

SERFF Tracking Number: LCNC-126429878 State: Arkansas  
 Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 44421  
 Company Tracking Number: AR-518(1-10)  
 TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
 Variable and Variable  
 Product Name: LTC Benefit Rider  
 Project Name/Number: AR-518(1-10)/AR-518(1-10)

## Filing at a Glance

Company: The Lincoln National Life Insurance Company

Product Name: LTC Benefit Rider SERFF Tr Num: LCNC-126429878 State: Arkansas  
 TOI: A02.11 Individual Annuities- Deferred Non- SERFF Status: Closed-Approved- State Tr Num: 44421  
 Variable and Variable Closed  
 Sub-TOI: A02.11.002 Flexible Premium Co Tr Num: AR-518(1-10) State Status: Approved-Closed  
 Filing Type: Form Reviewer(s): Linda Bird  
 Authors: Robert Gorey, Anabela Tavares Disposition Date: 02/18/2010  
 Date Submitted: 12/28/2009 Disposition Status: Approved-Closed  
 Implementation Date Requested: On Approval Implementation Date:  
 State Filing Description:

## General Information

Project Name: AR-518(1-10) Status of Filing in Domicile: Pending  
 Project Number: AR-518(1-10) Date Approved in Domicile:  
 Requested Filing Mode: Review & Approval Domicile Status Comments:  
 Explanation for Combination/Other: Market Type: Individual  
 Submission Type: New Submission Group Market Size:  
 Overall Rate Impact: Group Market Type:  
 Filing Status Changed: 02/18/2010 Explanation for Other Group Market Type:  
 State Status Changed: 02/12/2010  
 Deemer Date: Created By: Anabela Tavares  
 Submitted By: Robert Gorey Corresponding Filing Tracking Number:  
 Filing Description:

Enclosed for your review and approval consideration are the above referenced forms. These forms are new and will not replace any previously approved forms. The Riders, Amendment, and Endorsement Forms will be sold and issued only in conjunction with previously approved variable annuity contract forms. All five forms are issued upon election of a qualified long-term care insurance benefit under a nonqualified fixed and variable flexible premium deferred annuity. The election may be for a new or a previously issued contract. Agents must be (i) appointed by the company, (ii) registered representatives supervised by a broker/dealer, and (iii) properly licensed by the state insurance regulator to sell variable annuities and long-term care insurance. The long-term care insurance is not a 'partnership' design. Issue

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ages are 35-79.

Form AR-518(1-10) is an individual long-term care benefit rider with a level benefit pool. The rider is guaranteed renewable and explains how LTC benefit limits and LTC premium charges are calculated under the annuity. In conjunction with AE-517(1-10), it will provide LTC Benefits when qualified long-term care expenses are incurred by the covered life during the period of coverage, subject to the terms and conditions of the contract and all attached policy forms.

LTC Benefits are not payable until after a waiting period (the LTC Coverage Effective Date) and the completion of any deductible period under the Rider. The maximum monthly benefits are redetermined each year through the fifth rider anniversary, and are subject to reductions upon withdrawals. Rider charges will be deducted quarterly from the contract value of the annuity as shown on the rider schedule page (AS-533(1-10)) based on the benefit duration selected. Please refer to the enclosed Actuarial Memorandum for explanations regarding these rider charges and benefit durations.

Form AE-517(1-10) is a long-term care coverage endorsement. This endorsement describes the LTC Benefits that may be paid under the Contract, and the process for filing a claim for LTC Benefits. To qualify for benefits, the insured must receive covered services prescribed under a Plan of Care, as defined in this endorsement. Form AE-517(1-10) will be used with AR-518(1-10) and other approved Long-Term Care Benefit Riders we may develop in the future. Because claim processes and long-term care services change from time to time, we wish to keep these terms on a form separate from benefit amount riders such as AR-518(1-10).

Form AR-532(1-10) is a fixed account rider. The terms of this Rider apply when Contract Values are allocated to the LTC Fixed Account. Contract values that may be paid as LTC benefits are transferred to the LTC Fixed Account once the insured has been placed on claim status.

Form AS-533(1-10) is the client-specific specifications page. The LTC Benefit Specification Page provides a detailed client-specific list and outline of all charges and specifications of coverage.

Form AA-531(1-10) is a contract amendment which must be signed and dated by the Contract Owner and received by the Company within 45 days of rider delivery. If the Contract Amendment for LTC Benefits is not returned, the Rider automatically terminates before any Rider Charges have been assessed. This amendment confirms eligibility criteria that is obtained from the client prior to rider issuance, and is necessary to support the new business process for variable annuities. We have no alternative or rated plan for customers who do not satisfy our eligibility criteria.

We have also enclosed samples of the Long-Term Care Outline of Coverage form and Long-Term Care Insurance Personal Worksheet, as required by your state. At this time we do not have any marketing material for this product. If

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long-term care marketing materials are subject to any filing requirements in this jurisdiction, we affirm that we will comply.

