of Death In Writing within 30 days or as soon as reasonably possible after the death of the Insured.

### Interest on Death Benefit

We will pay interest on any Death Benefit payable as required by applicable law.

### Claims of Creditors

To the extent allowed by law, any Death Benefit payable will not be subject to claims of a Beneficiary's creditors.

### Payment of Claims

When this policy become a claim due to the death of the Insured, settlement will be made within 30 days after receipt of Due Proof of Death. If the proceeds are not paid within thirty (30) days, We shall pay interest on the proceeds from the date of death of the Insured to the date when Proceeds are paid. Interest shall be paid at the rate described in Ark. Code Ann. 23-81-118.

## Policy Values Provisions

### Gross Cash Value

The Gross Cash Value on the Policy Date will be equal to all net premiums paid for this policy, as of the Policy Date, minus the monthly deduction for the current Policy Month. The Gross Cash Value of this policy is then determined on each Monthly Anniversary Day by accumulating with interest the Gross Cash Value for the prior Policy Month increased by net premiums credited and decreased by monthly deductions and by the reduction in Gross Cash Value caused by any withdrawal since the preceding Monthly Anniversary Day.

On any day other than a Monthly Anniversary Day, the Gross Cash Value will be the Gross Cash Value as of the preceding Monthly Anniversary Day increased by Net Premium and interest credited minus the reduction in the Gross Cash Value caused by any withdrawal since the preceding Monthly Anniversary Day. For the purposes of this paragraph, "Policy Date" will replace "preceding Monthly Anniversary Day" for determining the Gross Cash Value in the first Policy Month after issue.

In addition, if a surrender is processed as of the preceding Monthly Anniversary Day We will refund any premium received since the preceding Monthly Anniversary Day.

**Monthly Deduction**

The monthly deduction for a Policy Month will be computed as (1) plus (2) where:

1. is the cost of insurance and the cost of any additional benefits provided by rider for the Policy Month; and
2. is the sum of all administrative charges for the policy shown on the policy schedule and any attached riders as being due for the Policy Month.

**Interest Rate**

We will credit interest to the Gross Cash Value of this policy daily. The interest rate applied to the Gross Cash Value of this policy will be the Guaranteed Minimum Interest Rate as shown on the policy schedule.

We may credit interest at rates in excess of the Guaranteed Minimum Interest Rate as determined by Us at any time. Such interest is referred to in this policy as excess interest. Excess interest is not guaranteed. At no time will the interest rate credited be less than the Guaranteed Minimum Interest Rate shown on the policy schedule. Interest will be credited on any Gross Cash Value held as security for a policy loan at the rate shown on the policy schedule. Interest will begin to accumulate as of the date the net premium is credited.

**Cost of Insurance**

The monthly cost of insurance under this policy will be equal to (1) multiplied by (2), divided by (3), where:

1. is the Net Amount at Risk at the beginning of the Policy Month;
2. is the monthly cost of insurance rate as described in the Cost of Insurance Rates provision; and
3. is equal to 1,000.

**Cost of Insurance Rates**

We will determine monthly cost of insurance rates based on Our expectations as to future mortality, investment earnings, persistency, and expenses (including taxes). Any change in cost of insurance rates will apply to all individuals of the same class as the Insured.

We guarantee that the cost of insurance rates will never be greater than the rates as described on the policy schedule in the Table of Guaranteed Maximum Cost of Insurance Rates.

**Basis of Computations**

Minimum policy values are based on the mortality assumptions and interest rates shown on the policy schedule. The values for this policy are at least equal to the minimum required by law. If required, a detailed statement of the method used to determine cash values and reserves has been filed with the jurisdiction in which this policy is delivered.

## Surrender and Withdrawal Provisions

### Surrender and Surrender Value

Upon request and while the Insured is alive, You may surrender this policy for its Surrender Value. Surrender of this policy is effective on the business day We receive both this policy and Your Written Request for surrender. All coverage under this policy will terminate upon surrender of this policy for its Surrender Value.

If surrender is requested within 30 days after a Policy Anniversary, the Surrender Value will not be less than the Surrender Value on that anniversary, less any policy loans and withdrawals made on or after such anniversary.

### Withdrawals

You may request a withdrawal (i.e., partial surrender) from this policy during the lifetime of the Insured while this policy is In Force by submitting a Written Request to Us. We reserve the right to limit withdrawals to no more than one per Policy Year and to the limit stated on the policy schedule.

We will deduct the amount of the withdrawal from the Gross Cash Value. The Specified Amount will be reduced by an amount equal to (a) divided by (b), then multiplied by (c), where:

- a. is the amount of the withdrawal;
- b. is the Gross Cash Value immediately preceding the withdrawal; and
- c. is the Specified Amount immediately preceding the withdrawal.

The Specified Amount remaining In Force after any withdrawal will be subject to the minimum Specified Amount shown on the policy schedule. The Death Benefit will be calculated as described in the Death Benefit Provisions based on the reduced Specified Amount and reduced Gross Cash Value.

## Loan Provisions

### Policy Loans

If this policy has a Surrender Value available, We will grant a loan against the policy so long as:

- a. a loan agreement is properly executed; and
- b. You make a satisfactory assignment of this policy to Us.

The maximum additional loan at any time is the Surrender Value on the date of the request less all policy loan interest due to the end of the Policy Year.

### Loan Interest

Loans under this policy bear interest at an adjustable interest rate. We may adjust the rate on each Policy Anniversary. The new rate will apply to both new and outstanding loans. We will provide notice of the initial rate for cash loans when the loan is made. We will also provide reasonable advance notice prior to any change in interest rate while a loan is outstanding.

The interest rate charged during any Policy Year will not exceed the maximum rate for that year. The maximum rate will be the greater of:

- a. the "Published Monthly Average" (as defined below) for the calendar month which ends 2 months before the month in which the Policy Anniversary occurs; or
- b. the rate used to compute the Surrender Value of this policy during the applicable period plus 1% per year.

The term "Published Monthly Average" as used within this provision means the monthly average of the composite yield on seasoned corporate bonds as published by Moody's Investors Service, Inc., or its successors. If such average is no longer published, We will use the average established by law or regulation by the insurance supervisory official of the jurisdiction in which this policy is delivered. We guarantee that the interest rate charged will never exceed the maximum rate imposed by law or regulation in the jurisdiction in which this policy is delivered.

We will not increase the loan interest rate until the new maximum rate exceeds the rate then currently charged under this policy by at least .5% annually. We will reduce the rate being charged whenever such reduction results in a new annual maximum rate that is at least .5% lower than the rate then currently being charged under this policy.

#### **Indebtedness**

Any Indebtedness will reduce the amount payable upon surrender of this policy. Indebtedness may be repaid in whole or in part at any time. However, if a premium is not paid within the grace period, any outstanding Indebtedness can be repaid only if this policy is reinstated. If this policy becomes payable as a Death Benefit, any Indebtedness will be deducted from the Proceeds payable.

#### **Effect of Riders and Endorsements on Policy Provisions**

If any riders or endorsements are attached to and made a part of this policy, policy provisions and definitions may be impacted, including those concerning premiums and policy values. **READ YOUR POLICY, RIDERS AND ENDORSEMENTS CAREFULLY.**

## **Settlement Options**

Upon the death of the Insured, while this policy is In Force, the Proceeds may be paid in a lump sum or left with Us for payment under a settlement option that We make available. The amount applied under an option for the benefit of any beneficiary must be at least \$2,500. The amount of each payment under an option must be at least \$50. You may make, change or revoke an election at any time while the Insured is alive. Following the death of the Insured, the Beneficiary may elect an option if You have not elected one or if Proceeds are payable in one sum. A Beneficiary may make a change in payment under a settlement option You elect only if You provided for it in Your election. A change of Beneficiary automatically cancels a previous election of a settlement option. If this policy is assigned, the assignee's portion of Proceeds will be paid in one sum. Any balance of Proceeds may be applied under a settlement option. To the extent allowed by law, all payments under the policy will be free from creditor claims or legal process.



## The Lincoln National Life Insurance Company

(the "Company")  
A Stock Company

Service Office: [One Granite Place]  
[PO Box 515]  
[Concord, NH 03302-0515]  
[800 962-1654]

When writing the Service Office please give the policy number, the Insured's full name and Your address.

### **Important Information**

This policy is a valuable asset. Read it carefully and file it with Your other valuable papers.

If You need any of the following services, contact Your Lincoln National Life Insurance Company Agent or Our Service Office at [800 962-1654].

1. Information about this policy.
2. Preparation of claims papers, or other notices, elections or requests.
3. Examination of any proposal that You lapse or surrender this policy – this is for Your own protection.
4. Additional life insurance service.

### **FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY**

Proceeds payable at the death of the Insured. Flexible Premiums payable to the Insured's Attained Age 95. Non-participating – No Dividends.

LN870

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

## Policy Schedule

**Policy Number** [SPECIMEN]

|                                  |                  |                           |                    |
|----------------------------------|------------------|---------------------------|--------------------|
| <b>Insured:</b> [JOHN DOE]       |                  | <b>Policy Date</b>        | [NOVEMBER 1, 2009] |
| <b>Initial Specified Amount:</b> | [\$100,000]      | <b>Date of Issue:</b>     | [NOVEMBER 1, 2009] |
| <b>Minimum Specified Amount:</b> | [\$25,000]       | <b>Initial Premium:</b>   | [\$12,557.26]      |
| <b>Monthly Anniversary Day:</b>  | [01]             | <b>Issue Age and Sex:</b> | [35] [Male]        |
| <b>Payment Mode:</b>             | [Annual Premium] | <b>Rate Class:</b>        | [Tobacco]          |
| <b>Planned Modal Premium:</b>    | [\$12,557.26]    |                           |                    |

**Minimum Additional Premium:** \$200 if paid annually or \$15 if paid by electronic funds transfer

# Policy Schedule

Policy Number [SPECIMEN]

## Factors Used in the Calculation of Policy Value

**Monthly Cost of Insurance:** See Policy Values Provisions, Cost of Insurance

**Guaranteed Minimum Interest Rate:** 4.0% annual, 0.010746% daily

## **Monthly Administrative Charge:**

| Policy Year | Monthly Administrative Charge |
|-------------|-------------------------------|
| [1          | \$ 22.50                      |
| 2           | \$ 22.50                      |
| 3           | \$ 22.50                      |
| 4           | \$ 22.50                      |
| 5           | \$ 22.50                      |
| 6           | \$ 20.90                      |
| 7           | \$ 20.90                      |
| 8           | \$ 20.90                      |
| 9           | \$ 20.90                      |
| 10          | \$ 20.90                      |
| 11          | \$ 18.40                      |
| 12          | \$ 18.40                      |
| 13          | \$ 18.40                      |
| 14          | \$ 18.40                      |
| 15          | \$ 18.40                      |
| 16          | \$ 10.60                      |
| 17          | \$ 10.60                      |
| 18          | \$ 10.60                      |
| 19          | \$ 10.60                      |
| 20          | \$ 10.60 ]                    |

**Guaranteed Maximum Premium Expense Charge:** [5.00]% in all Policy Years

# Policy Schedule

Policy Number [SPECIMEN]

## Riders and Rider Charges

### Enhanced Surrender Value Endorsement

Enhanced Surrender Value Threshold: \$[87,900.82]

### Convalescent Care Benefits Rider (“CCBR”)

Monthly Rider Charge: \$[4.60 ]

CCBR Benefit Limit: \$[100,000]

CCBR Duration: [2] Years

Maximum Monthly CCBR Benefit: \$[4,166.67]

### Extension of Benefits Rider (“EOBR”)

Monthly Rider Charge: \$[10.90]

EOBR Benefit Limit: \$[200,000]

EOBR Duration: [4] Years

Maximum Monthly EOBR Benefit: \$[4,166.67]

### Optional Inflation Protection: [5% Compound Increases]

CCBR Monthly Inflation Charge: \$[33.80]

EOBR Monthly Inflation Charge: \$ [94.30 ]

### Nonforfeiture Benefit Rider

Monthly Rider Charge: \$ [0.60]

Caregiver Training Benefit Limit: \$[500]

To contact your Personal Long-Term Care Advisor, please call [800 444-2363 option 6]

# Policy Schedule

Policy Number [SPECIMEN]

## Table of Surrender Charges

For an explanation of surrenders and withdrawals (i.e., partial surrenders), see Surrender and Withdrawal Provisions.

| <u>Policy Year</u> | <u>Surrender Charge</u> |
|--------------------|-------------------------|
| [1                 | \$ 2,286.00             |
| 2                  | \$ 2,286.00             |
| 3                  | \$ 2,070.00             |
| 4                  | \$ 1,846.00             |
| 5                  | \$ 1,613.00             |
| 6                  | \$ 1,371.00             |
| 7                  | \$ 1,119.00             |
| 8                  | \$ 856.00               |
| 9                  | \$ 583.00               |
| 10                 | \$ 298.00               |
| 11 and thereafter  | \$ 0.00]                |

The Surrender Charges are based on the Initial Specified Amount.

In no event will the charge assessed upon full surrender exceed the then current Cash Value.

**Policy loan interest credited to any Gross Cash Value held as collateral:** [4.00]% in all Policy Years

**Minimum Withdrawal Amount:** \$[500.00]

**Maximum Withdrawal Amount:** Not to exceed the Surrender Value less \$[500.00]

# Policy Schedule

Policy Number [SPECIMEN]

## Minimum Required Death Benefit Percentages Table

The percentage used to calculate the Minimum Required Death Benefit is determined based on the Insured's Attained Age as shown in the table below:

| Insured's Attained Age | Percentage | Insured's Attained Age | Percentage | Insured's Attained Age | Percentage |
|------------------------|------------|------------------------|------------|------------------------|------------|
| [35                    | 416.02%    | 57                     | 207.84%    | 79                     | 134.51%    |
| 36                     | 401.11%    | 58                     | 202.50%    | 80                     | 132.76%    |
| 37                     | 386.94%    | 59                     | 197.35%    | 81                     | 131.09%    |
| 38                     | 373.48%    | 60                     | 192.36%    | 82                     | 129.48%    |
| 39                     | 360.66%    | 61                     | 187.74%    | 83                     | 127.90%    |
| 40                     | 348.44%    | 62                     | 183.37%    | 84                     | 126.32%    |
| 41                     | 336.76%    | 63                     | 179.26%    | 85                     | 124.73%    |
| 42                     | 325.59%    | 64                     | 175.38%    | 86                     | 123.11%    |
| 43                     | 314.91%    | 65                     | 171.72%    | 87                     | 121.44%    |
| 44                     | 304.70%    | 66                     | 168.24%    | 88                     | 119.66%    |
| 45                     | 294.97%    | 67                     | 164.90%    | 89                     | 117.75%    |
| 46                     | 285.70%    | 68                     | 161.68%    | 90                     | 115.63%    |
| 47                     | 276.88%    | 69                     | 158.57%    | 91                     | 113.26%    |
| 48                     | 268.51%    | 70                     | 155.57%    | 92                     | 110.58%    |
| 49                     | 260.55%    | 71                     | 152.68%    | 93                     | 107.51%    |
| 50                     | 252.92%    | 72                     | 149.94%    | 94                     | 104.00%    |
| 51                     | 245.56%    | 73                     | 147.36%    | 95 and                 |            |
| 52                     | 238.51%    | 74                     | 144.91%    | After                  | 100.00 ]%  |
| 53                     | 231.77%    | 75                     | 142.59%    |                        |            |
| 54                     | 225.34%    | 76                     | 140.40%    |                        |            |
| 55                     | 219.22%    | 77                     | 138.33%    |                        |            |
| 56                     | 213.40%    | 78                     | 136.36%    |                        |            |

# Policy Schedule

Policy Number [SPECIMEN]

## Table of Guaranteed Maximum Cost of Insurance Rates

### Attained Age Monthly Rates Per \$1,000 of Net Amount at Risk

The monthly cost of insurance rates are based on the Insured's sex, smoker status, and Attained Age using the 2001 CSO Select and Ultimate, Sex and Smoker Distinct Mortality Tables, Age Last Birthday, but will not exceed the rates shown in the table below.

| Insured's<br>Attained<br>Age | Maximum<br>Monthly<br>Rate | Insured's<br>Attained<br>Age | Maximum<br>Monthly<br>Rate | Insured's<br>Attained<br>Age | Maximum<br>Monthly<br>Rate |
|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| [35                          | 0.07500                    | 55                           | 0.90833                    | 75                           | 4.95417                    |
| 36                           | 0.09500                    | 56                           | 0.99917                    | 76                           | 5.35167                    |
| 37                           | 0.11667                    | 57                           | 1.08083                    | 77                           | 5.78417                    |
| 38                           | 0.13750                    | 58                           | 1.15667                    | 78                           | 6.25000                    |
| 39                           | 0.15917                    | 59                           | 1.24000                    | 79                           | 6.72833                    |
| 40                           | 0.18083                    | 60                           | 1.42583                    | 80                           | 7.21583                    |
| 41                           | 0.20333                    | 61                           | 1.57750                    | 81                           | 7.69583                    |
| 42                           | 0.22833                    | 62                           | 1.75167                    | 82                           | 8.15333                    |
| 43                           | 0.25667                    | 63                           | 1.93833                    | 83                           | 8.60333                    |
| 44                           | 0.29000                    | 64                           | 2.12500                    | 84                           | 9.07167                    |
| 45                           | 0.32750                    | 65                           | 2.30750                    | 85                           | 9.56000                    |
| 46                           | 0.37250                    | 66                           | 2.48417                    | 86                           | 10.04417                   |
| 47                           | 0.42333                    | 67                           | 2.66250                    | 87                           | 10.51417                   |
| 48                           | 0.47667                    | 68                           | 2.84500                    | 88                           | 10.96083                   |
| 49                           | 0.51917                    | 69                           | 3.04583                    | 89                           | 11.37833                   |
| 50                           | 0.55833                    | 70                           | 3.27583                    | 90                           | 11.74667                   |
| 51                           | 0.60917                    | 71                           | 3.55833                    | 91                           | 12.06667                   |
| 52                           | 0.67083                    | 72                           | 3.88667                    | 92                           | 12.36750                   |
| 53                           | 0.74250                    | 73                           | 4.21750                    | 93                           | 12.65250                   |
| 54                           | 0.82083                    | 74                           | 4.57583                    | 94                           | 12.93083]                  |

# The Lincoln National Life Insurance Company

## Convalescent Care Benefits Rider

This Convalescent Care Benefits Rider (“CCBR”) is a long-term care insurance rider. This rider is made part of the policy to which it is attached and becomes effective as of the Policy Date. Except as stated below, this rider is subject to all the terms and conditions of the policy.

We agree to provide the benefits described in this rider for Qualified Long-Term Care Services in accordance with all the terms and conditions of this rider. **READ THIS RIDER CAREFULLY.**

### **NOTICE OF 30 DAY RIGHT TO RETURN THIS RIDER**

**You may return this rider for any reason to the insurance agent through whom it was purchased or to Us at the Service Office address shown on the cover of Your policy within 30 days after You receive it. If returned, this rider will be considered void from the beginning and We will refund all charges paid for this rider.**

### **TAXATION**

This rider is intended to be a Qualified Long-Term Care Insurance contract under Section 7702B(b) of the Internal Revenue Code.

### **CAUTION**

**We issued this rider based on Your and the Insured’s answers to the questions on Your application. A copy of Your application is attached. If any answers are incorrect or untrue, We may deny benefits or rescind this rider. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of Your or the Insured’s answers are incorrect, contact Us at the Service Office address shown on the cover of Your policy.**

### **NOTICE TO OWNER**

**This rider may not cover all of the costs associated with long-term care incurred by the Insured during the period of coverage. Carefully review all policy and rider limitations.**

### **Who is Covered**

This rider covers the Insured named on the policy schedule. It does not cover any other person.

### **Renewability**

This rider is non-cancelable. Unless You request to terminate this rider, the rider will remain In Force for as long as the policy remains In Force. We cannot change any of the terms of this rider on Our own and cannot increase the monthly rider charge.

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## DEFINITIONS

### Activities of Daily Living

The 6 basic functional abilities that relate to the Insured's ability to live independently. They are:

- a. **Bathing:** The Insured's ability to wash himself or herself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower.
- b. **Continence:** The Insured's ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
- c. **Dressing:** The Insured's ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- d. **Eating:** The Insured's ability to feed himself or herself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.
- e. **Toileting:** The Insured's ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene.
- f. **Transferring:** The Insured's ability to move into or out of a bed, chair, or wheelchair.

### Assisted Living Facility

A separate facility (or a specially dedicated wing of a facility) which is licensed as an Assisted Living Facility, if the jurisdiction licenses such facilities. If the jurisdiction does not license Assisted Living Facilities, then the facility must meet all of the following criteria:

- a. it must provide room, board, housekeeping, linens, laundry, and all the personal services required by a Chronically Ill individual, as well as protective oversight, in private rooms to residents who require personal assistance to perform Activities of Daily Living;
- b. it must provide personal care and substantial hands-on assistance to prevent, by physical intervention, injury to the individual while the individual is performing Activities of Daily Living. Such assistance may also include transportation, help in dispensing medication, providing assistance with baths or showers, as well as other individual needs which may be required; and
- c. it must have staff available to provide such assistance 24 hours a day and 7 days a week and have a staff physician available on call.

### CCBR Base Benefit Limit

At issue, an amount equal to the policy's Specified Amount. The CCBR Base Benefit Limit may change as provided in this rider. The CCBR Base Benefit Limit is used to calculate the monthly rider charge, the CCBR Benefit Limit, and the CCBR Base Maximum Monthly Benefit. If Optional Inflation Protection is elected, the CCBR Base Benefit Limit is also used to calculate the monthly inflation charge and the CCBR Inflation Benefit Limit.

### CCBR Base Maximum Monthly Benefit

An amount equal to the CCBR Base Benefit Limit divided by the number of months in the CCBR Duration. The CCBR Base Maximum Monthly Benefit may change as provided in this rider.

**CCBR Benefit Limit**

The maximum benefit amount available under this rider to reimburse the costs incurred by the Insured for Covered Services. The CCBR Benefit Limit equals the CCBR Base Benefit Limit plus the CCBR Inflation Benefit Limit, if any. At issue, the CCBR Benefit Limit equals the policy's Specified Amount. The CCBR Benefit Limit as of the Policy Date is shown on the policy schedule, and may change as provided in this rider.

**CCBR Duration**

The period of coverage under this rider. The CCBR Duration was selected on the application for this rider, and is shown on the policy schedule.

**CCBR Inflation Benefit Limit**

The amount of any additional CCBR Benefit Limit generated by Optional Inflation Protection, if elected, as described in the Optional Inflation Protection provision.

**CCBR Inflation Maximum Monthly Benefit**

The amount of any additional monthly CCBR benefit generated by Optional Inflation Protection, if elected. The CCBR Inflation Maximum Monthly Benefit is equal to the CCBR Inflation Benefit Limit divided by the number of months in the CCBR Duration.

**Care Planning Agency**

An agency or organization which is primarily engaged in providing care planning on behalf of its clients. The agency or organization must be licensed by the appropriate state licensing agency as a Care Planning Agency, if the state licenses such agencies. If the state does not license Care Planning Agencies, then the agency must meet all of the following criteria:

- a. it must operate at least 5 days per week for a minimum of 8 hours per day and have someone on call to provide emergency coverage during non-operating hours;
- b. it must have at least one full-time nurse and one full-time social worker on staff; and
- c. it must maintain a written record for each client of all Covered Services provided.

**Chronically Ill (Chronic Illness)**

The Insured has been certified, within the preceding 12 months, by a Licensed Health Care Practitioner as:

- a. being unable to perform (without Substantial Assistance from another individual) at least 2 Activities of Daily Living for a period of at least 90 days as a result of loss of functional capacity; or
- b. requiring Substantial Supervision to protect the Insured from threats to health and safety caused by Severe Cognitive Impairment.

**Covered Services**

The Qualified Long-Term Care Services covered by this rider. These services are listed in the Covered Services provision. To qualify for benefits under this rider, the Insured must receive Covered Services prescribed under a Plan of Care while this rider is In Force.

**Death Benefit**

This rider does not have a death benefit. However, while this rider is In Force, the policy's Death Benefit will be as described in this rider's Residual Death Benefit provision.

**Guaranteed Benefit Limit**

The total amount available under this rider's Guaranteed Benefit provision to reimburse expenses for Covered Services incurred by the Insured.

**Home Health Care Agency**

An entity which provides care and services at the Insured's home or other residence, is primarily engaged in providing residential health care services under policies and procedures established by a group of professionals, including at least one physician and one nurse, and meets at least one of the following criteria:

- a. it must be licensed by the appropriate state licensing agency as a Home Health Care Agency, if the state licenses such agencies; or
- b. it must be accredited as a Home Health Care Agency or as a provider of Home Health Care Services by the National League of Nursing, American Public Health Association, or Joint Commission on Accreditation of Health Care Organizations or their successor organization; or
- c. is certified by Medicare as a Home Health Care Agency.

**Immediate Family**

The Insured's spouse and the children, brothers, sisters, and parents of either the Insured or the Insured's spouse.

**Insured**

The person named on the policy schedule who is entitled to benefits under this rider.

**Licensed Health Care Practitioner**

A physician, as defined in Section 1861(r)(1) of the Social Security Act, a registered professional nurse, licensed social worker, or other individual who meets such requirements as may be prescribed by the Secretary of the Treasury, or qualifications to Our satisfaction. The health care practitioner must be acting within the scope of his or her license when providing Covered Services or performing necessary functions or actions under this rider.

**Maintenance or Personal Care Services**

Any care for which the primary purpose is to provide needed assistance with any of the disabilities as a result of which the Insured is Chronically Ill (including the protection from threats to health and safety caused by Severe Cognitive Impairment).

**Maximum Monthly CCBR Benefit**

The maximum amount that We will pay each month to reimburse the costs incurred by the Insured for Covered Services under this rider. The Maximum Monthly CCBR Benefit equals the CCBR Base Maximum Monthly Benefit plus the CCBR Inflation Maximum Monthly Benefit, if any. The Maximum Monthly CCBR Benefit as of the Policy Date is shown on the policy schedule, and may change as provided in this rider.

**Maximum Monthly Guaranteed Benefit**

The maximum amount that We will pay each month under this rider's Guaranteed Benefit provision to reimburse the costs incurred by the Insured for Covered Services.

**Medicare**

Title XVIII of the Social Security Act, as amended.

**Mental or Nervous Disorders**

Neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder.

**Nursing Home**

A facility or distinctly separate part of a hospital or other institution which is licensed by the appropriate jurisdiction licensing agency or authority as a Nursing Home, if the jurisdiction licenses such facilities. If the jurisdiction does not license Nursing Homes, then the facility must meet all of the following criteria:

- a. it must provide 24 hour a day nursing service under a planned program of policies and procedures which were developed with the advice of, and is periodically reviewed and executed by a professional group of at least one physician and one nurse;
- b. it must have a physician available to furnish medical care in case of emergency;
- c. it must have at least one nurse who is employed there full time (or at least 24 hours per week if the facility has less than 10 beds);
- d. it must have a nurse on duty or on call at all times;
- e. it must maintain clinical records for all patients; and
- f. it must have appropriate methods and procedures for handling and administering drugs and biologicals.

**Plan of Care**

A written document which was prescribed by a Licensed Health Care Practitioner which outlines the individualized medical treatment (including medication and therapy) and non-medical assistance and services which are prescribed because the Insured suffers from loss of functional capacity or from a Severe Cognitive Impairment. The plan must specify the agency or facility where the care is to be provided; the type, frequency, and duration of all medication, therapy, and services required; and the title of the provider who is to perform each service. It must also describe the likelihood of improvement or deterioration of the Insured's condition within the next 12 months from the date the Plan of Care was prepared and must also describe the supporting evidence upon which the Licensed Health Care Practitioner has based his or her conclusions and prognosis. Such supporting evidence may include either documents or information relevant to the assessment of loss of functional capacity or to the assessment of Severe Cognitive Impairment, or both, which was prepared by a physician, nurse, social worker, or any other licensed or certified professional who is qualified to perform such assessment by virtue of their licensure.

**Pre-Existing Condition**

A condition of the Insured for which medical advice or treatment was recommended by, or received from, a provider of health care services within 6 months preceding the Date of Issue.

**Primary Caregiver**

The person or persons, including members of the Insured's Immediate Family, who provide(s) ongoing daily care to the Insured while the Insured resides outside of a hospital or Nursing Home.

**Qualified Long-Term Care Services**

Necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services, and Maintenance or Personal Care Services, which are:

- a. required by the Insured because he or she is Chronically III; and
- b. provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

**Severe Cognitive Impairment**

Deterioration or loss in the Insured's intellectual capacity that is:

- a. comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and
- b. measured and confirmed by clinical evidence and standardized tests that reliably measure impairment in the following areas:
  - 1. the Insured's short- or long-term memory;
  - 2. the Insured's orientation as to person (such as who they are), place (such as their location), and time (such as day, date, and year); and
  - 3. the Insured's deductive or abstract reasoning, including judgment as it relates to safety awareness.

**Substantial Assistance**

Hands-on assistance or the presence of another person within arm's reach that is necessary to prevent, by physical intervention, injury to the Insured while the Insured is performing the Activities of Daily Living.

**Substantial Supervision**

Continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect the Severely Cognitively Impaired Insured from threats to his or her health or safety (such as may result from wandering).

## **RIDER CHARGES**

**Monthly Rider Charge**

We will deduct a charge for this rider from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Policy Date until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to less than the monthly deduction as a result of payments for Covered Services under this rider, provided no loans or withdrawals have been made against the policy to which this rider is attached.

The monthly rider charge as of the Policy Date is shown on the policy schedule.

The monthly rider charge at issue is calculated based on the Insured's Age as shown on the policy schedule, the CCBR Duration selected, and the CCBR Base Benefit Limit.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly rider charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly rider charge proportionately.

### **Monthly Inflation Charge**

If Optional Inflation Protection is elected, we will deduct an inflation charge from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Policy Date until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to less than the monthly deduction as a result of payments for Covered Services under this rider, provided no loans or withdrawals have been made against the policy to which this rider is attached.

The monthly inflation charge as of the Policy Date is shown on the policy schedule.

The monthly inflation charge at issue is calculated based on the Insured's Age as shown on the policy schedule, the CCBR Duration selected, the CCBR Base Benefit Limit, and the Optional Inflation Protection option selected.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly inflation charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly inflation charge proportionately.

## **ELIGIBILITY FOR THE PAYMENT OF BENEFITS**

### **Benefit Conditions**

The following conditions must be met to qualify for benefits under this rider:

- a. The total benefits paid to date under this rider must not have reached the CCBR Benefit Limit.
- b. The Licensed Health Care Practitioner must certify that the Insured is Chronically Ill and that the illness is expected to continue for at least 90 days.
- c. The Licensed Health Care Practitioner must prescribe a Plan of Care In Writing prescribing services, including Covered Services, that are to be provided to the Insured. The Insured must receive the Covered Services prescribed under the Plan of Care while this rider is In Force.
- d. At least once every 12 months thereafter, and for as long as the Insured continues to be Chronically Ill, the Licensed Health Care Practitioner must again:
  1. certify that the Insured is Chronically Ill. If the Insured's Chronic Illness is caused by loss of functional capacity, the Licensed Health Care Practitioner must again certify that the Insured's Chronic Illness is expected to continue for at least 90 days; and
  2. either prescribe a new Plan of Care, or reconfirm the existing Plan of Care In Writing.

Benefits will be paid under this rider for as long as:

- a. the benefit conditions of this rider are met; and
- b. this rider remains In Force.

## **LONG-TERM CARE BENEFITS**

### **Benefits Available**

We will pay an amount not to exceed the Maximum Monthly CCBR Benefit each calendar month until the end of the CCBR Duration to reimburse costs incurred by the Insured for any Covered Service or combination of Covered Services, subject to the terms and conditions of this rider. Any amounts paid in a calendar month for any Covered Service or combination of Covered Services will reduce that month's available Maximum Monthly CCBR Benefit and the remaining CCBR Benefit Limit. Benefits under this rider while this rider is In Force will continue beyond the CCBR Duration shown on the policy schedule as long as the remaining CCBR Benefit Limit is greater than zero.

### **International Benefits**

If the Insured is confined to a Nursing Home or Assisted Living Facility outside the United States or its territories and possessions (collectively, "United States"), the amount payable each calendar month to reimburse costs incurred by the Insured for such Nursing Home Care Services or Assisted Living Facility Services is limited to an amount equal to 50% of any available maximum monthly benefit. No benefits are payable for Covered Services, other than Nursing Home Care Services or Assisted Living Facility Services, that are received outside the United States. Benefits under this provision will continue beyond the CCBR Duration shown on the policy schedule as long as the remaining CCBR Benefit Limit is greater than zero.

Any benefits payable under this provision are subject to the following terms and conditions:

- a. Benefits are not payable under this provision if it is prohibited by United States Government sanctions as specified by the United States Department of the Treasury's Office of Foreign Asset Control, its successor organization, or any authorized agency or department of the United States.
- b. Benefits for Covered Services received within the United States which are otherwise provided under this rider are not payable while benefits are being paid for Nursing Home Care Services or Assisted Living Facility Services under this provision.
- c. We must receive proof In Writing satisfactory to Us that the Insured is confined outside of the United States and has met all of the benefit conditions of the rider and this provision. Such proof and all supporting documentation must be furnished in English at no expense to the Company.
- d. Payments will be made in United States currency at the then current exchange rate as published by Bloomberg L.P. or its successors.
- e. While benefits are being paid under this provision, we reserve the right to verify no more frequently than monthly that all of the criteria for eligibility for benefits under the rider and this provision have been satisfied.