We have bracketed certain items in the forms, indicating their status as variable information, because they may change for new issues of the form in the future. It is our understanding that changes to these items, within the ranges specified in our attached Statement of Variability, will not require a new form filing. Explanations of the rationale for variability are also provided. We confirm that these brackets will not actually appear on the forms as issued to customers. Please see the enclosed Statements of Variability for explanations regarding the variable items in each form.

## Company and Contact

### Filing Contact Information

Rob Gorey, Contract Analyst Robert.Gorey@lfg.com  
 350 Church Street 860-466-2908 [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

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$175.00  
 Retaliatory? Yes  
 Fee Explanation: Retaliatory fee \$35.00 per form  
 5 forms @ \$35.00=175.00  
 1 rate @ \$50.00  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Lincoln National Life Insurance Company	\$225.00	12/28/2009	33125424

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	02/18/2010	02/18/2010
Approved-Closed	Linda Bird	02/12/2010	02/12/2010

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Contract Amendment for LTC Benefit	John Langmaid	02/17/2010	02/17/2010
Supporting Document	Statement of Variability	John Langmaid	02/17/2010	02/17/2010
Supporting Document	Outline of Coverage - info only	John Langmaid	02/17/2010	02/17/2010
Supporting Document	Personal Worksheet - info only	John Langmaid	02/17/2010	02/17/2010
Supporting Document	Potential Rate Increase Disclosure - info only	John Langmaid	02/17/2010	02/17/2010

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## Disposition

Disposition Date: 02/18/2010

Implementation Date:

Status: Approved-Closed

Comment: Company has amended form AA-531 (1-10), Statement of Variability, Outline of Coverage, LTC Personal Worksheet and Potential Rate Increase Disclosure.

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		No
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document (revised)	Statement of Variability		Yes
Supporting Document	Statement of Variability	Replaced	Yes
Supporting Document (revised)	Outline of Coverage - info only		Yes
Supporting Document	Outline of Coverage - info only	Replaced	Yes
Supporting Document (revised)	Personal Worksheet - info only		Yes
Supporting Document	Personal Worksheet - info only	Replaced	Yes
Supporting Document (revised)	Potential Rate Increase Disclosure - info only		Yes
Supporting Document	Potential Rate Increase Disclosure - info only	Replaced	Yes
Supporting Document	Certificate of Compliance		Yes
Form	Long-Term Care Coverage Endorsement		Yes
Form	Long-Term Care Benefit Rider (Level Benefit)		Yes
Form (revised)	Contract Amendment for LTC Benefit		Yes
Form	Contract Amendment for LTC Benefit	Replaced	Yes
Form	LTC Fixed Account Rider		Yes
Form	LTC Benefit Specification Pages		Yes
Rate	Exhibit 1		Yes

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## **Disposition**

Disposition Date: 02/12/2010

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Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document (revised)	Statement of Variability		Yes
Supporting Document	Statement of Variability	Replaced	Yes
Supporting Document (revised)	Outline of Coverage - info only		Yes
Supporting Document	Outline of Coverage - info only	Replaced	Yes
Supporting Document (revised)	Personal Worksheet - info only		Yes
Supporting Document	Personal Worksheet - info only	Replaced	Yes
Supporting Document (revised)	Potential Rate Increase Disclosure - info only		Yes
Supporting Document	Potential Rate Increase Disclosure - info only	Replaced	Yes
Supporting Document	Certificate of Compliance		Yes
Form	Long-Term Care Coverage Endorsement		Yes
Form	Long-Term Care Benefit Rider (Level Benefit)		Yes
Form (revised)	Contract Amendment for LTC Benefit		Yes
Form	Contract Amendment for LTC Benefit	Replaced	Yes
Form	LTC Fixed Account Rider		Yes
Form	LTC Benefit Specification Pages		Yes
Rate	Exhibit 1		Yes

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**Amendment Letter**

Submitted Date: 02/17/2010

**Comments:**

We have amended the filing as follows:

- (1) Statement 5d of the Contract Amendment has been removed (dealing with prescription drugs). The Statement of Variability for that form has been revised in accord.
- (2) The Outline of Coverage, LTC Personal Worksheet, and Potential Rate Increase Disclosure have been renumbered and reformatted. No substantive changes have been made. We have provided updated versions as we expect the Dept would prefer to have the most current versions.