### **Benefit Payments**

When making a payment for Covered Services under this rider, We will first pay an amount up to the CCBR Base Maximum Monthly Benefit or the remaining CCBR Base Benefit Limit, whichever is less. If the claim is for an amount greater than the CCBR Base Maximum Monthly Benefit or remaining CCBR Base Benefit Limit, and if Optional Inflation Protection is elected, We will pay an amount up to the CCBR Inflation Maximum Monthly Benefit or the remaining CCBR Inflation Benefit Limit, whichever is less.

### **Impact of Withdrawals, Indebtedness and Repayments**

Withdrawals or Indebtedness will reduce the CCBR Base Benefit Limit. Any reduction in the CCBR Base Benefit Limit will reduce the CCBR Base Maximum Monthly Benefit proportionately. Any repayment of the loan or loan interest will increase the CCBR Base Benefit Limit. Any increase in the CCBR Base Benefit Limit will increase the CCBR Base Maximum Monthly Benefit proportionately.

### **Optional Inflation Protection**

The Optional Inflation Protection option, if any, in effect for this rider is shown on the policy schedule. Unless You have rejected Optional Inflation Protection on the application for this rider, We will recalculate the CCBR Inflation Benefit Limit based on the Optional Inflation Protection option selected:

- a. on each Policy Anniversary; and
- b. any time You make a policy loan, withdrawal, or repayment of the loan or loan interest.

Any increase in the CCBR Inflation Benefit Limit will increase the CCBR Inflation Maximum Monthly Benefit proportionately. Any decrease in the CCBR Inflation Benefit Limit will decrease the CCBR Inflation Maximum Monthly Benefit proportionately.

### **Benefits After Lapse**

If the policy and this rider Lapse while the Insured is confined to a Nursing Home or Assisted Living Facility and the Insured is receiving benefits for those services under this rider, We will continue to reimburse expenses incurred for Nursing Home Care Services or Assisted Living Facility Services, as applicable, until the earlier of the following:

- a. the date the Insured is discharged from the Nursing Home or Assisted Living Facility, as applicable; or
- b. the date the CCBR Benefit Limit is reached. The CCBR Benefit Limit under this provision will equal the CCBR Benefit Limit in effect as of the date of Lapse, and will not change.

Benefits are not payable under this provision if at any point in time You have made a loan against or withdrawal from the policy to which this rider is attached. No Death Benefit is payable if expenses for Covered Services have been reimbursed under this provision.

### **Guaranteed Benefit**

After the policy and this rider have been In Force for 3 Policy Years and subject to the limitations outlined below, this Guaranteed Benefit provision will cover eligible claims for Covered Services up to the Guaranteed Benefit Limit amount described below which begin at any time after the policy and this rider Lapse. The Maximum Monthly Guaranteed Benefit under this provision will be an amount equal to the Maximum Monthly CCBR Benefit in effect as of the date this rider Lapses, and will not change.

The Guaranteed Benefit Limit under this provision will be an amount equal to the greater of:

- a. one month's Maximum Monthly CCBR Benefit in effect as of the date this rider Lapses; or
- b. an amount equal to the sum of all rider charges and inflation charges, if any, paid for this rider, less any Indebtedness and withdrawals.

The Guaranteed Benefit Limit and the Maximum Monthly Guaranteed Benefit are not subject to inflation protection increases.

If this rider Lapses while the Insured is confined to a Nursing Home or Assisted Living Facility and the Insured is receiving benefits for those services under this rider, benefits will first be paid under this rider's Benefits After Lapse provision. Benefits under this Guaranteed Benefit provision become effective after payments under this rider's Benefits After Lapse provision, if any, have ended according to the terms and conditions of that provision.

The sum of benefits paid while this rider is In Force, if any, plus benefits paid under this rider's Benefits After Lapse provision, if any, plus benefits paid under this provision will not exceed the maximum benefits which were available under this rider at the time of Lapse. This Guaranteed Benefit will continue as paid-up long-term care coverage until the earlier of the death of the Insured or the date the Guaranteed Benefit Limit under this provision has been reached.

## **COVERED SERVICES**

We will reimburse expenses incurred by the Insured for the following Covered Services, to the extent that such services are Qualified Long-Term Care Services as defined in this rider:

### **Adult Day Care Services**

A program for 6 or more individuals of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the home.

### **Assisted Living Facility Services**

Services that are provided to the Insured while he or she is confined or living in an Assisted Living Facility.

### **Bed Reservation**

The expense incurred by the Insured to reserve the Insured's bed in a Nursing Home while he or she is temporarily absent during a stay in a Nursing Home and is charged to reserve accommodations. The temporary absence can be for any reason with the exception of discharge. This includes, but is not limited to, a hospital stay or spending holidays or other time with family.

This benefit is limited to no more than 30 days each calendar year. The amount payable for this benefit cannot exceed 1/30<sup>th</sup> of the Maximum Monthly CCBR Benefit for each day that the bed is reserved.

### **Care Planning Services**

Services provided for the Insured by a Care Planning Agency under the direction of a Licensed Health Care Practitioner. Care Planning Services may include:

- a. assessment of the circumstances in the Insured's home which relate to his or her ability to live independently;

- b. assessment of the Insured's Chronic Illness and the level of assistance needed for each Activity of Daily Living;
- c. preparation of a Plan of Care for the Insured in coordination with the Licensed Health Care Practitioner;
- d. coordination and monitoring of the Covered Services provided to the Insured; and
- e. monitoring any changes in the Insured's abilities and updating the Plan of Care accordingly.

### **Caregiver Training**

Training given to the Primary Caregiver to provide him or her with the knowledge and skills necessary to care for the Chronically Ill Insured. Such training must be provided by a properly accredited medical or instructional institution or by an individual, such as a licensed nurse, who is qualified to provide such training.

The total amount payable for all Caregiver Training provided while the Insured is covered under this rider and under the Extension of Benefits Rider, if applicable, is limited to no more than the Caregiver Training Benefit Limit shown on the policy schedule. Caregiver Training may include:

- a. the proper use and care of therapeutic devices or disposable medical aids, including but not limited to catheters, colostomy bags, or suctioning tubes;
- b. the performance of care-giving procedures such as changing wound dressings or repositioning the Insured in bed; or
- c. other therapeutic or care-giving procedures needed to enable the Chronically Ill Insured to continue to reside in his or her place of residence.

### **Home Health Care Services**

Skilled nursing or other professional care services provided by a Home Health Care Agency at the Insured's place of residence which must be outside of a hospital, Nursing Home or Assisted Living Facility. Such services include, but are not limited to, part-time and intermittent skilled nursing services, home health aide services, physical therapy, occupational therapy, chemotherapy, speech therapy, audiology services, and medical social services by a social worker.

### **Hospice Services**

Services given to provide palliative care to alleviate the physical, emotional, social, and spiritual discomforts of the Insured who is in the terminal phases of life. These services also include supportive care given to the Primary Caregiver and the Insured's Immediate Family.

### **Nursing Home Care Services**

Services that are provided to the Insured while he or she is confined to a Nursing Home.

### **Personal Care Services**

Services provided at the Insured's place of residence which must be outside of a hospital, Nursing Home or Assisted Living Facility, to assist with Activities of Daily Living, including activities such as using a telephone, managing medications, moving about outside, shopping for essentials, preparing meals, laundry, and housekeeping or homemaking activities to allow the Insured to remain in his or her residence. These services may be provided by skilled or unskilled persons.

### **Respite Care Services**

Short-term care services provided for the Insured in an institution, in the home, or in a community-based program to provide temporary relief for the Primary Caregiver. Such services may be provided by skilled or unskilled persons.

This benefit is limited to no more than 21 days each calendar year. The amount payable for this benefit cannot exceed 1/30<sup>th</sup> of the Maximum Monthly CCBP Benefit for each day of Respite Care Services.

### **Alternative Care Services**

Qualified Long-Term Care Services that are not covered under any of the above paragraphs, but which the Licensed Health Care Practitioner and We mutually agree would be appropriate to meet the Insured's long-term care needs. We will not unreasonably withhold agreement. These services must be provided as an alternative to services covered under the above paragraphs that would otherwise be required by the Chronically Ill Insured. 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.

### **Non-Continual Alternative Care Services**

Alternative Care Services which are received on a one-time basis, such as expenses for durable medical equipment or for modifications to the home to accommodate a wheelchair or other device. Non-Continual Alternative Care Services will be covered only to the extent that they are Qualified Long-Term Care Services.

This benefit is limited to no more than one claim per calendar year. The amount payable for this benefit in any calendar year cannot exceed the Maximum Monthly CCBP Benefit.

## **GENERAL EXCLUSIONS AND LIMITATIONS**

This rider will not provide benefits for:

- a. care provided in facilities operated primarily for the treatment of Mental or Nervous Disorders. **This exclusion does not apply to qualifying stays or care resulting from a clinical diagnosis of Alzheimer's Disease or similar forms of irreversible dementia;**
- b. treatment for alcoholism, drug addiction or chemical dependency (unless the drug addiction or chemical dependency is a result of medication taken in doses as prescribed by a physician);
- c. treatment arising out of an attempt (while sane or insane) at suicide or an intentionally self-inflicted injury;
- d. 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;

- e. loss to the extent that benefits are payable under any of the following: Medicare (including that which would have been payable but for the application of a deductible or a coinsurance amount), other governmental programs (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws;
- f. 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;
- g. services provided by a facility or an agency that does not meet this rider definition for such facility or agency, except as provided in the Alternative Care Services provision above; and
- h. services provided by a member of the Insured's Immediate Family or for which no charge is normally made in the absence of insurance.

## **EFFECT OF RIDER ON POLICY**

### **Monthly Deductions**

While the policy and this rider are In Force, monthly deductions will continue to be deducted from the policy's Gross Cash Value until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to less than the monthly deduction as a result of payments for Covered Services under this rider, provided no loans or withdrawals have been made against the policy to which this rider is attached.

### **Grace Period and Lapse**

The policy and this rider will enter the grace period and subsequently Lapse if the Cash Value on any Monthly Anniversary Day is less than the monthly deduction and no additional premium is paid. If the policy and rider enter the grace period, We will give notice to You and to Your designee at the address provided by You for the purposes of receiving notice of Lapse or termination. Notice will not be given until 30 days after a premium is due and unpaid. Notice will be deemed to have been given as of five (5) days after the date of mailing.

However, the policy and this rider will not enter the grace period and Lapse if the Cash Value has been reduced to less than the monthly deduction as a result of payments for Covered Services under this rider, provided no loans or withdrawals have been made against the policy to which this rider is attached.

### **Effect of Payments for Covered Services on Policy Values**

When a payment for Covered Services is made, the policy's Gross Cash Value, Cash Value and Surrender Value will be reduced by an amount equal to (1) multiplied by (2), divided by (3), where:

- (1) is policy's Cash Value immediately prior to the payment for Covered Services;
- (2) is the amount of the CCBR Base Maximum Monthly Benefit paid; and
- (3) is the remaining CCBR Base Benefit Limit immediately prior to the payment for Covered Services.

### **Effect of Payments for Covered Services on Specified Amount**

Any CCBP Base Maximum Monthly Benefit amounts paid will reduce the policy's Specified Amount on a dollar-for-dollar basis. Any CCBP Inflation Maximum Monthly Benefit amounts paid will not reduce the policy's Specified Amount.

### **Residual Death Benefit**

While the policy and this rider are In Force, the policy's Death Benefit will be the greatest of:

- a. the Specified Amount on the date of death, less any Indebtedness;
- b. the Minimum Required Death Benefit, less any Indebtedness; or
- c. the Residual Death Benefit as described below.

The Residual Death Benefit at issue is equal to 10% of the Initial Specified Amount shown on the policy schedule. If the Specified Amount is reduced as a result of a withdrawal, the Residual Death Benefit is also reduced to equal 10% of the reduced Specified Amount. Policy loans and unpaid loan interest will decrease the Residual Death Benefit by an amount equal to 10% of the loan or loan interest. Loan repayments, including loan interest paid, will increase the Residual Death Benefit by an amount equal to 10% of the loan repayment.

No Death Benefit is payable under the policy if expenses for Covered Services have been reimbursed under this rider's Benefits After Lapse provision.

### **Suicide**

If the Insured commits suicide, while sane or insane, within 2 years from the Date of Issue and while the policy and this rider are In Force, the amount payable will be no more than the sum of the premiums paid, less any Indebtedness and withdrawals, less the amount of any payments made for Covered Services under this rider.

### **Availability of Policy Death Benefit**

If the Insured dies while receiving benefits under this rider or under the Extension of Benefits Rider, if applicable, we reserve the right to withhold a portion of any Death Benefit that would otherwise be payable until we have verified that we have received all remaining claims for Covered Services.

## **CLAIMS**

### **Personal Long-Term Care Advisor**

A Personal Long-Term Care Advisor is available to answer questions about rider benefits and to explain how to file a claim. You or the Insured's Licensed Health Care Practitioner may contact the Personal Long-Term Care Advisor at any time to:

- a. discuss which types of care may be covered under this rider;
- b. determine in advance if a particular provider of a Covered Service, such as a Nursing Home or a Home Health Care Agency, meets rider conditions; and
- c. discuss the process for filing a claim and obtain the necessary forms.

Your Personal Long-Term Care Advisor's toll-free number is shown on the policy schedule. There is no charge for this service.

**Notice of Claim and Proof of Loss**

You must notify us In Writing when there is a claim for benefits. We must receive Written Notice within 60 days after the date the covered loss starts or, if later, as soon as reasonably possible. The Written Notice should include at least Your name and the Insured's name, the policy number, and the address to which the claim form should be sent. If You are unable to file a claim, Your legal representative may act on Your behalf.

Upon receipt of Written Notice of the claim, We will send a claim form to be used to file proof of loss. The claim form has instructions on how to fill it out and where to send it. Please read the form carefully. Answer all questions and send all required information to the address on the form.

If a claim form has not been received within 15 days after the Written Notice of claim has been mailed, proof of loss can be filed without the claim form by providing us details of the claim In Writing, including the occurrence, and the character and the extent of the loss for which claim is made. Details should include the list of Covered Services for which benefits are being claimed; the names and addresses of the Insured's Licensed Health Care Practitioner(s); the places the Insured stayed; the Insured's diagnosis; and the periods for which benefits are being claimed. This notification must be sent to Us within the time period stated in the next paragraph.

We must receive proof of loss In Writing within 90 days after the end of each month for which benefits may be paid. We will not reduce or deny a claim for being late if proof of loss is filed as soon as reasonably possible. Unless You are not legally capable, the required proof of loss must always be given to Us no later than 1 year after the time specified.

**Payment of Claims**

We will pay the benefits provided by this rider to You. Upon Your Written Request, We may pay benefits elsewhere. This request should be submitted no later than the time the proof of loss is filed. Upon receipt of proof of loss In Writing acceptable to Us, any benefits due will be paid:

- a. monthly, when the loss is expected to result in on-going benefits; or
- b. immediately, or upon termination of Our liability, when the loss is not expected to continue.

In any calendar month in which benefits under this rider are being paid, We will send You a monthly statement showing the amount of benefits paid, the change, if any, to the policy's Death Benefit and Cash Value caused by the benefit payment, and the remaining CCB Benefit Limit.

**Physical Examinations**

We reserve the right to verify that all of the criteria for eligibility for benefits have been satisfied. Verification may include a review of the medical facts to determine the extent of the Insured's condition or an examination by a physician of Our choice to verify that the Insured does meet the criteria for benefits. Such examination would be performed at Our expense.

We will ask the Licensed Health Care Practitioner who provided the initial assessment and certification to provide a current written assessment and a recertification of the Insured's condition at least once every 12 months. The review, recertification, and any physical examination will be requested solely for the purpose of determining whether the Insured's condition and treatment qualify for benefits under the terms of this rider.

### **Claim Review and Appeal**

We will inform you In Writing if a claim or any part of a claim is denied. The claim will be evaluated based on this rider and the information provided. If You do not agree with a claim decision, You may request a review. This request must be In Writing and include any information that may support the claim. No special form is needed. The Written Request should be sent to Our Service Office within 3 years after the time the proof of loss was filed. Within 30 days after receiving Your Written Request, We will give You or Your legal representative Written Notice of the results of Our review with Our reasons stated clearly. If You are unable to participate in this review procedure, Your legal representative may act on Your behalf.

### **Legal Actions**

You cannot sue or bring legal action before 60 days after You have given us proof of loss In Writing as required by this rider. You cannot sue after the greater of:

- a. the expiration of the applicable statute of limitations for the jurisdiction in which this rider is delivered; or
- b. 3 years from the time proof of loss is required to be given In Writing.

## **GENERAL RIDER INFORMATION**

### **Termination of Rider**

This rider terminates upon the earliest of:

- a. the date We receive Your Written Request to return the policy or this rider under the 30 Day Right To Return provision;
- b. the date We receive Your Written Request to terminate this rider;
- c. the date We receive Your Written Request to surrender the policy;
- d. the date the policy Lapses; or
- e. the date the Insured dies.

### **Reinstatement of Rider**

If the policy to which this rider is attached is reinstated, then this rider may also be reinstated according to the terms and conditions of the policy's Reinstatement provision if this rider was In Force at the time of Lapse. The reinstatement of this rider will be subject to satisfactory evidence of insurability. After reinstatement, this rider will only provide benefits for Covered Services which begin on or after the date of reinstatement, subject to the terms and conditions of this rider.

If, however, the Insured was Chronically Ill when this rider Lapsed, You may request In Writing to reinstate the policy and this rider within 5 months after the date of Lapse, regardless of the Attained Age of the Insured on the date of Lapse. In lieu of submitting evidence of insurability, You may reinstate the policy and this rider by submitting a statement In Writing from the Licensed Health Care Practitioner certifying that the Insured was Chronically Ill on the date of Lapse. After reinstatement, this rider will provide benefits for Covered Services as if the rider had never Lapsed, subject to the terms and conditions of this rider.

**Misstatement of Age**

If the Insured's Age has been misstated, rider benefits will be those that the most recent monthly rider charge and monthly inflation charge, if applicable, would have purchased at the correct Age. If coverage would not have been issued, We will refund all rider and inflation charges paid for this rider.

**Representations**

In the absence of fraud, any statement made by You or by the Insured in the application for this rider will be deemed to be a representation and not a warranty. Such statement may not be used in defense of a claim, unless it is contained in a signed, written application for this rider.

**Incontestability**

A misstatement by You or by the Insured in any application for the policy or this rider may be used to void or cancel this rider. For a rider that has been In Force for less than 6 months, We may take this action only if the misstatement was material to the issuance of this rider. For a rider that has been In Force for at least 6 months but less than 24 months, We may take this action only if the misstatement was material to both the issuance of this rider and the claim for which benefits are being sought. After this rider has been In Force for 24 months, We can take this action only if We can show that the Insured knowingly and intentionally misrepresented relevant facts relating to his or her health. No benefits will be paid under this rider if it is voided or cancelled.

**Pre-existing Conditions Not Excluded**

We will not deny benefits for Pre-Existing Conditions. This provision does not preclude Us from exercising other remedies available under this rider because of misrepresentation.

**Conformity With State and Federal Statutes**

If any provision of this rider is in conflict with the statutes of the jurisdiction in which the policy is delivered or with the Federal statutes which pertain to Qualified Long-Term Care Insurance contracts, such rider provision is automatically amended to meet the minimum requirements of the state or Federal statute.

**The Lincoln National Life Insurance Company**

[



President

]

# The Lincoln National Life Insurance Company

## Extension of Benefits Rider

This Extension of Benefits Rider ("EOBR") is made part of the policy to which it is attached and becomes effective as of the Policy Date. Except as stated below, this rider is subject to all the terms and conditions of the policy and the Convalescent Care Benefits Rider.

We agree to provide the benefits described in this rider for Qualified Long-Term Care Services in accordance with all the terms and conditions of this rider. READ THIS RIDER CAREFULLY.

This rider extends the benefits provided by the Convalescent Care Benefits Rider. The benefits of this rider become effective after payments for Covered Services under the Convalescent Care Benefits Rider have reached the CCBR Benefit Limit.

### **NOTICE OF 30 DAY RIGHT TO RETURN THIS RIDER**

**You may return this rider for any reason to the insurance agent through whom it was purchased or to Us at the Service Office address shown on the cover of Your policy within 30 days after You receive it. If returned, this rider will be considered void from the beginning and We will refund all charges paid for this rider.**

### **TAXATION**

This rider is intended to be a Qualified Long-Term Care Insurance contract under Section 7702B(b) of the Internal Revenue Code.

### **CAUTION**

**We issued this rider based on Your and the Insured's answers to the questions on Your application. A copy of Your application is enclosed. If any answers are incorrect or untrue, We may deny benefits or rescind this rider. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of Your or the Insured's answers are incorrect, contact Us at the Service Office address shown on the cover of Your policy.**

### **NOTICE TO OWNER**

**This rider may not cover all of the costs associated with long-term care incurred by the Insured during the period of coverage. Carefully review all policy and rider limitations.**

### **Who is Covered**

This rider covers the Insured named on the policy schedule. It does not cover any other person.

### **Renewability**

This rider is non-cancelable. Unless You request to terminate this rider, the rider will remain In Force for as long as the policy and Convalescent Care Benefits Rider remain In Force. We cannot change any of the terms of this rider on Our own and cannot increase the monthly rider charge.

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## DEFINITIONS

### **EOBR Base Benefit Limit**

At issue, the EOBR Base Benefit Limit is equal to (1) multiplied by (2), divided by (3), where:

- (1) is the CCBR Benefit Limit shown on the policy schedule;
- (2) is the EOBR Duration; and
- (3) is the CCBR Duration.

The EOBR Base Benefit Limit may change as provided in this rider. The EOBR Base Benefit Limit is used to calculate the monthly rider charge, the EOBR Benefit Limit, and the EOBR Base Maximum Monthly Benefit. If Optional Inflation Protection is elected, the EOBR Base Benefit Limit is also used to calculate the monthly inflation charge and the EOBR Inflation Benefit Limit.

### **EOBR Base Maximum Monthly Benefit**

An amount equal to the EOBR Base Benefit Limit divided by the number of months in the EOBR Duration. The EOBR Base Maximum Monthly Benefit may change as provided in this rider.

### **EOBR Benefit Limit**

The maximum benefit amount available under this rider to reimburse the costs incurred by the Insured for Covered Services. The EOBR Benefit Limit equals the EOBR Base Benefit Limit plus the EOBR Inflation Benefit Limit, if any. The EOBR Benefit Limit as of the Policy Date is shown on the policy schedule, and may change as provided in this rider.

### **EOBR Duration**

The period of coverage under this rider. The EOBR Duration was selected on the application for this rider, and is shown on the policy schedule.

### **EOBR Inflation Benefit Limit**

The amount of any additional EOBR Benefit Limit generated by Optional Inflation Protection, if elected, as described in the Optional Inflation Protection provision.

### **EOBR Inflation Maximum Monthly Benefit**

The amount of any additional monthly EOBR benefit generated by Optional Inflation Protection, if elected. The EOBR Inflation Maximum Monthly Benefit is equal to the EOBR Inflation Benefit Limit divided by the number of months in the EOBR Duration.

### **Maximum Monthly EOBR Benefit**

The maximum amount that We will pay each month to reimburse the costs incurred by the Insured for Covered Services under this rider. The Maximum Monthly EOBR Benefit equals the EOBR Base Maximum Monthly Benefit plus the EOBR Inflation Maximum Monthly Benefit, if any. The Maximum Monthly EOBR Benefit as of the Policy Date is shown on the policy schedule, and may change as provided in this rider.

## RIDER CHARGES

### **Monthly Rider Charge**

We will deduct a charge for this rider from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Policy Date until the earlier of:

- a. the Insured's Age 95; or

- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to less than the monthly deduction as a result of payments for Covered Services under the Convalescent Care Benefits Rider, provided no loans or withdrawals have been made against the policy to which this rider is attached.

The monthly rider charge as of the Policy Date is shown on the policy schedule. The monthly rider charge at issue is calculated based on the Insured's Age as shown on the policy schedule, the CCBR Duration selected, the EOBR Duration selected, and the CCBR Base Benefit Limit.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly rider charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly rider charge proportionately.

### **Monthly Inflation Charge**

If Optional Inflation Protection is elected, We will deduct an inflation charge from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Policy Date until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to less than the monthly deduction solely as a result of payments for Covered Services under the Convalescent Care Benefits Rider.

The monthly inflation charge as of the Policy Date is shown on the policy schedule. The monthly inflation charge at issue is calculated based on the Insured's Age as shown on the policy schedule, the CCBR Duration selected, the EOBR Duration selected, the CCBR Base Benefit Limit, and the Optional Inflation Protection option selected.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly inflation charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly inflation charge proportionately.

## **ELIGIBILITY FOR THE PAYMENT OF BENEFITS**

### **Benefit Conditions**

The benefit conditions for the Convalescent Care Benefits Rider apply to this rider except that the following additional conditions must also be satisfied before benefits are payable under this rider:

- a. Payments for Covered Services under the Convalescent Care Benefits Rider must have reached the CCBR Benefit Limit.
- b. The total benefits paid to date under the Extension of Benefits Rider must not have reached the EOBR Benefit Limit.

Benefits will be paid under this rider for as long as:

- a. the benefit conditions of this rider are met; and
- b. this rider remains In Force.

## GENERAL EXCLUSIONS AND LIMITATIONS

The general exclusions and limitations for the Convalescent Care Benefits Rider apply to this rider except that **no benefits are payable under this rider for any Covered Service, confinement or care received outside the United States.**

### LONG-TERM CARE BENEFITS

#### Benefits Available

We will pay an amount not to exceed the Maximum Monthly EOBR Benefit each calendar month until the end of the EOBR Duration to reimburse costs incurred by the Insured for any Covered Service or combination of Covered Services, subject to the terms and conditions of this rider. Any amounts paid in a calendar month for any Covered Service or combination of Covered Services will reduce that month's available Maximum Monthly EOBR Benefit and the remaining EOBR Benefit Limit. Benefits under this rider while this rider is In Force will continue beyond the EOBR Duration shown on the policy schedule as long as the remaining EOBR Benefit Limit is greater than zero.

#### Benefit Payments

When making a payment for Covered Services under this rider, We will first pay an amount up to the EOBR Base Maximum Monthly Benefit or the remaining EOBR Base Benefit Limit, whichever is less. If the claim is for an amount greater than the EOBR Base Maximum Monthly Benefit or remaining EOBR Base Benefit Limit, and if Optional Inflation Protection is elected, We will pay an amount up to the EOBR Inflation Maximum Monthly Benefit or the remaining EOBR Inflation Benefit Limit, whichever is less.

#### Impact of Withdrawals, Indebtedness or Repayments

Withdrawals or Indebtedness will reduce the EOBR Base Benefit Limit. Any reduction in the EOBR Base Benefit Limit will reduce the EOBR Base Maximum Monthly Benefit proportionately.

Any repayment of the loan or loan interest will increase the EOBR Base Benefit Limit. Any increase in the EOBR Base Benefit Limit will increase the EOBR Base Maximum Monthly Benefit proportionately.

#### Optional Inflation Protection

The Optional Inflation Protection option, if any, in effect for this rider is shown on the policy schedule. Unless you have rejected Optional Inflation Protection on the application for this rider, We will recalculate the EOBR Inflation Benefit Limit based on the Optional Inflation Protection option selected:

- a. on each Policy Anniversary; and
- b. any time you make a policy loan, withdrawal, or repayment of the loan or loan interest.

Any increase in the EOBR Inflation Benefit Limit will increase the EOBR Inflation Maximum Monthly Benefit proportionately. Any decrease in the EOBR Inflation Benefit Limit will decrease the EOBR Inflation Maximum Monthly Benefit proportionately.

#### Benefits After Lapse

If the policy and this rider Lapse while the Insured is confined to a Nursing Home or Assisted Living Facility and the Insured is receiving benefits for those services under the Convalescent Care Benefits Rider, We will continue to reimburse expenses incurred for Nursing Home Care Services or Assisted Living Facility Services, as applicable, subject to the terms and conditions of this rider and the limitations outlined below until the earlier of the following:

- a. the date the Insured is discharged from the Nursing Home or Assisted Living Facility, as applicable; or
- b. the date the EOBR Benefit Limit is reached. The EOBR Benefit Limit under this provision will equal the EOBR Benefit Limit in effect as of the date of Lapse, and will not change.

The following conditions must be met for benefits under this provision to become effective:

- a. Payments for Nursing Home Care Services or Assisted Living Facility Services under the Convalescent Care Benefits Rider's Benefits After Lapse provision must have reached that provision's CCBR Benefit Limit; and
- b. the Insured's confinement to a Nursing Home or Assisted Living Facility must continue without interruption after the date of Lapse.

Benefits are not payable under this provision if at any point in time You have made a loan against or withdrawal from the policy to which this rider is attached. No Death Benefit is payable under the policy if expenses for Covered Services have been reimbursed under this provision or under the Convalescent Care Benefits Rider's Benefits After Lapse provision.

## **GENERAL RIDER INFORMATION**

### **Termination of Rider**

This rider terminates upon the earliest of:

- a. the date We receive Your Written Request to return this rider, the policy, or the Convalescent Care Benefits Rider under the 30 Day Right To Return provision;
- b. the date We receive Your Written Request to terminate this rider or the Convalescent Care Benefits Rider;
- c. the date We receive Your Written Request to surrender the policy;
- d. the date the policy Lapses;
- e. the date the Insured dies; or
- f. the date the EOBR Benefit Limit is reached.

### **Reinstatement of Rider**

If the policy to which this rider is attached and the Convalescent Care Benefits Rider are reinstated, then this rider may also be reinstated according to the terms and conditions of the policy's Reinstatement provision if this rider was In Force at the time of Lapse. The reinstatement of this rider will be subject to satisfactory evidence of insurability. After reinstatement, this rider will only provide benefits for Covered Services which begin on or after the date of reinstatement, subject to the terms and conditions of this rider.

If, however, the Insured was Chronically Ill when this rider Lapsed, You may request In Writing to reinstate the policy and this rider within 5 months after the date of Lapse, regardless of the Attained Age of the Insured on the date of Lapse. In lieu of submitting evidence of insurability, You may reinstate the policy and this rider by submitting a statement In Writing from the Licensed Health Care Practitioner certifying that the Insured was Chronically Ill on the date of Lapse. After reinstatement, this rider will provide benefits for Covered Services as if the rider had never Lapsed, subject to the terms and conditions of this rider.

**Misstatement of Age**

If the Insured's Age has been misstated, rider benefits will be those that the most recent monthly rider charge and monthly inflation charge, if applicable, would have purchased at the correct Age. If coverage would not have been issued, We will refund all rider and inflation charges paid for this rider.

**Representations**

In the absence of fraud, any statement made by You or by the Insured in the application for this rider will be deemed to be a representation and not a warranty. Such statement may not be used in defense of a claim, unless it is contained in a signed, written application for this rider.

**Incontestability**

A misstatement by You or by the Insured in any application for the policy or this rider may be used to void or cancel this rider. For a rider that has been In Force for less than 6 months, We may take this action only if the misstatement was material to the issuance of this rider. For a rider that has been In Force for at least 6 months but less than 24 months, We may take this action only if the misstatement was material to both the issuance of this rider and the claim for which benefits are being sought. After this rider has been In Force for 24 months, We can take this action only if We can show that the Insured knowingly and intentionally misrepresented relevant facts relating to his or her health. No benefits will be paid under this rider if it is voided or cancelled.

**Conformity With State and Federal Statutes**

If any provision of this rider is in conflict with the statutes of the jurisdiction in which the policy is delivered or with the Federal statutes which pertain to Qualified Long-Term Care Insurance contracts, such rider provision is automatically amended to meet the minimum requirements of the state or Federal statute.

**The Lincoln National Life Insurance Company**

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President

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# The Lincoln National Life Insurance Company

## Nonforfeiture Benefit Rider

This rider is made part of the policy to which it is attached and becomes effective as of the Policy Date. Except as stated below, this rider is subject to all the terms and conditions of the policy, the Convalescent Care Benefits Rider and the Extension of Benefits Rider ("EOBR").

### Nonforfeiture Benefit

After the policy and the EOBR have been In Force for 3 Policy Years and subject to the limitations outlined below, this rider will cover eligible claims for Covered Services up to the Nonforfeiture Benefit Limit described below which begin at any time after the policy and the EOBR have Lapsed.

The Nonforfeiture Benefit under this rider becomes effective after all benefits available under the Convalescent Care Benefits Rider and under the Extension of Benefits Rider have been paid.

This Nonforfeiture Benefit will continue as paid-up long-term care coverage until the earlier of:

- a. the death of the Insured; or
- b. the date the Nonforfeiture Benefit Limit described below has been reached.

### Nonforfeiture Benefit Limit

The Nonforfeiture Benefit Limit under this rider will be an amount equal to the greater of:

- a. one month's Maximum Monthly EOBR Benefit in effect as of the date the EOBR Lapses; or
- b. an amount equal to the sum of all rider charges and inflation charges, if any, paid for the EOBR, plus the sum of all charges paid for this rider, less any Indebtedness and withdrawals.

The Nonforfeiture Benefit Limit is not subject to inflation protection increases.