**Changed Items:**

**Form Schedule Item Changes:**

**Form Schedule Item Changes:**

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
AA-531(1-10)	Policy/Contract/Fraternal Certificate: Amendment, Benefit Insert Page, Endorsement or Rider	Contract Amendment for LTC	Initial				0.000	AA-531(1-10).pdf

**Supporting Document Schedule Item Changes:**

**User Added -Name: Statement of Variability**

- Comment: Attached are statements of variability
- SOV-AE-517(1-10).pdf
  - SOV-AR-518(1-10).pdf
  - SOV-AR-532(1-10).pdf
  - SOV-AS-533(1-10).pdf
  - SOV-AA-531(1-10).pdf

**User Added -Name: Outline of Coverage - info only**

Comment: For information only, attached is our LTC Outline of Coverage

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ANF10125.pdf

**User Added -Name: Personal Worksheet - info only**

Comment: For information only, attached is our LTC Personal Worksheet

ANF10123.pdf

**User Added -Name: Potential Rate Increase Disclosure - info only**

Comment: For information only, attached is our LTC Potential Rate Increase Disclosure

ANF10124.pdf

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## Form Schedule

### Lead Form Number:

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	AE-517(1-10)	Policy/Cont Long-Term Care ract/Fratern Coverage al Endorsement Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0.000	AE-517(1-10).pdf
	AR-518(1-10)	Policy/Cont Long-Term Care ract/Fratern Benefit Rider (Level al Benefit) Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0.000	AR-518(1-10).pdf
	AA-531(1-10)	Policy/Cont Contract Amendment ract/Fratern for LTC Benefit al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0.000	AA-531(1-10).pdf
	AR-532(1-10)	Policy/Cont LTC Fixed Account ract/Fratern Rider al	Initial		0.000	AR-532(1-10).pdf



# LONG-TERM CARE COVERAGE ENDORSEMENT

To start the process of making a claim for Long-Term Care Benefits, The Lincoln National Life Insurance Company (the "Company") must be notified. The toll-free number to call is [1-800-544-0327].

This Endorsement is hereby attached to and made a part of the Annuity Contract ("Contract") and the Long-Term Care Benefits Rider.

This Endorsement describes:

- a. The LTC Benefits that may be paid under the Contract and the Long-Term Care Benefits Rider, and
- b. The requirements for establishing initial and ongoing eligibility for LTC Benefits, and
- c. The process for filing initial and ongoing claims for LTC Benefits.

## LTC BENEFITS

The Company will only pay LTC Benefits if all conditions for **ELIGIBILITY FOR THE PAYMENT OF BENEFITS** have been met and none of the **LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS** apply at the time the Qualified Long-Term Care Services were provided to the Covered Life.

The maximum LTC Benefit payable is the maximum that will be paid for each calendar month, subject to remaining LTC Benefits. The maximum LTC Benefit payable for each calendar month is the Maximum Monthly LTC Benefit as of the Valuation Date of LTC Benefit payment if:

- a. The Covered Life resides in a Nursing Home in the United States, or
- b. The Covered Life is receiving Hospice Care in the United States. Any Deductible Period will be waived if the Covered Life is receiving Hospice Care.

Otherwise, the maximum LTC Benefit payable for each calendar month is 50% of the Maximum Monthly LTC Benefit as of the Valuation Date of LTC Benefit payment, but only if the Covered Life receives Qualified Long-Term Care Services in the United States.

## ELIGIBILITY FOR THE PAYMENT OF BENEFITS

**Initial Benefit Eligibility.** A Licensed Health Care Practitioner selected by the Owner will verify the Covered Life's initial Benefit Eligibility by performing the initial Assessment. The following conditions must be met to establish Benefit Eligibility under the Contract:

- a. The Covered Life must be Chronically Ill, meaning that as the result of an Assessment the Covered Life has been certified, within the preceding twelve (12) months, by a Licensed Health Care Practitioner as having a chronic illness or disability that causes the Covered Life to either:
  1. Require Substantial Assistance with at least two (2) ADLs, expected to last at least ninety (90) days; or
  2. Have a Severe Cognitive Impairment that requires Substantial Supervision.

- b. The Covered Life must have and follow a Plan of Care prescribed by a Licensed Health Care Practitioner.
- c. The Covered Life must not meet any of the LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS.

If the Covered Life's Benefit Eligibility has ended, any subsequent determination of Benefit Eligibility will be treated as a determination of initial Benefit Eligibility.

**Ongoing Benefit Eligibility.** The Company will require verification that the Covered Life is Chronically Ill and receiving the prescribed care and services as frequently as determined by the Company. The following conditions must be met to continue Benefit Eligibility under the Contract:

- a. The Covered Life must receive the care and support services prescribed by the Plan of Care, through the agency or facility identified in the Plan of Care, in the United States. The Plan of Care must be updated as the Covered Life's needs change.
- b. At least once every twelve (12) months thereafter, and for as long as the Covered Life continues to be Chronically Ill, a Licensed Health Care Practitioner selected by the Owner must complete a new Assessment and again:
  - 1. Certify that the Covered Life is Chronically Ill. If the Covered Life is Chronically Ill due to loss of functional capacity, the Licensed Health Care Practitioner must again certify that the Covered Life is expected to continue to be Chronically Ill for at least ninety (90) days; and
  - 2. Either prescribe a new Plan of Care, or reconfirm the existing Plan of Care In Writing.

If the Company is unable to verify ongoing Benefit Eligibility, the Company will revoke Benefit Eligibility status, reject any subsequent Request for Benefits, and take action pursuant to the Recovery for Overpayment provision, below. Any subsequent determination of Benefit Eligibility will be treated as the determination of initial Benefit Eligibility.