The sum of any benefits paid while the EOBR is In Force, plus any benefits paid under the EOBR's Benefits After Lapse provision, plus any benefits paid under this rider will not exceed the maximum benefits which were available under the EOBR at the time of Lapse.

### Maximum Monthly Nonforfeiture Benefit

The maximum monthly benefit payable under this rider will be an amount equal to the Maximum Monthly EOBR Benefit in effect as of the date the EOBR Lapses, and will not change. The Maximum Monthly Nonforfeiture Benefit is not subject to inflation protection increases.

### Monthly Rider Charge

There is a monthly rider charge for this rider. The rider charge as of the Policy Date is shown on the policy schedule. We will deduct the monthly rider charge from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Policy Date until the earlier of:

- a. the Insured's Attained Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to less than the required monthly deduction solely as a result of payments for Covered Services under the Convalescent Care Benefits Rider.

Any decrease in the EOBR Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly rider charge proportionately. Any increase in the EOBR Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly rider charge proportionately.

**Termination of Rider**

This rider and all rights under it terminate automatically upon the earliest of:

- a. the death of the Insured;
- b. the date the Nonforfeiture Benefit Limit is reached;
- c. the date We receive Your Written Request to terminate this rider; or
- d. the date the EOBR terminates for any reason.

If the policy and the Extension of Benefits Rider Lapse and are reinstated, this rider will likewise be reinstated if this rider was In Force at the time of Lapse.

**The Lincoln National Life Insurance Company**

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President

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# The Lincoln National Life Insurance Company

## Enhanced Surrender Value Endorsement

This endorsement is part of the policy to which it is attached and becomes effective as of the Policy Date. Except as stated in this endorsement, all of the provisions, limitations and exclusions of the policy remain in effect.

### Enhanced Surrender Value

If You request to surrender the policy at any time before the sum of all premiums paid equals the Enhanced Surrender Value Threshold shown on the policy schedule (hereinafter, "ESV Threshold"), We will pay an amount equal to the Surrender Value.

If You request to surrender the policy on or after the date the sum of all premiums paid equals or exceeds the ESV Threshold, We will pay an amount equal to the greater of:

- a. the Surrender Value; or
- b. the ESV Threshold, less any Indebtedness, less the amount of any withdrawals net of any applicable surrender charges, less any benefits paid under any accelerated benefit rider which may be attached.

### Effect of Endorsement on Minimum Required Death Benefit

At any time while the policy and this endorsement are In Force but before the sum of all premiums paid equals the ESV Threshold, the Minimum Required Death Benefit will equal (1) multiplied by (2), where:

- (1) equals the greater of:
  - a. the Gross Cash Value; or
  - b. the "cash surrender value" of the policy within the meaning of section 7702 of the Internal Revenue Code; and
- (2) equals the applicable percentage shown on the policy schedule in the Minimum Required Death Benefit Percentages Table.

On or after the date the sum of all premiums paid equals or exceeds the ESV Threshold, item (1) in the calculation above will equal the greatest of:

- a. the Gross Cash Value;
- b. the ESV Threshold, less any indebtedness, less the amount of any withdrawals net of any applicable surrender charges, less any benefits paid under any accelerated benefit rider which may be attached; or
- c. the "cash surrender value" of the policy within the meaning of section 7702 of the Internal Revenue Code.

### Impact of Loans and Withdrawals

A loan against or withdrawal from the policy at any time before the sum of all premiums paid equals the ESV Threshold will automatically terminate this endorsement, as described in the Termination provision below.

**Termination**

At any time before the sum of all premiums paid equals the ESV Threshold, this endorsement terminates automatically upon the earlier of:

- a. the date the policy terminates for any reason; or
- b. the date We make a loan against or withdrawal from the policy as requested by You.

On or after the date the sum of all premiums paid equals or exceeds the ESV Threshold, this endorsement terminates upon the termination of the policy.

If the policy Lapses and is reinstated, this endorsement will likewise be reinstated if this endorsement was In Force at the time of Lapse.

**The Lincoln National Life Insurance Company**

[

A handwritten signature in black ink that reads "Dennis R. Glass". The signature is written in a cursive, flowing style.

President

]

*MoneyGuard*<sup>®</sup>  
Application for Life Insurance



**Please Return to:**

The Lincoln National Life Insurance Company  
350 Church Street - MMG1  
Hartford, CT 06103-1106

**MGF06450  
(Standard Version)**

**IMPORTANT NOTICE**

Since you are applying for insurance, we would like you to know more about our underwriting process and what occurs after you submit your application.

**(Please give a copy of this notice to the Proposed Insured.)**

**THE UNDERWRITING PROCESS**

All forms of insurance are based on the concept of risk-sharing. Underwriters seek to determine the level of risk represented by each applicant, and then assign that person to a group with similar risk characteristics. In this way, the risk potential can be spread among all policyholders within a given risk group, assuring that each assumes his fair share of the insurance cost.

Underwriters collect and review risk factors such as age, occupation, physical condition, medical history, cognitive assessment and any hazardous avocations. The level of risk and premium for the amount of coverage requested is based on this information.

**INVESTIGATIVE CONSUMER REPORT**

As a part of our routine procedure for processing your initial application, we may request an investigative consumer report. The agency making the report may keep a copy of the report and disclose its contents to others for whom it performs similar services. The report typically includes information such as identity and residence verification, character, reputation, marital status, estimate of net worth and income, occupation, avocations, medical history, habits, mode of living and other personal characteristics. Additional information is usually obtained from several different sources. Confidential interviews are conducted with neighbors, friends, business associates, and acquaintances. Public records are carefully reviewed.

Past experience shows that information from investigative reports usually does not have an adverse effect on our underwriting decision. If it should, we will notify you in writing and identify the reporting agency. At that point, if you wish to do so, you may discuss the matter with the reporting agency.

You have the right to be interviewed as part of any investigative consumer report that is completed. If you desire such an interview, please indicate this at the time your application is submitted. If you request it, we will supply the name, address and telephone number of the consumer reporting agency so you may obtain a copy of the report.

**CONTESTABILITY**

We strongly urge you to review the completed application closely for accuracy. During the 2 year contestability period described in the policy, a claim may be denied if the application contains false statements or misrepresentations or fails to disclose material facts. In such a case, the policy could be void and coverage could be lost.

**MIB, INC.**

Information you provide regarding your insurability or claims will be treated as confidential except that the Company or its reinsurers, may make a brief report of it to MIB, Inc. This is a nonprofit membership organization of life insurance companies which operates an information exchange on behalf of its members. Upon request by another member insurance company to which you have applied for life or health insurance coverage or submitted a claim, MIB, Inc. will provide the information it may have in its file.

Upon receipt of a request from you, MIB, Inc. will arrange disclosure of any information it may have in your file. If you question the accuracy of information in MIB, Inc.'s file, you may contact MIB at: 50 Braintree Hill Park, Suite 400, Braintree, MA 02184-8734. You can reach MIB by phone toll free at (866) 692-6901. (TTY {866} 346-3642)

**MONEYGUARD® APPLICATION FOR LIFE INSURANCE - PART I**

| <b>PROPOSED INSURED</b> <span style="float: right;"><i>(Please Print in Blue or Black Ink)</i></span> |  |  |                   |
|---|--|--|-------------------|
| 1a. Name <i>(First, Middle Initial, Last)</i>   |  | 1b. <input type="checkbox"/> Male<br><input type="checkbox"/> Female |                   |
| 1c. Residence Address<br><i>(No., Street, P.O. Box)</i>   |  |  |                   |
| <i>(City, State, ZIP)</i>   |  |  |                   |
| 1d. US Citizen <input type="checkbox"/> Yes <input type="checkbox"/> No                               |  | 1e. Date of Birth <i>(mm/dd/yy)</i>                                  | 1f. Soc. Sec. No. |

**POLICY INFORMATION**

2a. Specified Amount: \$ \_\_\_\_\_

2b. Convalescent Care Benefits Rider Duration: *(Select One)*  2 Years  3 Years  Other (if applicable): \_\_\_\_\_ years

2c. Extension of Benefits Rider Duration: *(Select One)*  None  2 Years  4 Years  Other (if applicable): \_\_\_\_\_ years

2d. Optional Inflation Protection: *(Select One)*  Rejected: No Optional Inflation Protection Elected  
 Simple Increases  3%  Other (if applicable): \_\_\_\_\_ %  
 Compound Increases  3%  5%  Other (if applicable): \_\_\_\_\_ %

2e. Other Benefits/Riders: \_\_\_\_\_

2f. Other Options/Protections: \_\_\_\_\_

**BILLING INFORMATION**

3. Premium Frequency: *(select one)*  
 Single Premium amount: \$ \_\_\_\_\_  
 Flexible Premium: *(select one)*  Annual  Semi-Annual  Quarterly  Monthly (PAC/EFT)  
 Initial premium of \$ \_\_\_\_\_ and then \$ \_\_\_\_\_

**EXISTING AND PENDING INSURANCE INFORMATION - PROPOSED INSURED**

4a. Are you considering stopping premium payments, surrendering, replacing, forfeiting, assigning to the insurer, or reducing your benefits under an existing policy or annuity, or are you considering using or borrowing funds from your existing policies or annuities to pay premiums due on the new or applied for policy?  Yes  No  
*(If Yes, please complete and sign all required life insurance and annuity replacement forms and complete Question 4c.)*

4b. Will the policy applied for replace any medical, health or long-term care insurance contract currently in force with this or any other company?  Yes  No  
*(If Yes, please provide details in question 4f below and please complete and sign all required replacement forms)*

4c. Please list in the space below all existing life insurance policies, annuity contracts currently in force with this or any other company. **If none, check this box**

| Company | Face Amount | Policy Number | Issue Date <i>(mm/dd/yy)</i> | Replacement or Change of Policy?                      | Check here if 1035 Exchange                           |
|---------|-------------|---------------|------------------------------|---|---|
|         | \$          |               |                              | <input type="checkbox"/> Y <input type="checkbox"/> N | <input type="checkbox"/> Y <input type="checkbox"/> N |
|         | \$          |               |                              | <input type="checkbox"/> Y <input type="checkbox"/> N | <input type="checkbox"/> Y <input type="checkbox"/> N |
|         | \$          |               |                              | <input type="checkbox"/> Y <input type="checkbox"/> N | <input type="checkbox"/> Y <input type="checkbox"/> N |
|         | \$          |               |                              | <input type="checkbox"/> Y <input type="checkbox"/> N | <input type="checkbox"/> Y <input type="checkbox"/> N |

4d. Have you ever applied for life, health or disability insurance and been declined, postponed or charged an increased premium? *(If "Yes", provide further information in the "Details" space provided.)*  Yes  No

4e. Has any long-term care insurance contract lapsed, been surrendered or otherwise terminated in the past 24 months? *(If Yes, please provide details in question 4g below.)*  Yes  No

4f. Currently, or within the past 12 months have you had any long-term care policies or riders (including healthcare service or health maintenance organization contracts) in force or pending?  Yes  No

4g. List details from Questions 4e and 4f above.

| Company | Issue Date<br>(mm/dd/yy) | Date of Lapse, Surrender<br>or Termination (mm/dd/yy) | Long-Term Care<br>Max Daily Benefit | Replacement or<br>Change of Policy?                   | In<br>Force              | Applied<br>For           |
|---------|--------------------------|---|-------------------------------------|---|--------------------------|--------------------------|
|         |                          |   |                                     | <input type="checkbox"/> Y <input type="checkbox"/> N | <input type="checkbox"/> | <input type="checkbox"/> |
|         |                          |   |                                     | <input type="checkbox"/> Y <input type="checkbox"/> N | <input type="checkbox"/> | <input type="checkbox"/> |

4h. Do your long-term care policies or riders include Home Health Care coverage?  Yes  No

4i. Are you currently covered by Medicaid?  Yes  No

4j. Provide full name/address/phone number of personal physician(s) and any other physicians seen within the past 5 years.

| Physician Name                           | Address | Phone Number |
|--|---------|--------------|
|  |         |              |
|  |         |              |
|  |         |              |
| a. Date and reason of last visit:        |         |              |
| b. Tests performed & treatment received: |         |              |

**GENERAL RISK - PROPOSED INSURED**

*(If you answer "Yes" to any of the following questions, please give details and list medications in the Details section provided below.)*

- 5a. Are you actively at work performing the regular duties of your job in the usual manner and at the usual place of employment or business for at least 30 hours per week?  Yes  No
- 5b. Currently, or within the past 10 years, have you received or applied for any disability benefits, including Worker's Compensation, Social Security Disability Insurance or any other form of disability insurance?  Yes  No
- 5c. Have you ever been told you have, been diagnosed with or been treated by a physician and/or taken medication for:
  - 1. Syncope, vertigo, tremor, or falls?  Yes  No
  - 2. Angina, congestive heart failure, coronary artery disease, peripheral vascular disease or atrial fibrillation?  Yes  No
  - 3. Transient ischemic attack (TIA)?  Yes  No
  - 4. Parkinson's disease, Multiple Sclerosis, ALS, Muscular Dystrophy, Huntington's or Systemic Lupus?  Yes  No
  - 5. Osteoporosis or Rheumatoid Arthritis?  Yes  No
  - 6. Alzheimer's disease, dementia or memory loss?  Yes  No
- 5d. Currently, or within the last 5 years have you had any impairment, whether mental or physical, for which you need or receive assistance or supervision in performing any daily living activities such as bathing, dressing, eating, transferring or ambulation, toileting, or bowel or bladder control?  Yes  No
- 5e. Do you use a wheelchair, walker or cane, oxygen, catheter, dialysis machine or other mechanical device?  Yes  No
- 5f. Within the past 5 years have you been confined or recommended admission to a nursing home or received home health care, or are you currently confined to a hospital or nursing facility?  Yes  No
- 5g. Are you currently living in an Assisted Living facility or Independent Community?  Yes  No
- 5h. Have you ever used tobacco or products containing nicotine (including, but not limited to, chew tobacco, snuff, nicotine gum and/or patches)? *(If "Yes", list below.)*  Yes  No

| Type: | Date First Used:<br>(month/year) | Date Last Used:<br>(month/year) | Amount and Frequency: |
|-------|----------------------------------|---------------------------------|-----------------------|
|       |                                  |                                 |                       |
|       |                                  |                                 |                       |
|       |                                  |                                 |                       |

- 5i. Have you had or been advised to have a check-up, EKG, x-ray, blood, or urine test or any other diagnostic test?  Yes  No
- 5j. Have you been a patient in a hospital, clinic, sanatorium or other medical facility, or been advised to have any hospitalization or surgery which has not been completed?  Yes  No

5k. Have you ever had any indication of, or been treated for:

- 1. Chest pain, high blood pressure, heart disease, heart murmur or other disorders of the heart or blood vessels?  Yes  No
- 2. Ulcers, colitis, jaundice, or other diseases of the stomach, liver, intestines, gallbladder, pancreas, kidney or urinary bladder?  Yes  No
- 3. Seizures, fainting, dizziness, epilepsy, stroke or paralysis?  Yes  No
- 4. Any nervous, mental, or emotional disorder, or received counseling for anxiety, depression, stress or any other emotional condition?  Yes  No
- 5. Any tumor, cancer, cysts, skin disorder or any disorder of the lymph nodes?  Yes  No
- 6. Arthritis, gout, or any disorder of the back, spine, muscles, nerves, bones or joints?  Yes  No
- 7. Diabetes, thyroid, or other endocrine or glandular disorder?  Yes  No
- 8. Anemia or any other blood disorder?  Yes  No
- 9. Asthma, emphysema, shortness of breath, allergies, sleep apnea or any other disorder of the respiratory system?  Yes  No
- 10. Any disorder of the eyes, ears, nose or throat?  Yes  No
- 11. Any complication of pregnancy or disorder of the testicles, prostate, breasts, ovaries, uterus or cervix?  Yes  No
- 12. Any mental or physical disorder not listed above?  Yes  No

5l. Have you ever been diagnosed as having or been treated by a physician for Acquired Immune Deficiency Syndrome or an AIDS related condition?  Yes  No

5m. Do you use alcoholic beverages? (If "Yes", provide Type, Frequency & Amount.)  Yes  No

| Type | Frequency | Amount |
|------|-----------|--------|
|      |           |        |
|      |           |        |
|      |           |        |
|      |           |        |

5n. Have you ever been treated for drug or alcohol abuse or been advised by your doctor to limit your use of alcohol or any medication, prescribed or not?  Yes  No

5o. Have you ever used hallucinogenic or narcotic drugs not prescribed by a doctor?  Yes  No

5p. Within the past 5 years have you been consulted, examined or treated by any physician or practitioner for reasons not stated in this application?  Yes  No

5q. List all medication and dosage you are currently taking, include prescriptions, over the counter drugs, aspirin and herbal supplements.

5r. Details to General Risk Questions: (If more room is needed, use a separate sheet of paper. Make sure you sign and date the form.)

| Question # | Date | Details/Reasons | List Medications |
|------------|------|-----------------|------------------|
|            |      |                 |                  |
|            |      |                 |                  |
|            |      |                 |                  |
|            |      |                 |                  |
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|            |      |                 |                  |
|            |      |                 |                  |
|            |      |                 |                  |

**OWNER INFORMATION** (If left blank, Proposed Insured will be owner)

6a. Primary

| Full Name | Date of Birth | Soc. Sec. No. | Relationship to Proposed Insured |
|-----------|---------------|---------------|----------------------------------|
|           |               |               |                                  |
|           |               |               |                                  |

6b. Contingent

| Full Name | Date of Birth | Soc. Sec. No. | Relationship to Proposed Insured |
|-----------|---------------|---------------|----------------------------------|
|           |               |               |                                  |
|           |               |               |                                  |

6c. Owner Address

|                       |
|-----------------------|
| No., Street, P.O. Box |
| City, State, Zip Code |

**BENEFICIARY INFORMATION** (Unless otherwise stated below, if multiple beneficiaries are named in a class (Primary, Contingent), the proceeds are to be paid equally to the survivor or survivors, if any, in the class.)

6a. Primary

| Name/Trust name & Trustees | DOB/Trust Date | SSN/Tax ID | Relationship to Proposed Insured |
|----------------------------|----------------|------------|----------------------------------|
|                            |                |            |                                  |
|                            |                |            |                                  |

6b. Contingent

| Full Name | Date of Birth | Soc. Sec. No. | Relationship to Proposed Insured |
|-----------|---------------|---------------|----------------------------------|
|           |               |               |                                  |
|           |               |               |                                  |

**PROTECTION AGAINST UNINTENDED LAPSE**

I, the Applicant/Owner, understand that I have the right to designate at least one person other than myself to receive notice of lapse or termination of this insurance policy for nonpayment of premium. I understand that notice will not be given until 30 days after a premium is due and unpaid. I also understand that I will be given the opportunity to change this written designation at any time. My selection is as follows:

- I elect NOT to designate another person to receive notice of lapse or termination.
- I designate the person(s) listed below to receive copies of any notice of lapse or termination.

Third Party Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

## AGREEMENT AND ACKNOWLEDGEMENT

I, the Owner, declare that my tax identification or social security number as shown is correct. I also certify that I am not subject to backup withholding.

The Undersigned declares that:

1. This Application consists of: a) Part I Application; b) any amendments to the application(s) attached thereto; and c) any supplements, all of which are required by the Company for the plan, amount and benefits applied for.
2. I further agree that (except as provided in the Temporary Life Insurance Agreement if advance payment has been made and acknowledged below and such Agreement issued), insurance will take effect under the Policy only when: 1) the Policy has been delivered to and accepted by me; 2) the initial premium has been paid in full during the lifetime of the Proposed Insured; and 3) the Proposed Insured remains in the same state of health and insurability as described in each part of the application at the time conditions 1) and 2) are met.

I have paid \$ \_\_\_\_\_ to the Agent/Representative in exchange for the Temporary Life Insurance Agreement, and I acknowledge that I fully understand and accept its terms.

3. No agent, broker or medical examiner has the authority to make or modify any Company contract or to waive any of the Company's requirements.
4. I HAVE READ, or have had read to me, the completed Application for Life Insurance before signing below. All statements and answers in this application are correctly recorded, and are full, complete and true. **Caution: If your answers on this application are incorrect or untrue, the Company may have the right to deny benefits or rescind coverage under the policy and any riders attached to it.**
5. For employer owned life insurance policies, the owner hereby acknowledges its sole responsibility for ensuring that it complies with all legal and regulatory requirements related to life insurance it purchases on its employees, including appropriate disclosure to each employee whose life is insured under such a life insurance policy.

## STATE DISCLOSURES

**All jurisdictions except AR, AZ, CT, DC, FL, KS, KY, LA, ME, MN, NJ, NM, OH, OK, PA, TX, VA and WA.** Any person who, with intent to defraud or knowing that he/she is facilitating fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**Oklahoma Only. Warning:** Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes a claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of insurance fraud.

**Washington Only.** Any person who knowingly presents a false or fraudulent claim for the payment of a loss or knowingly makes a false statement in an application for insurance may be guilty of a criminal offense under state law.

**AR, DC, KY, ME, NM, OH and PA Only.** Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act which is a crime and subjects such person to criminal and civil penalties.

**Connecticut and Texas Only.** Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud, as determined by a court of competent jurisdiction.

**Louisiana Only.** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

## TRUST VERIFICATION

I hereby certify that the Trustee(s) named in this application are the Trustee(s) for the named Trust, which is in full force and effect. The Company assumes no obligation to inquire into the terms of any trust agreement affecting this policy and shall not be held liable for any party's compliance with the terms thereof. The Company may rely solely upon the signature(s) of the Trustee(s) named in this application to any receipt, release or waiver, or to any transfer or other instrument affecting this policy or any options, privileges or benefits thereunder. Unless otherwise indicated, the signature(s) of all Trustee(s) named, or their successors, will be required to exercise any contractual right under the policy. The Company shall have no obligation to see to the use or application of any funds paid to the Trustee(s) in accordance with the terms of the policy. Any such payment made by the Company to the Trustee(s) shall fully discharge the Company with respect to any amounts so paid.

**AUTHORIZATION**

Each of the undersigned declares that:

The purpose of this authorization is to allow the Company to determine eligibility for life coverage or a claim for benefits under a life policy.

I authorize any medical professional, hospital or other medical institution, insurer, MIB, Inc., or any other person or organization that has any records or knowledge of me or my physical or mental health, employment, finances, transactions or other information relevant to my insurability to disclose that information to the Company, its reinsurers, or any other party acting on the Company's behalf. I authorize the Company to disclose medical information to MIB, Inc., and to other insurers to whom I may apply for coverage.

I acknowledge receipt of the Privacy Notice and the Important Notice containing the Investigative Consumer Report and MIB, Inc. information.

The authorization shall be valid for 24 months after it is signed. A photographic copy of this authorization shall be as valid as the original. I understand that I may revoke this authorization at any time by written notification to the Company; however, any action taken prior to notification will not be affected.

**INFLATION PROTECTION COVERAGE**

I have reviewed the Outline of Coverage and the charts that compare the benefits and premiums of the Convalescent Care Benefits Rider and Extension of Benefits Rider with and without Optional Inflation Protection. I understand and agree that I will be issued a rider or riders with default Compound Increases at 5%, **UNLESS** I choose another option below:

- I hereby **REJECT** default Compound Increases at 5% and apply for Optional Inflation Protection as shown in the Policy Information section, question 2d, on page 1.
- I hereby **REJECT** all options for Optional Inflation Protection.

**SIGNATORY SECTION**

Signed in \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ (state) (month) (year)

\_\_\_\_\_  
Signature of Proposed Insured

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Applicant/Owner/Trustee (If other than Proposed Insured)  
(Provide Officer's Title if policy is owned by a Corporation)

\_\_\_\_\_  
Signature of Witness

**TO BE COMPLETED BY AGENT ONLY (All questions are required to be answered.)**

- (i) Does the applicant have any existing life insurance policies or annuities?  Yes  No
- (ii) Do you know or have you any reason to believe that replacement of insurance is involved?  Yes  No  
If a replacement is involved, I certify that only company approved sales materials were used in this sale and that copies of all sales materials were left with the applicant.
- (iii) List all Long-Term Care or Health Insurance that: 1) You have sold to the Proposed Insured that is still in force. 2) You have sold to the Proposed Insured in the last 5 years that is no longer in force.

| Company | Policy Number | Year of Issue |   |
|---------|---------------|---------------|---|
|         |               |               | <input type="checkbox"/> In Force <input type="checkbox"/> No Longer In Force |
|         |               |               | <input type="checkbox"/> In Force <input type="checkbox"/> No Longer In Force |

I declare that I have accurately answered all questions contained in this section.

I declare that I have provided each Proposed Insured and Owner(s) with the Important Notice as well as a copy of the Privacy Practices Notice.

\_\_\_\_\_  
Signature of Licensed Agent, Broker or Registered Representative

\_\_\_\_\_  
Name of Licensed Agent, Broker or Registered Representative  
(Please Print)

SERFF Tracking Number: LCNC-126293409 State: Arkansas  
 Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 43619  
 Company Tracking Number: LN870 - AR  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: LN870 with schedule pages LN870-1  
 Project Name/Number: MG 2009/LN870

## Supporting Document Schedules

|  | <b>Item Status:</b> | <b>Status<br/>Date:</b> |
|--|---------------------|-------------------------|
| <p><b>Satisfied - Item:</b> Flesch Certification<br/> <b>Comments:</b><br/> <b>Attachment:</b><br/>           AR_Readability.pdf</p>   |                     |                         |
| <p><b>Bypassed - Item:</b> Application<br/> <b>Bypass Reason:</b> The application to be used with the submitted form has been included under the form schedule for review and approval with this filing.<br/> <b>Comments:</b></p>   |                     |                         |
| <p><b>Satisfied - Item:</b> Outline of Coverage<br/> <b>Comments:</b><br/>           The combination of the submitted base policy form (LN870 with schedule page LN870-1) with the submitted riders achieves a Long Term Care benefit. As a result we are providing a copy of the Outline of Coverage (form # MGF07208) and Personal Worksheet (form # MGF07209) for information only purposes.<br/> <b>Attachments:</b><br/>           NW MGF07208.pdf<br/>           NW MGF07209.pdf</p> |                     |                         |
| <p><b>Satisfied - Item:</b> Statement of Policy Cost<br/> <b>Comments:</b><br/> <b>Attachment:</b><br/>           NW Sample SPCBI.pdf</p>  |                     |                         |

SERFF Tracking Number: LCNC-126293409 State: Arkansas  
Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 43619  
Company Tracking Number: LN870 - AR  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: LN870 with schedule pages LN870-1  
Project Name/Number: MG 2009/LN870

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Compliance Certifications

**Comments:**

**Attachments:**

AR\_Actuarial Reg.34.pdf

AR\_Cert. of Compliance\_UL..pdf

AR\_Consent Cert for Rate .pdf

Arkansas

READABILITY CERTIFICATION

*The Lincoln National Life Insurance Company*

Re: LN870 – Flexible Premium Adjustable Life Policy  
LN870-1 – Schedule Pages used w/ LN 870  
LR870 - Convalescent Care Benefit Rider (Long Term Care Rider)  
LR871 - Extension of Benefits Rider (Long Term Care Rider)  
LR872 – Nonforfeiture Benefit Endorsement  
B10465F – Enhanced Surrender Value Endorsement  
MGF06450 – MoneyGuard Specific Application

We hereby certify that the attached Form(s) is (are) in compliance with the Rules and Regulation requirements regarding Life, Annuities, and Accident and Sickness Insurance Language Simplification Standards and has (have) achieved a Flesch Reading Ease score of:

| <u>Form Number:</u> | <u>Flesch:</u> |
|---------------------|----------------|
| LN870 w/ LN870-1    | 56.65          |
| LR870               | 60.18          |
| LR871               | 60.25          |
| LR872               | 64.51          |
| B10465F             | 53.38          |
| MGF06450            | 52.07          |



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Pamela M. Telfer, Assistant Vice President  
Product Compliance

Date:

# The Lincoln National Life Insurance Company

("the Company")  
A Stock Company

Service Office: [One Granite Place, PO Box 515, Concord, New Hampshire 03302-0515 (800) 962-1654]

## LONG-TERM CARE INSURANCE OUTLINE OF COVERAGE

For Convalescent Care Benefits Rider LR870 and Extension of Benefits Rider LR871

**CAUTION:** The issuance of the Convalescent Care Benefits Rider and Extension of Benefits Rider, if applicable, described in this outline is based on your answers to the questions on your application for such rider(s). A copy of your application should be retained by you when completed. If your answers are incorrect or untrue, the Company may deny benefits or rescind these rider(s). The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact the Company at the Service Office address shown above.

**NOTICE TO BUYER:** The riders described in this outline may not cover all of the costs associated with long-term care incurred by the Insured during the period of coverage. The buyer is advised to review carefully all policy and rider limitations.

### 1. INDIVIDUAL COVERAGE.

The Convalescent Care Benefits Rider ("CCBR") and Extension of Benefits Rider ("EOBR"), if applicable, described in this outline are attached to, and made a part of, an individual life insurance policy.

### 2. PURPOSE OF OUTLINE OF COVERAGE.

This Outline of Coverage provides a very brief description of the important features of the CCBR and EOBR. You should compare this Outline of Coverage to outlines of coverage for other policies and riders available to you.

**This is not an insurance contract, but only a summary of coverage.** Only the riders and the individual life insurance policy to which they are attached contain the governing contractual provisions. This means that the riders and the policy set forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR POLICY AND RIDERS CAREFULLY!**

**3. FEDERAL TAX CONSEQUENCES.**

The CCBR and EOBR are 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.

**4. TERMS UNDER WHICH THESE RIDERS MAY BE CONTINUED IN FORCE OR DISCONTINUED.**

**Renewability**

THESE RIDERS ARE NON-CANCELABLE. This means that you have the right, subject to the terms of your policy and rider(s), to continue these riders in force for as long as your policy stays in force. The Company cannot change any of the terms of your policy and rider(s) on its own and cannot increase the monthly rider charges or monthly Optional Inflation Protection charges, if applicable.

**Waiver of Premium**

These riders do not contain a waiver of premium or waiver of rider charge provision. However, the monthly rider charges and monthly Optional Inflation Protection charges, if applicable, will cease and be permanently waived once the cash value of the policy to which these riders are attached has been reduced to less than the required monthly deduction as a result of payments for Covered Services under the CCBR, provided no loans or withdrawals have been made against the policy.

**5. TERMS UNDER WHICH THE COMPANY MAY CHANGE RIDER CHARGES.**

**The Company cannot increase the monthly rider charges and monthly Optional Inflation Protection charges, as applicable.**

**6. TERMS UNDER WHICH THE RIDERS MAY BE RETURNED AND RIDER CHARGES REFUNDED.**

These riders may be returned for any reason to the insurance agent through whom they were purchased or to the Company at the Service Office address shown above within 30 days after you receive them. If returned, the rider(s) will be considered void from the beginning and the Company will refund all charges paid for these riders.

These riders do not contain provisions providing for a refund or partial refund of rider charges or Optional Inflation Protection charges, if applicable, upon the death of the Insured or upon the surrender of the rider(s) or policy.

**7. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.**

If you are eligible for Medicare, review the Medicare Supplement Buyer's Guide available from the Company. Neither the Company nor its agents represent Medicare, the federal government or any state government.

**8. LONG-TERM CARE COVERAGE.**

Policies and riders of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community, or in the home. These services are referred to as Covered Services and are more fully defined in the CCBR.

The CCBR and EOBR provide coverage by reimbursing costs incurred by the Insured during the period of coverage for Covered Services, subject to the terms and conditions of the riders.

**9. BENEFITS PROVIDED BY THESE RIDERS.**

Benefits are provided under the CCBR until that rider's benefit limit has been reached. The EOBR extends the benefits provided by the CCBR after the CCBR's benefit limit has been reached.

The Company will pay an amount up to the maximum monthly benefit to reimburse the costs incurred by the Insured during the period of coverage for any Covered Service or combination of Covered Services listed below, subject to the terms and conditions of the rider then in effect. The benefits paid in any one calendar month for any Covered Service or combination of Covered Services will not exceed the maximum monthly benefit for the rider then in effect. The total benefits paid will not exceed the benefit limit as defined in each rider. The benefit limit and maximum monthly benefit for the CCBR and for the EOBR, if applicable, are shown in the table attached to this Outline of Coverage.

The Company will reimburse expenses incurred by the Insured for the following Covered Services to the extent that such services are qualified long-term care services:

**INSTITUTIONAL BENEFITS**

**Assisted Living Facility Services**

Services that are provided to the Insured while he or she is confined or living in an Assisted Living Facility. An Assisted Living Facility is a separate facility (or a specially dedicated wing of a facility) which is licensed as an Assisted Living

Facility, if the jurisdiction licenses such facilities. If the jurisdiction does not license Assisted Living Facilities, then the facility must meet the criteria described in the CCBR.

### **Bed Reservation**

The expense incurred by the Insured to reserve the Insured's bed in a Nursing Home while he or she is temporarily absent during a stay in a Nursing Home and is charged to reserve accommodations. The temporary absence can be for any reason with the exception of discharge. This includes, but is not limited to, a hospital stay or spending holidays or other time with family. This benefit is limited to no more than 30 days each calendar year. The amount payable for this benefit cannot exceed 1/30th of the maximum monthly benefit of the rider then in effect for each day that the bed is reserved.

### **Nursing Home Care Services**

Services that are provided to the Insured while he or she is confined to a Nursing Home. A Nursing Home is a facility or distinctly separate part of a hospital or other institution which is licensed by the appropriate jurisdiction licensing agency or authority as a Nursing Home, if the jurisdiction licenses such facilities. If the jurisdiction does not license Nursing Homes, then the facility must meet the criteria described in the Convalescent Care Benefits Rider.