LTC Benefits will be paid under the Contract for as long as: (i) the conditions of the Contract, including this Long-Term Care Coverage Endorsement, are met; (ii) the Contract remains in force; (iii) any rider that provides for LTC Benefit payment remains in force; and (iv) any applicable LTC Benefit limit is not reached.

The Covered Life and, at the Covered Life's request, Immediate Family and the Covered Life's personal physician, may contact the Company with any questions regarding eligibility decisions and to present additional information relevant to Benefit Eligibility consideration by the Company.

**Deductible Period.** The Deductible Period is shown in the LTC Benefit Specifications. This Deductible Period must be completely satisfied before LTC Benefits will be payable. The Deductible Period must be satisfied only once. The Deductible Period will not begin until after the LTC Coverage Effective Date and must be satisfied only by days during which the Covered Life would otherwise be eligible to receive LTC Benefits. Such eligibility need not be incurred over consecutive days.

## **LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS**

**General Exclusions and Limitations.** The Covered Life can not establish initial or ongoing Benefit Eligibility under any of the following conditions:

- a. Covered Life is receiving 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. Covered Life is receiving treatment for alcoholism or drug addiction (unless the drug addiction is a result of medication taken in doses as prescribed by a physician);
- c. Covered Life is receiving treatment arising out of an attempt (while sane or insane) at suicide or an intentionally self-inflicted injury;

- d. Covered Life is receiving treatment provided in a Veteran's Administration or other government facility, unless otherwise required by law;
- e. Covered Life is receiving Qualified Long-Term Care Services for which benefits are available under Medicare or other governmental program(s) (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws; and
- f. All Qualified Long-Term Care Services the Covered Life is receiving are provided by members of the Covered Life's Immediate Family, whether paid or unpaid.

## CLAIMS

The Owner's legally authorized representative may act on the Owner's behalf in filing a claim or appealing a denial of a claim. A legally authorized representative may include a court-appointed conservator or an individual acting under a valid power of attorney.

The Claims procedure involves three (3) steps. First, the Company must be notified of the Covered Life's intent to file a claim. Second, the Covered Life's initial Benefit Eligibility must be determined by the Company. Third, after the Covered Life's initial Benefit Eligibility is found by the Company, the Owner must submit a Request for Benefits to be paid by the Company for particular calendar months during which the Covered Life receives paid Qualified Long-Term Care Services pursuant to the Plan of Care.

**Step One: Notice of Claim.** To start the process of establishing initial Benefit Eligibility, the Owner must provide the Company with Notice of Claim by notifying the Company In Writing at its Administrative Office or calling the Company at the telephone number shown on the first page of this Endorsement. Notice of Claim must be given to the Company within twenty (20) days after the occurrence or commencement of any loss covered by this Contract, or as soon thereafter as is reasonably possible. Notice of Claim given by or on behalf of the Covered Life or the Owner, to the Company at its Administrative Office, or to any authorized agent of the Company, with information sufficient to identify the Covered Life, will be deemed Notice of Claim to the Company.

Notice of Claim must include at least: the Owner's name, the Covered Life's name if different, the contract number, the address and telephone number at which the Owner or the Owner's legally authorized representative may be contacted and the claim form should be sent, and if applicable, documentation supporting the legally authorized representative's status.

**Step Two: Establishment of Initial Benefit Eligibility.** The Company must determine the Covered Life's initial Benefit Eligibility. In order to establish initial Benefit Eligibility, the Company will provide the Owner with claim forms to be completed by the Covered Life and the Licensed Health Care Practitioner. The Owner must arrange for the Licensed Health Care Practitioner to complete the forms. These forms have instructions on how to fill them out and where to send them. Please review the forms carefully with the Covered Life's designated Licensed Health Care Practitioner. The Company will use the information provided in the claim forms, and any additional information that the Company may require, to determine initial Benefit Eligibility under the Contract.

If the Company does not provide the claim forms within fifteen (15) days after the Owner provides Notice of Claim, the Owner will be deemed to have complied with the requirements of this Endorsement as to establishing initial Benefit Eligibility upon submitting, within the time fixed in the policy for filing, written proof covering the occurrence, the character, and the extent of the loss for which claim is made. Such written proof must include the Assessment and the Plan of Care.

The Company must receive at its Administrative Office written proof for establishing initial Benefit Eligibility within ninety (90) days after the end of the first month for which the Company is liable. Failure to provide such proof within the time required will not invalidate nor reduce any claim if it was not reasonably possible to provide proof within such time. Except in the absence of legal capacity, written proof must always be given no later than one (1) year from the time proof is otherwise required.

**Step Three: Request for Benefits.** Upon the Company's determination of initial Benefit Eligibility, the Company will provide the Owner with prompt notice and a Request for Benefits form to be used to file a Request for Benefits for up to three (3) months, following the Deductible Period. The 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. The Request for Benefits form must be submitted within ninety (90) days after either the end of the Deductible Period or the Company's determination of initial Benefit Eligibility, whichever occurs last. However, the Request for Benefits form may not be submitted more than thirty (30) days before the end of the Deductible Period. If no Request for Benefits form is received by the Company within ninety (90) days after the later of the end of the Deductible Period and the Company's determination of initial Benefit Eligibility, the Covered Life's Benefit Eligibility status will be revoked. The Covered Life must then re-establish initial Benefit Eligibility before submitting a Request for Benefits.

To continue to receive LTC Benefits, the Owner must submit a Request for Benefits form before the beginning of the month following the period for which LTC Benefits were previously requested. The Request for Benefits form may not be submitted more than thirty (30) days before the period for which LTC Benefits are being requested. To amend a Request for Benefits, the Owner must contact the Company by notifying the Company In Writing at its Administrative Office or calling the Company at the telephone number shown on the first page of this Endorsement.

If the Company does not receive a Request for Benefits within ninety (90) days following the last month for which LTC Benefits were previously paid, Benefit Eligibility status will be revoked. The Covered Life must then re-establish initial Benefit Eligibility before submitting a Request for Benefits.

If the Owner has not received a Request for Benefits form within fifteen (15) days after determination of initial Benefit Eligibility or expiration of a Request for Benefits period, the Owner will be deemed to have complied with the requirements of this Endorsement upon submitting, within ninety (90) days after determination of initial Benefit Eligibility or expiration of a Request for Benefits period, to the Company the details of the request In Writing, including the amounts requested and the calendar months applicable to the request.

The Company must receive a written Request for Benefits within ninety (90) days after the end of any month for which the Company is liable for payment of LTC Benefits. Failure to receive such Request for Benefits within the time required will not invalidate nor reduce any claim if it was not reasonably possible to make a Request for Benefits within such time, provided such request is received as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one (1) year from the time a Request for Benefits is otherwise required.

**Payment of Claims.** LTC Benefit payments will be payable prospectively after the Deductible Period ends and as long as Benefit Eligibility continues. The Company will pay the LTC Benefits to the Owner. Upon request, payments may be directed elsewhere. This request must be In Writing and submitted no later than the time the Request for Benefits is filed. Any LTC 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 the Company's liability, when the loss is not expected to continue.

The Company will send the Owner a monthly statement showing the amount of LTC Benefits paid and remaining available benefits. This statement will also show the effect, if any, of such LTC Benefit payments on the Contract's cash surrender value and death benefit.

**Physical Examinations.** The Company reserves the right to verify that all of the criteria for initial and ongoing Benefit Eligibility are satisfied when and as often as it may reasonably require. Verification may include a review of the medical facts to determine the extent of the Covered Life's condition or an examination by a physician of the Company's choice to verify that the Covered Life does meet the criteria for benefits. Such examination would be performed at the Company's expense. Verification may include a requirement for evidence of receipt of prescribed care or support services.

The Owner must have a Licensed Health Care Practitioner provide a current written Assessment and a recertification of the Covered Life's Chronic Illness at least once every twelve (12) months. This will be done solely for the purpose of providing proof that the Covered Life's condition and treatment satisfy ongoing Benefit Eligibility requirements under the terms of the Contract. Expenses associated with providing such proof are not reimbursable by the Company.

**Claim Review and Appeal.** Each claim will be evaluated based on this Endorsement and the information provided. The Company will inform the Owner In Writing if a claim or any part of a Request for Benefits is denied. All claims will be evaluated based on this Contract and the information provided. If the Owner does not agree with a claim decision, the Owner 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 request should be sent to the Company's Administrative Office within three (3) years after the time the Request for Benefits was filed. Within sixty (60) days after receiving this request, the Company will give the Owner the results of the Company's review In Writing with the Company's reasons stated clearly.

**Legal Actions.** The Owner cannot sue or bring legal action before sixty (60) days after proof of Benefit Eligibility satisfactory to the Company has been given to the Company In Writing. The Owner cannot sue after the greater of:

- a. the expiration of the applicable statute of limitations for the state in which the Contract was delivered; or
- b. three (3) years from the time written proof of Benefit Eligibility is required to be given In Writing.

**Recovery of Overpayment.** If there is an overpayment the Company will notify the Owner In Writing to explain the error and request repayment. Overpayment means LTC Benefits were paid pursuant to a Request for Benefits, either (i) after Benefit Eligibility ends or (ii) due to an administrative error in processing a claim. The Owner must return the amount of such overpayment within sixty (60) days of the Company's request. Any overpayment that is not returned to the Company within sixty (60) days of the Company's request will be deducted from future LTC Benefits if any, otherwise from any withdrawals, cash surrender, or death benefit proceeds.