## **NON-INSTITUTIONAL BENEFITS**

### **Adult Day Care Services.**

A program for 6 or more individuals of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the home.

### **Care Planning Services**

Services provided for the Insured by a Care Planning Agency under the direction of the Licensed Health Care Practitioner. A Care Planning Agency is an agency or organization which is primarily engaged in providing care planning on behalf of its clients. The agency or organization must be licensed by the appropriate state licensing agency as a Care Planning Agency, if the state licenses such agencies. If the state does not license Care Planning Agencies, then the agency must meet the criteria described in the CCBR.

### **Caregiver Training**

Training given to the primary caregiver by a properly accredited medical or instructional institution or by a qualified individual such as a licensed nurse to provide the primary caregiver with the knowledge and skills necessary to care for the Chronically Ill Insured. The amount payable for all Caregiver Training provided while the Insured is covered under the CCBR and under the EOBR, if applicable, is limited to no more than the amount shown in the table attached to this Outline of Coverage.

**Home Health Care Services**

Skilled nursing or other professional care services provided by a Home Health Care Agency at the Insured's place of residence which must be outside of a hospital, a Nursing Home or an Assisted Living Facility. A Home Health Care Agency is an entity that is primarily engaged in providing residential health care services under policies and procedures established by a group of professionals, including at least one physician and one nurse. The agency must meet at least one of the licensing, accrediting or certification criteria described in the CCBP.

**Hospice Services**

Services given to provide palliative care to alleviate the physical, emotional, social, and spiritual discomforts of the Insured who is in the terminal phases of life. These services also include supportive care given to the primary caregiver and the Insured's immediate family.

**Personal Care Services**

Services provided at the Insured's place of residence which must be outside of a hospital, Nursing Home or Assisted Living Facility, to assist with Activities of Daily Living, including activities such as using a telephone, managing medications, moving about outside, shopping for essentials, preparing meals, laundry, and housekeeping or homemaking activities to allow the Insured to remain in his or her residence. These services may be provided by skilled or unskilled persons.

**Respite Care Services**

Short-term care services provided for the Insured in an institution, in the home, or in a community-based program to provide temporary relief for the primary caregiver. Such services may be provided by skilled or unskilled persons. This benefit is limited to no more than 21 days each calendar year. The amount payable for this benefit cannot exceed 1/30th of the maximum monthly benefit of the rider then in effect for each day of Respite Care Services.

**Alternative Care Services**

Qualified long-term care services that are not covered under any of the Covered Services listed above, but which your Licensed Health Care Practitioner and the Company mutually agree would be appropriate to meet the Insured's long-term care needs. These services must be provided as an alternative to other Covered Services that would otherwise be required by the Chronically Ill Insured.

**Non-Continual Alternative Care Services**

Alternative Care Services which are received on a one-time basis, such as expenses for durable medical equipment or for modifications to the home to accommodate a wheelchair or other device. This benefit is limited to no more than one claim per calendar year. The amount payable for this benefit in any calendar year cannot exceed the maximum monthly benefit of the rider then in effect.

## **ELIGIBILITY FOR PAYMENT OF BENEFITS**

The following conditions must be met to qualify for benefits under these riders:

- a. To qualify for benefits under the CCBR, the total benefits paid under that rider must not have reached the CCBR's benefit limit. To qualify for benefits under the EOBR:
  1. payments for Covered Services under the CCBR must have reached the CCBR's benefit limit; and
  2. the total benefits paid under the EOBR must not have reached the EOBR's benefit limit.
- b. The Licensed Health Care Practitioner must certify that the Insured is Chronically Ill and that the illness is expected to continue for at least 90 days. "Chronically Ill" means that the Insured has been certified, within the preceding 12 months, by a Licensed Health Care Practitioner as:
  1. being unable to perform (without Substantial Assistance as defined below from another individual) at least 2 of the Activities of Daily Living described below, for a period of at least 90 days due to loss of functional capacity; or
  2. requiring Substantial Supervision to protect the Insured from threats to health and safety due to Severe Cognitive Impairment, as defined below.
- c. The Licensed Health Care Practitioner must prescribe a plan of care in writing prescribing services, including Covered Services, that are to be provided to the Insured. The Insured must receive the Covered Services prescribed under the plan of care while these riders are in force.
- d. At least once every 12 months thereafter, and for as long as the Insured continues to be Chronically Ill, the Licensed Health Care Practitioner must again:
  1. certify that the Insured is Chronically Ill. If the Insured's chronic illness is caused by loss of functional capacity, the Licensed Health Care Practitioner must again certify that the Insured's chronic illness is expected to continue for at least 90 days; and
  2. either prescribe a new plan of care, or reconfirm the existing plan of care in writing.

"Activities of Daily Living" are the 6 basic functional abilities which relate to the Insured's ability to live independently. They are:

- a. Bathing: The Insured's ability to wash himself or herself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower.

- b. Continence: The Insured's ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
- c. Dressing: The Insured's ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- d. Eating: The Insured's ability to feed himself or herself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.
- e. Toileting: The Insured's ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene.
- f. Transferring: The Insured's ability to move into or out of a bed, chair, or wheelchair.

"Severe Cognitive Impairment" means a loss or deterioration in the Insured's intellectual capacity that is:

- a. comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and
- b. measured and confirmed by clinical evidence and standardized tests that reliably measure impairment in the following areas:
  - 1. the Insured's short- or long-term memory;
  - 2. the Insured's orientation as to person (such as who they are), place (such as their location), and time (such as day, date, and year); and
  - 3. the Insured's deductive or abstract reasoning, including judgment as it relates to safety awareness.

"Substantial Assistance" means hands-on assistance or the presence of another person within arm's reach that is necessary to prevent, by physical intervention, injury to the Insured while the Insured is performing the Activities of Daily Living.

"Substantial Supervision" means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect the Severely Cognitively Impaired Insured from threats to his or her health or safety (such as may result from wandering).

## **10. LIMITATIONS AND EXCLUSIONS.**

### **Pre-Existing Conditions**

These riders do not exclude pre-existing conditions.

### **Non-eligible Facilities or Providers**

These riders do not cover services provided by a facility or an agency that does not meet the rider definition for such facility or agency, except as provided under Alternative Care Services. These riders do not cover services provided by unlicensed providers, or services provided by a member of the Insured's immediate family or for which no charge is normally made in the absence of insurance. These riders do not cover services provided in facilities operated primarily for the treatment of mental or nervous disorders, which include neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder.

### **Non-eligible Levels of Care**

These riders do not cover services that do not constitute qualified long-term care services as defined in the CCBR.

### **Exclusions, Exceptions and Limitations**

These riders will not pay benefits for:

- a. care provided in facilities operated primarily for the treatment of mental or nervous disorders, as described above. **This exclusion does NOT apply to qualifying stays or care resulting from a clinical diagnosis of Alzheimer's Disease or similar forms of irreversible dementia;**
- b. treatment for alcoholism, drug addiction or chemical dependency (unless the drug addiction or chemical dependency is a result of medication taken in doses as prescribed by a physician);
- c. treatment arising out of an attempt (while sane or insane) at suicide or an intentionally self-inflicted injury;
- d. 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;
- e. loss to the extent that benefits are payable under any of the following: Medicare (including that which would have been payable but for the application of a deductible or a coinsurance amount), other governmental programs (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws;
- f. confinement or care received outside the United States or its territories and possessions, other than benefits for Nursing Home Care Services and Assisted Living Facility Services provided under the CCBR as described below;

- g. services provided by a facility or an agency that does not meet the rider definition for such facility or agency, except as provided under Alternative Care Services; and
- h. services provided by a member of the Insured's immediate family or for which no charge is normally made in the absence of insurance.

### **International Benefits**

The CCBR provides for limited benefits for Nursing Home Care Services or Assisted Living Facility Services received outside of the United States or its territories and possessions (collectively, "United States"), subject to the terms and conditions described in the CCBR. The amount payable each calendar month for such services is limited to an amount equal to 50% of any maximum monthly benefit available under the CCBR. No benefits are payable under the CCBR for any Covered Services received outside of the United States other than Nursing Home Care Services or Assisted Living Facility Services.

No benefits are payable under the EOBR for any Covered Service, confinement or care received outside of the United States.

THESE RIDERS MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.

### **11. RELATIONSHIP OF COST OF CARE AND BENEFITS.**

Because the cost of long-term care services will likely increase over time, you should consider whether and how the benefits provided under these riders may be adjusted.

The CCBR and EOBR provide for Optional Inflation Protection coverage. If you *don't* reject Optional Inflation Protection by signing the rejection statement in the application for these riders, the maximum monthly benefit and benefit limit for the CCBR and the EOBR, if applicable, will automatically increase on each policy anniversary while the rider(s) are in force. The amount of the annual increase will depend upon the Optional Inflation Protection option that is in effect. The available options are 3% Simple Increases, 3% Compound Increases, and 5% Compound Increases.

The monthly rider charges and monthly Optional Inflation Protection charges will remain level and will not increase annually as rider benefits increase.

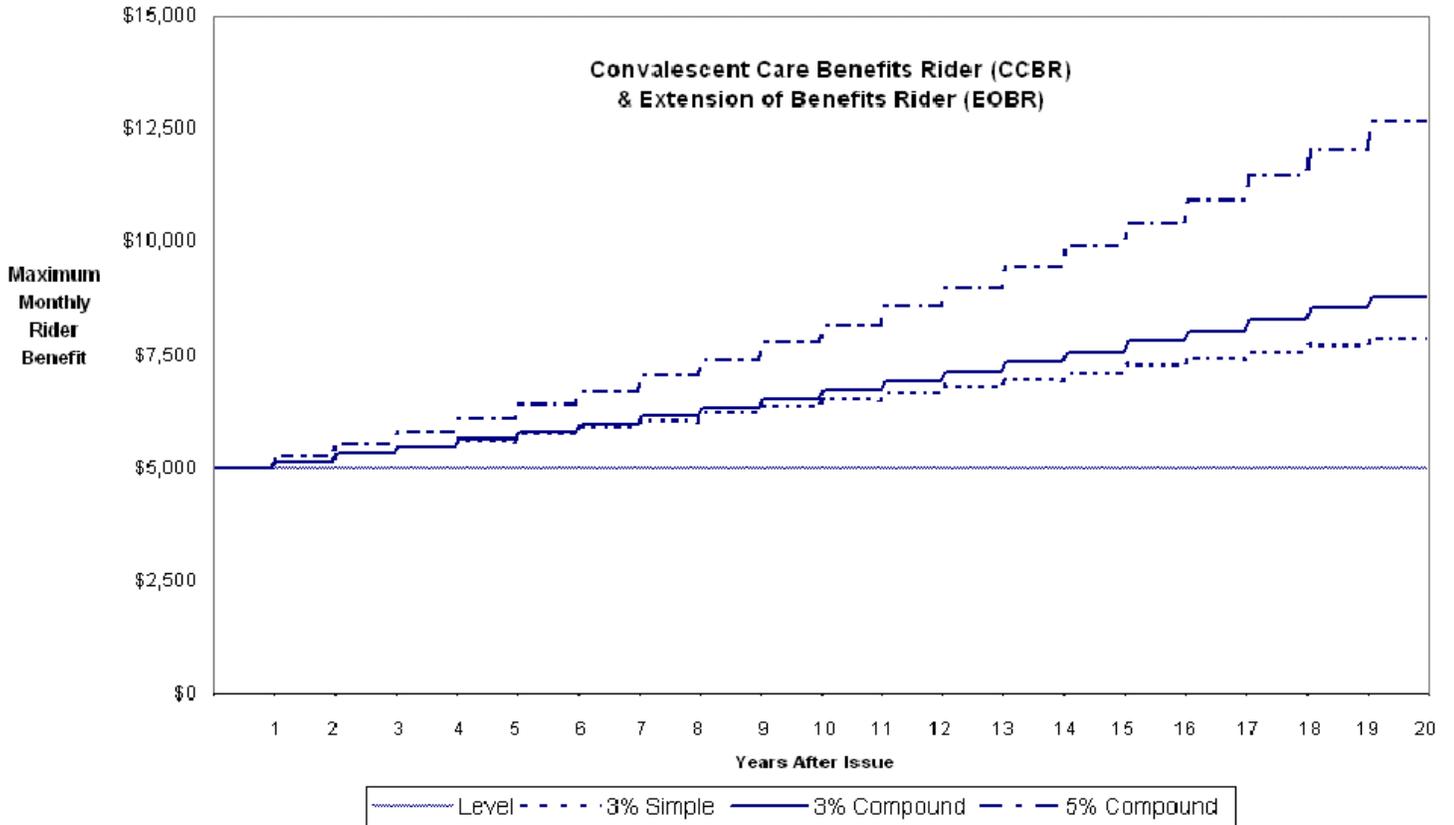
If you *reject* Optional Inflation Protection by signing the rejection statement in the application for these riders, you will not be able to increase your benefits later. These riders do not provide a guaranteed option to buy additional insurance.

The chart below gives examples of the monthly Optional Inflation Protection charges for each available option. The example shown is for a maximum monthly benefit of \$5,000 with a 2 year CCBR duration and a 2 year EOBR duration.

Your actual monthly Optional Inflation Protection charges will be different from the examples shown if you select a different combination of CCBR duration and EOBR duration. The Optional Inflation Protection charges based upon the rider durations and Optional Inflation Protection option, if any, you chose are shown in the table attached to this Outline of Coverage.

| <b>Monthly Optional Inflation Protection Charges for \$5,000 of Maximum Monthly Benefit</b> |                             |             |                              |             |                              |             |
|---|-----------------------------|-------------|------------------------------|-------------|------------------------------|-------------|
| <b>CCBR Duration is 2 Years; EOBR Duration is 2 Years</b>                                   |                             |             |                              |             |                              |             |
| <b>Issue Age</b>  | <b>Inflation Protection</b> |             |                              |             |                              |             |
|   | <b>3% Simple Increases</b>  |             | <b>3% Compound Increases</b> |             | <b>5% Compound Increases</b> |             |
|   | <b>CCBR</b>                 | <b>EOBR</b> | <b>CCBR</b>                  | <b>EOBR</b> | <b>CCBR</b>                  | <b>EOBR</b> |
| 35  | \$23.52                     | \$14.04     | \$27.96                      | \$29.04     | \$40.56                      | \$77.64     |
| 45  | \$29.28                     | \$19.20     | \$34.80                      | \$38.40     | \$53.28                      | \$93.36     |
| 55  | \$60.96                     | \$24.24     | \$70.20                      | \$43.44     | \$98.52                      | \$100.20    |
| 65  | \$78.72                     | \$30.60     | \$84.84                      | \$46.32     | \$120.36                     | \$122.88    |
| 75  | \$229.68                    | \$41.28     | \$235.68                     | \$69.48     | \$337.20                     | \$156.48    |

The chart below provides a comparison of the maximum monthly benefit provided by each rider with the options available to you: level benefits (no Optional Inflation Protection); 3% Simple Increases; 3% Compound Increases; and 5% Compound Increases.



The monthly Optional Inflation Protection charge for the CCBR will be calculated based on your age at issue, the CCBR’s benefit limit at issue, the rider duration selected, and the Optional Inflation Protection option selected. This charge will change only if the CCBR’s benefit limit changes as a result of withdrawals or loan activity.

The monthly Optional Inflation Protection charge for the EOBR, if applicable, will be calculated based on your age at issue, the EOBR’s benefit limit at issue, the CCBR duration selected, the EOBR duration selected, and the Optional Inflation Protection option selected. This charge will change only if the EOBR’s benefit limit changes as a result of withdrawals or loan activity.

**12. ALZHEIMER’S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.**

These riders will provide benefits for qualified long-term care services resulting from a clinical diagnosis of Alzheimer’s Disease or related degenerative and dementing illnesses.

**13. RIDER CHARGES.**

The monthly rider charges and monthly Optional Inflation Protection charges, if applicable, for the CCBR and the EOBR, if applicable, will be deducted each month from the cash value of the policy to which they are attached. These charges are shown in the table attached to this Outline of Coverage, and will also be shown on the policy schedule of the issued policy.

**14. ADDITIONAL FEATURES.**

**Nonforfeiture**

The Guaranteed Benefit provision in the CCBR provides for a limited amount of paid-up long-term care insurance if the policy and CCBR lapse after having been in force for at least 3 years, subject to the terms and conditions of the Guaranteed Benefit provision. There is no additional charge for this benefit.

If you purchase the EOBR, you have the option to also purchase a Nonforfeiture Benefit Rider for an additional charge (shown in the attached table, if applicable). The Nonforfeiture Benefit Rider provides for a limited amount of paid-up long-term care insurance if the policy and EOBR lapse after having been in force for at least 3 years, subject to the terms and conditions of the rider. Benefits under the Nonforfeiture Benefit Rider become effective after all benefits available under the CCBR and under the EOBR have been paid.