## DEFINITIONS

**Activities of Daily Living ("ADL").** ADLs are the 6 basic functional abilities that relate to the ability to live independently. They are:

- a. **Bathing:** The ability to wash oneself 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 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 ability to put on or take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- d. **Eating:** The ability to feed oneself by getting food into the body from a receptacle (such as plate, cup or table) or by a feeding tube or intravenously.
- e. **Toileting:** The ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene.
- f. **Transferring:** The ability to move oneself into or out of a bed, chair or wheelchair.

**Adult Day Care.** An Adult Day Care is a program for six (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. Adult Day Care is not residence in a Nursing Home.

**Assessment.** An Assessment is an evaluation of the Covered Life's (i) ability to perform ADLs and (ii) cognitive condition, necessary to certify whether the Covered Life is Chronically III. A Licensed Health Care Practitioner using recognized and accepted, objective standards of measurement must perform any Assessment.

**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 state licenses such facilities. If the state does not license Assisted Living Facilities, then the facility must meet all of the following criteria:

- a. It must provide room, board, three (3) meals a day, housekeeping, linens, laundry and all the personal services required by a Chronically III individual, as well as protective oversight, to residents who require personal assistance to perform ADLs;
- 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 ADLs. 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 twenty-four (24) hours a day and seven (7) days a week and have a staff physician available on call.

**Chronically III.** A person is Chronically III if certified (by a Licensed Health Care Practitioner) within the preceding twelve (12) months as either:

- a. Being unable to perform (without Substantial Assistance from another individual) at least two (2) ADLs for a period of at least ninety (90) days as a result of loss of functional capacity; or
- b. Requiring Substantial Supervision that is necessary to protect the Covered Life from threats to health and safety due to Severe Cognitive Impairment.

**Home Health Care.** Home Health Care is skilled nursing or other professional care services provided at the place of residence which must be outside of a hospital, an Assisted Living Facility, or a Nursing Home. 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. Home Health Care is not residence in a Nursing Home.

**Hospice Care.** Hospice Care provides palliative care to Covered Life and the Covered Life's Immediate Family, to alleviate the physical, emotional, social, and spiritual discomforts in the terminal phases of life. If a provider of Hospice Care is not licensed, accredited or certified by the appropriate state licensing agency, Hospice Care must be administered by an interdisciplinary team that consists of a physician, a registered nurse, clergy or counselors, trained volunteers and other appropriate staff having expertise in meeting the needs of terminal patients.

**Immediate Family.** Immediate Family means a person's spouse and the children, brothers, sisters and parents of either the person or the person's spouse.

**Licensed Health Care Practitioner.** A Licensed Health Care Practitioner means any of the following other than Immediate Family:

- a. A physician (as defined in Section 1861(r)(1) of the Social Security Act, as amended);
- b. A registered professional nurse;
- c. A licensed social worker; or
- d. Another professional individual who meets the requirements prescribed by the United States Secretary of the Treasury.

If the Company does not insist upon the use of a particular Licensed Health Care Practitioner, the Company will not be responsible for related expenses charged by the Licensed Health Care Practitioner.

**Maintenance or Personal Care Services.** Maintenance or Personal Care Services are any service for which the primary purpose is to provide a Chronically Ill patient with needed assistance, including protection from threats to health and safety due to Severe Cognitive Impairment.

**Medicare.** Medicare means Title XVIII of the Social Security Act, as amended.

**Mental or Nervous Disorder.** A Mental or Nervous Disorder is any neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder.

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

- a. It must provide twenty-four (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 (1) physician and one (1) nurse;
- b. It must have a physician available to provide medical care in case of emergency;
- c. It must have at least one (1) nurse who is employed there full time (or at least twenty-four (24) hours per week if the facility has less than ten (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.

A Nursing Home is NOT:

- a. A hospital or clinic; or
- b. An Adult Day Care, Assisted Living Facility or similar facility, or
- c. A personal residence where Home Health Care is provided.

**Plan of Care.** A Plan of Care is a written, individualized plan for care (including medication and therapy) and support services for the Covered Life that:

- a. Has been prescribed by a Licensed Health Care Practitioner; and
- b. Has been developed as a result of an Assessment and incorporates any information provided by the Covered Life's personal physician; and
- c. Fairly, accurately and appropriately addresses the Covered Life's long-term care and support service needs; and
- d. Specifies the type, frequency and duration of all Qualified Long-Term Care Services required to meet those needs and the specific agency or facility to provide those services in the United States; and

- e. Describes the likelihood of improvement or deterioration of the Covered Life's condition within the next year from the date the Plan of Care was prepared and includes 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 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.

**Qualified Long-Term Care Service.** A Qualified Long-Term Care Service is a Maintenance or Personal Care Service, or any necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative service, that is:

- a. Required by the patient because the patient is Chronically Ill; and
- b. Provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

**Severe Cognitive Impairment.** Severe Cognitive Impairment means deterioration or loss in an individual'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:
  - i. Short-term or long-term memory;
  - ii. Orientation as to person (such as who they are), place (such as their location), and time (such as day, date and year); and
  - iii. Deductive or abstract reasoning, including judgment as it relates to safety awareness.