**Medical Underwriting**

The issuance of these riders is subject to medical underwriting.

**15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE LINCOLN NATIONAL LIFE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING THE CONVALESCENT CARE BENEFITS RIDER OR EXTENSION OF BENEFITS RIDER DESCRIBED IN THIS OUTLINE.**

**OUTLINE OF COVERAGE  
TABLE**

**Convalescent Care Benefits Rider ("CCBR")**

Monthly Rider Charge: \$ \_\_\_\_\_

CCBR Benefit Limit: \$ \_\_\_\_\_

CCBR Duration: \_\_\_\_\_ Years

Maximum Monthly CCBR Benefit: \$ \_\_\_\_\_

**Extension of Benefits Rider ("EOBR")**

Monthly Rider Charge: \$ \_\_\_\_\_

EOBR Benefit Limit: \$ \_\_\_\_\_

EOBR Duration: \_\_\_\_\_ Years

Maximum Monthly EOBR Benefit: \$ \_\_\_\_\_

**Optional Inflation Protection**

CCBR Monthly Inflation Charge: \$ \_\_\_\_\_

EOBR Monthly Inflation Charge: \$ \_\_\_\_\_

Option: \_\_\_\_\_

**Nonforfeiture Benefit Rider**

Monthly Rider Charge: \$ \_\_\_\_\_

**TOTAL ANNUAL RIDER CHARGES: \$ \_\_\_\_\_**

# *Long-Term Care Insurance Personal Worksheet*

The Lincoln National Life Insurance Company  
Service Office:  
[One Granite Place  
PO Box 515  
Concord, NH 03302-0515 ]

People buy long-term care insurance for many reasons. Some don't want to use their own assets to pay for long-term care. Some buy insurance to make sure they can choose the type of care they get. Others don't want their family to have to pay for care or don't want to go on Medicaid. But long-term care insurance may be expensive, and may not be right for everyone. By state law, the insurance company must ask you to fill out this worksheet to help you and the company decide if you should buy this policy.

## **Premium Information:**

Policy and Rider Form Numbers: [LN870 – Flexible Premium Adjustable Life Insurance Policy  
LR870 – Convalescent Care Benefits Rider  
LR871 – Extension of Benefits Rider]

The premium for this policy is: (check one)

- A one-time Single Premium of \$\_\_\_\_\_; or  
 A Flexible Premium: Initial premium of \$\_\_\_\_\_ then \$\_\_\_\_\_ per year

## **Type of Rider**

Non-cancelable

## **The Company's Right to Increase Extension of Benefits Rider Charge:**

The Company cannot raise the rates for the Extension of Benefits Rider.

## **Rate Increase History:**

Lincoln has sold linked benefit policies combining long-term care insurance riders with life insurance policies since 2005. Lincoln has not raised its long-term care insurance rider rates for this life insurance policy form or similar policy forms in this state or any other state in the last 10 years.

## Questions Related to Your Income

How will you pay for this policy?

Income  Savings and/or Investments  Family Member  Other \_\_\_\_\_

What is your annual income?

Under \$[10,000]  \$[10-\$20,000]  \$[20-\$30,000]  \$[30-\$50,000]  Over \$[50,000]

How do you expect your income to change over the next 10 years?

No change  Increase  Decrease

*If you will be paying the premium with money received only from your own income, for annual premium policies a rule of thumb is that you may not be able to afford this policy if the premium is more than 7% of your income.*

Will you buy inflation protection?

Yes  No

If not, have you considered how you will pay for the difference between future costs and your daily benefit amount?

Income  Savings and/or Investments  Family Member  Other \_\_\_\_\_

*In [2007], the national average annual cost of care (semi-private room in a nursing home) was \$[66,065]. In ten years, the national average annual cost will be approximately \$[107,685.95] if costs increase 5% annually.*

*(Source:[ [www.longtermcare.gov](http://www.longtermcare.gov) – U.S. Department of Health and Human Services National Clearinghouse for Long-Term Care Information, March 2008])*

What elimination period are you considering?

Number of days \_\_\_\_\_ Approximate cost \$\_\_\_\_\_ for that period of care

How are you planning to pay for your care during the elimination period?

Income  Savings and/or Investments  Family Member  Not applicable

## Questions Related to Your Savings and Investments

Not counting your home, automobiles and personal property, what is the approximate value of all of your assets (savings and investments)?

Under \$[50,000]  \$[50-\$100,000]  \$[100-\$150,000]  Over \$[150,000]

How do you expect your assets to change over the next 10 years?

No change  Increase  Decrease

*If you are buying this policy to protect your assets and your assets are less than \$[50,000], you may wish to consider other options for financing your long-term care.*

**Disclosure Statement**

*In order for us to complete the processing of your application, please check one of the boxes below, sign, and return form to The Lincoln National Life Insurance Company along with the application. The Company may contact you to verify your answers.*

The answers to the questions above describe my financial situation.

I choose not to complete this information.

I acknowledge that the carrier and/or its agent (below) has reviewed this form with me including the monthly rider charges, long-term care rider charge increase history and potential for long-term care rider charge increases in the future. I understand the above disclosures.

---

*Signature of Applicant*

*Date*

**Agent's Statement**

I have explained to the Applicant the importance of completing this information.

---

*Signature of Agent*

*Date*

Agent's Printed Name:

---

If applicable, please check box and sign below.

My agent has advised me that this policy does not seem to be suitable for me. However, I still want the Company to consider my application.

---

*Signature of Applicant*

*Date*

STATEMENT OF POLICY COST AND BENEFIT INFORMATION  
FOR POLICY #SPECIMEN

IMPORTANT INFORMATION TO POLICYHOLDERS

ANY CORRESPONDENCE REGARDING THIS POLICY MAY BE FORWARDED EITHER TO OUR SERVICE OFFICE OR TO THE AGENT LISTED BELOW.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY  
PO BOX 515  
CONCORD, NH 03302-0515

LINK N. LIFE  
P.O. BOX 99999  
ANY CITY, ANY STATE 99999

TELEPHONE: 800 962-1654

TELEPHONE: 999 999-9999

THIS SUMMARY WAS PREPARED ON NOVEMBER 01, 2009 FOR THE LIFE OF JOHN DOE (MALE), ISSUE AGE 35.

POLICY LOAN INTEREST RATE CHARGED IS AN ADJUSTABLE POLICY LOAN INTEREST RATE BASED ON A GUARANTEED MAXIMUM RATE THAT IS THE GREATER OF THE PUBLISHED MONTHLY AVERAGE FOR THE CALENDAR MONTH ENDING TWO MONTHS PRIOR TO THE MONTH IN WHICH THE POLICY ANNIVERSARY OCCURS OR THE RATE USED TO COMPUTE THE SURRENDER VALUE DURING THE PERIOD PLUS 1% PER YEAR. REFER TO THE LOAN PROVISIONS OF YOUR POLICY FOR MORE DETAIL.

INTEREST RATE CREDITED TO POLICY VALUE HELD FOR POLICY LOAN COLLATERAL IS 4.00% IN ALL POLICY YEARS.

YOUR COVERAGE CONSISTS OF A FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY.

| SHORT NAME | RIDER(S) AND BENEFITS   | CHARGES    | YEARS PAYABLE |
|------------|---|------------|---------------|
| ESVE       | ENHANCED SURRENDER VALUE ENDORSEMENT                          |            | 0             |
| CCBR       | CONVALESCENT CARE BENEFITS RIDER (BENEFIT LIMIT \$100,000.00) | [\$38.40]  | [60]          |
| EOBR       | EXTENSION OF BENEFITS RIDER (BENEFIT LIMIT \$200,000.00)      | [\$105.20] | [60]          |
| NFO        | NONFORFEITURE BENEFIT RIDER                                   | [\$0.60]   | [60]          |

STATEMENT OF POLICY COST AND BENEFIT INFORMATION  
FOR POLICY #SPECIMEN

THIS IS NOT THE INSURANCE CONTRACT. ONLY THE ACTUAL POLICY PROVISIONS WILL PREVAIL. THE VALUES ILLUSTRATED BELOW ARE BASED ON A SET OF ASSUMPTIONS THAT INCLUDE PAYMENT OF PLANNED PREMIUMS AS SHOWN, NO EXISTING OR FUTURE LOANS AND NO WITHDRAWALS. THE CASH VALUES AND DEATH BENEFITS MAY VARY DEPENDING ON WHEN YOU PAY PREMIUMS AND HOW MUCH YOU PAY. THEY WILL NOT BE AS FAVORABLE IF YOU HAVE AN OUTSTANDING POLICY LOAN OR WITHDRAWAL. THE VALUES BASED ON GUARANTEED FACTORS ARE CALCULATED USING THE GUARANTEED COST OF INSURANCE FROM YOUR POLICY, PREMIUM AND ADMINISTRATIVE CHARGES AND A GUARANTEED CREDITED INTEREST RATE OF 4.00%.

PROJECTED POLICY VALUES  
BASED ON GUARANTEED FACTORS

| AGE<br>END<br>OF<br>YEAR | YEAR | PLANNED<br>PREMIUM<br>FOR YEAR | GROSS<br>CASH<br>VALUE | SURRENDER<br>CHARGE | SURRENDER<br>VALUE | BEGINNING<br>OF YEAR<br>DEATH<br>BENEFIT |
|--------------------------|------|--------------------------------|------------------------|---------------------|--------------------|--|
| [36                      | 1    | 12,557.26                      | 10,281.42              | 2,286.00            | 7,995.42           | 100,000.00                               |
| 37                       | 2    | 12,557.26                      | 20,964.50              | 2,286.00            | 18,678.50          | 100,000.00                               |
| 38                       | 3    | 12,557.26                      | 32,032.87              | 2,070.00            | 29,962.87          | 127,006.46                               |
| 39                       | 4    | 12,557.26                      | 43,475.75              | 1,846.00            | 41,629.75          | 164,042.58                               |
| 40                       | 5    | 12,557.26                      | 55,296.45              | 1,613.00            | 53,683.45          | 199,793.15                               |
| 41                       | 6    | 12,557.26                      | 67,520.17              | 1,371.00            | 66,149.17          | 234,323.19                               |
| 42                       | 7    | 12,557.26                      | 80,064.55              | 1,119.00            | 87,900.82          | 296,011.29                               |
| 43                       | 8    |                                | 80,667.01              | 856.00              | 87,900.82          | 286,193.64                               |
| 44                       | 9    |                                | 81,253.47              | 583.00              | 87,900.82          | 276,805.84                               |
| 45                       | 10   |                                | 81,817.27              | 298.00              | 87,900.82          | 267,837.31                               |
| 46                       | 11   |                                | 82,385.23              |                     | 87,900.82          | 259,283.69                               |
| 47                       | 12   |                                | 82,917.89              |                     | 87,900.82          | 251,130.88                               |
| 48                       | 13   |                                | 83,409.74              |                     | 87,900.82          | 243,380.67                               |
| 49                       | 14   |                                | 83,862.24              |                     | 87,900.82          | 236,023.37                               |
| 50                       | 15   |                                | 84,300.78              |                     | 87,900.82          | 229,029.10                               |
| 51                       | 16   |                                | 84,832.14              |                     | 87,900.82          | 222,318.75                               |
| 52                       | 17   |                                | 85,351.09              |                     | 87,900.82          | 215,852.77                               |
| 53                       | 18   |                                | 85,847.11              |                     | 87,900.82          | 209,652.25                               |
| 54                       | 19   |                                | 86,312.27              |                     | 87,900.82          | 203,727.73                               |
| 55                       | 20   |                                | 86,744.40              |                     | 87,900.82          | 198,079.22                               |
| 56                       | 21   |                                | 87,269.39              |                     | 87,900.82          | 192,697.06                               |
| 57                       | 22   |                                | 87,766.66              |                     | 87,900.82          | 187,575.95                               |
| 58                       | 23   |                                | 88,251.81              |                     | 88,251.81          | 182,693.94                               |
| 59                       | 24   |                                | 88,728.42              |                     | 88,728.42          | 178,792.95                               |
| 60                       | 25   |                                | 89,193.85              |                     | 89,193.85          | 175,177.66                               |
| 65                       | 30   |                                | 90,266.08              |                     | 90,266.08          | 158,201.23                               |
| 70                       | 35   |                                | 89,944.46              |                     | 89,944.46          | 142,816.64]                              |

BASED ON THE PROJECTIONS SHOWN ABOVE, ASSUMING NO LOANS OR WITHDRAWALS, COVERAGE IS GUARANTEED TO CONTINUE TO THE DEATH OF THE INSURED.

STATEMENT OF POLICY COST AND BENEFIT INFORMATION  
FOR POLICY #SPECIMEN

GUARANTEED VALUES  
10 YEAR            20 YEAR

|                           |        |        |
|---------------------------|--------|--------|
| SURRENDER COST (SC) INDEX | [14.09 | 15.83] |
| NET PAYMENT (NP) INDEX    | [48.15 | 27.98] |

AN EXPLANATION OF THE INTENDED USE OF THESE INDEXES IS PROVIDED IN THE LIFE INSURANCE BUYER'S GUIDE. THESE INDEXES ARE USEFUL ONLY FOR THE COMPARISON OF RELATIVE COSTS OF TWO OR MORE SIMILAR POLICIES. THE PLANNED ANNUAL PREMIUM LESS CHARGES FOR RIDERS AND SUPPLEMENTAL BENEFITS IS USED FOR THE BASIC POLICY PREMIUM IN CALCULATING THE INDEXES ABOVE.

**ARKANSAS**

**CERTIFICATE OF COMPLIANCE  
Regulation 34**

*The Lincoln National Life Insurance Company*

**Re: LN 870 – Flexible Premium Adjustable Life Policy**  
**LN 870-1 – Schedule Pages used w/ LN 870**  
**LR 870 - Convalescent Care Benefit Rider (Long Term Care Rider)**  
**LR 871 - Extension of Benefits Rider (Long Term Care Rider)**  
**LR 872 – Nonforfeiture Benefit Endorsement**  
**B10465F – Enhanced Surrender Value Endorsement**

To the best of my knowledge and belief, the form(s) listed above complies with:

1. Section 6 (Valuation) of Regulation 34. When calculating the reserves under the minimum reserves method in Regulation 34, in no case shall the reserves be less than the actual Cash Surrender Values provided for under this contract; and
2. Section 7 (Nonforfeiture) of Regulation 34.



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Duane E. Grabber ASA, MAAA  
Actuarial Associate  
The Lincoln National Life Insurance Company

Date: 8-28-09

# ARKANSAS

## CERTIFICATE OF COMPLIANCE

*The Lincoln National Life Insurance Company*

**Re: LN870 – Flexible Premium Adjustable Life Policy**  
**LN870-1 – Schedule Pages used w/ LN 870**  
**LR870 - Convalescent Care Benefit Rider (Long Term Care Rider)**  
**LR871 - Extension of Benefits Rider (Long Term Care Rider)**  
**LR872 – Nonforfeiture Benefit Endorsement**  
**B10465F – Enhanced Surrender Value Endorsement**  
**MGF06450– MoneyGuard Specific Application**

To the best of my knowledge and belief, the policy form listed above complies with the provisions of Rule and Regulation 19 as well as all applicable requirements of the Arkansas Insurance department.

To the best of my knowledge and belief we are in compliance with the requirements of Arkansas Code Ann. 23-79-138. We provide a document entitled “Important Information to Policyholders” which contains the required information.

To the best of my knowledge and belief we are in compliance with the requirements of Regulation 49 and we provide the required Guaranty Association notice.



---

Pamela M. Telfer, AVP  
Product Compliance

Date: 8/31/09

**ARKANSAS**

**CONSENT TO SUBMIT RATES  
AND/OR COST BASES FOR APPROVAL**

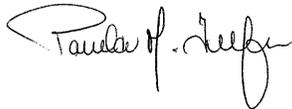
**The Lincoln National Life Insurance Company**

*The Lincoln National Life Insurance Company, of Fort Wayne, Indiana* does hereby consent and agree:

A) That all premium rates and/or cost bases both “maximum” and “current or projected” used in relation to policy form number **LN870** must be filed with the Insurance Commissioner for the State of Arkansas (“Commissioner”) at least sixty (60) days prior to their proposed effective date. Such rates and/or cost bases shall be deemed effective sixty (60) days after they are filed with the Commissioner, unless the Commissioner shall approve or disapprove such rates and/or cost bases prior to the expiration of sixty (60) days.

or

B) that where this policy is a flexible or indeterminate premium life policy which provides for frequent changes in interest rates based on financial market conditions, the company may file a range of rates it will stay within and will notify the Department at least sixty (60) days prior to any change in the range of rates. The company must also document the method used to calculate its premium and range of rates.



By:

\_\_\_\_\_  
Pamela M. Telfer, AVP  
Product Compliance

Date: August 31, 2009