**Substantial Assistance.** 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 while performing ADLs.

**Substantial Supervision.** Substantial Supervision means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person.

**Signed for the Company**

  
Secretary

# LONG-TERM CARE BENEFITS

The Lincoln National Life Insurance Company (the "Company"), in consideration of LTC Charges paid and the Owner's affirmations and agreement to the statements on the Contract Amendment for LTC Benefits attached to this Contract, agrees to provide the benefits described in this Rider in accordance with all the terms and conditions of this Rider and the entire Contract to which it is attached including the Long-Term Care Coverage Endorsement and Contract Amendment for LTC Benefits. READ THIS RIDER AND THE ATTACHED LONG-TERM CARE COVERAGE ENDORSEMENT AND CONTRACT AMENDMENT FOR LTC BENEFITS CAREFULLY. This Rider is made part of the Contract to which it is attached. Except as stated below, this Rider is subject to all the terms and conditions of the Contract and the attached Long-Term Care Coverage Endorsement and Contract Amendment for LTC Benefits.

**Long-Term Care Benefit:** This long-term care coverage ("LTC") Rider provides that the Owner will receive monthly payments ("LTC Benefits"), up to the Maximum Monthly LTC Benefit, if certain conditions are met as described in this Rider and in the Long-Term Care Coverage Endorsement. **This LTC Rider does not provide any benefits prior to the LTC Coverage Effective Date.**

**NOTICE OF 30 DAY RIGHT TO EXAMINE.** Within thirty (30) days after this Rider is first received, this Rider may be cancelled for any reason by contacting the Company In Writing at its Administrative Office at [1300 South Clinton Street, Fort Wayne, IN 46802]. Upon cancellation, this Rider will be void from the beginning. Any LTC Charges will be reversed. Cancellation of this Rider under this Right To Examine will not be treated as a cancellation of the entire Contract. Confirmation of this cancellation will be provided In Writing.

**TAXATION:** This Rider, together with the Long-Term Care Coverage Endorsement and the Contract Amendment for LTC Benefits to which it is attached, is intended to be a Qualified Long-Term Care Insurance Contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended (the "Code"). The Pension Protection Act of 2006 extends long-term care coverage rules to coverage described in this Rider to Contracts issued after December 31, 1996, effective for tax years beginning after December 31, 2009. The Company considers the Rider Charges that are deducted from the Annuity Contract to be charges paid for long-term care coverage, which are excluded from gross income under section 72(e)(11) of the Code. The Company also considers the benefits paid under this Rider that do not exceed the greater of: (A) the expenses actually incurred for Qualified Long-Term Care Services as described in the Long-Term Care Coverage Endorsement, or (B) a maximum per diem limit as prescribed by law, to be qualified long-term care coverage. The tax treatment of long-term care coverage may change, and you should always consult and rely on the advice of a qualified tax advisor.

**NOTICE TO OWNER.** This Rider may not cover all of the costs associated with Long-Term Care incurred by the Covered Life during the period of coverage. Carefully review all Contract, Rider, and Endorsement limitations.

**Effective Date:** This Rider takes effect on the Rider Date shown in the LTC Benefit Specifications.

**Who is Covered.** This Rider's LTC Benefits cover the natural person who is the Annuitant on the Rider Date ("Covered Life"). This Rider's LTC Benefits do not apply to any other person. The Covered Life may not be changed.

**Renewability.** The LTC coverage provided under this Rider is guaranteed renewable. This Rider will terminate as described in the Termination of Rider provision of this Rider. The Company cannot cancel or reduce LTC coverage provided by this Rider or change any terms of this Rider, except that in the future the Company may increase LTC Charges on a class basis in a nondiscriminatory manner.

**Caution.** The issuance of this Long-Term Care Benefits Rider is based upon your affirmations and agreement to the statements on the Contract Amendment for LTC Benefits. A copy of the contract amendment was attached to this Rider when it was delivered. If any statement(s) affirmed and agreed to is (are) incorrect or untrue, the Company has the right to deny benefits or rescind your Rider. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of the statement(s) are incorrect, contact the company at this address: [1300 South Clinton Street, Fort Wayne, IN 46802].

## BRIEF DESCRIPTION OF PRIMARY BENEFITS

The following paragraph describes the primary benefits provided by this Long-Term Care Benefits Rider. Please read and review this Rider, the Annuity Contract to which this Rider is attached, the attached Contract Amendment for LTC Benefits, and the attached Long-Term Care Coverage Endorsement to understand fully the benefits provided, terms and conditions of coverage, and any limitations and exclusions.

This Rider provides for the payment of benefits (LTC Benefits) upon the Covered Life's receipt of Qualified Long-Term Care services due to Chronic Illness. You have designated the amount of your Contract Value that will fund LTC Benefits when you elected this Rider.

There are two (2) primary LTC Benefits provided in this Rider, the Acceleration Benefit and the Extension Benefit. The Acceleration Benefit is payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. The Acceleration Benefit is payable by the Company even if your Contract Value has been reduced to zero (\$0). After the Acceleration Benefit is reduced to zero (\$0) the LTC Benefits will continue as Extension Benefits, which are payments provided by the Company, during the Extension Benefit Duration.

There is a total LTC Benefit limit that may be paid for each month and is referred to as the Maximum Monthly LTC Benefit. When you become eligible for benefits, up to the full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. Otherwise, up to fifty percent (50%) of the Maximum Monthly LTC Benefit is payable.

## CONTRACT MODIFICATIONS

The following paragraph replaces the first paragraph in Article 10.01 THE CONTRACT.

The Contract and any riders, endorsements and amendments attached constitute the entire Contract. Only the President, a Vice President, the Secretary or an Assistant Secretary of the Company has the power, on behalf of the Company, to change, modify, or waive any provisions of this Contract.

The following replaces the Maturity Date reference in the Contract Specifications.

**MATURITY DATE:** [95<sup>th</sup>] Birthday of the Covered Life.

The following applies if a Persistency Credit reference appears in the Contract Specifications.

The reference to "Contract Value" in the Persistency Credit provision in the Contract Specifications is replaced with "Contract Value, less any LTC Fixed Account Value."

The reference to "any Fixed Account" in the Article 2, Persistency Credit provision in the Persistency Credit Rider is replaced with "any Fixed Account, except any LTC Fixed Account."

The following applies if a Free Withdrawal Amount reference appears in the Contract Specifications.

For purposes of calculating the Free Withdrawal Amount, all Withdrawals and Acceleration Benefit payments will be treated as Withdrawals, except as otherwise stated in this Rider. Therefore, Acceleration Benefit payments may reduce or eliminate the availability of Withdrawals free of CDSC.

## DEFINITIONS

**Benefit Eligibility** means the Covered Life is eligible for LTC Benefits as described in the Long-Term Care Coverage Endorsement.

**Covered Life** is the natural person whose life will be used to determine the benefits under this Rider. The Covered Life may not be changed on or after the Rider Date. The Annuitant will be the Covered Life.

**Deductible Period** is the days after initial Benefit Eligibility is established, during which LTC Benefits are not payable under this Rider pursuant to the Deductible Period provision.

**Funding Amount** is an amount used to calculate the Initial LTC GA as defined below. If the Rider Date is the Contract Date, the Funding Amount is the Purchase Payment received by the Company as of the Rider Date, plus Bonus Credits if any. If the Rider Date is after the Contract Date, the Funding Amount is the Contract Value as of the Rider Date. The Funding Amount is shown in the LTC Benefit Specifications.

**Target Funding Amount** is used in determining the initial LTC Percentage. It is determined by the Owner upon election of this Rider. If the Rider Date is the Contract Date, it is the total of Purchase Payments, plus Bonus Credits if any, expected to be received by the Company before the LTC Funding Deadline. Subject to our approval, the Target Funding Amount may be changed by the Owner. If the Rider Date is after the Contract Date, the Target Funding Amount is the Contract Value on the Rider Date. The Target Funding Amount as of the Rider Date is shown in the LTC Benefit Specifications.

**In Force** means not cancelled, surrendered or terminated for any reason.

**LTC Benefits** are approved LTC payments provided under the terms of this Rider. Acceleration Benefit payments, Extension Benefit payments, and Nonforfeiture Benefit payments are all LTC Benefits. Such benefits are defined in provisions by the same names herein. LTC Benefits are subject to all conditions described herein or in any part of the Entire Contract, including the Long-Term Care Coverage Endorsement. Such conditions include the Limitations or Conditions on Eligibility for Benefits, applicable benefit amount limits, monthly benefit limits, the Deductible Period, and the LTC Coverage Effective Date. LTC Benefits are not subject to Contingent Deferred Sales Charges.

**LTC Coverage Effective Date** is the earliest date that this Rider may provide LTC Benefits, subject to any Deductible Period, as shown in the LTC Benefit Specifications.

**LTC Funding Deadline** is the deadline for the Company's receipt of Purchase Payments for calculation of the Acceleration Benefit and Extension Benefit. If the Rider Date is the Contract Date, the LTC Funding Deadline is the latest Valuation Date on or before the ninetieth (90<sup>th</sup>) day after the Rider Date. If the Rider Date is not the Contract Date, the LTC Funding Deadline is the Rider Date.

**LTC Guaranteed Amount ("LTC GA")** refers to the Acceleration Benefit. Any adjustments to the Acceleration Benefit will also adjust the LTC GA.

**Maximum Monthly LTC Benefit** is a monthly benefit limit for LTC Benefit payments under this Rider, subject to all conditions described herein or in any part of the Entire Contract, including the Long-Term Care Coverage Endorsement. While this Rider is In Force, the Maximum Monthly LTC Benefit is the Maximum Monthly Level Benefit, which is the monthly benefit limit for Acceleration Benefits and Extension Benefits. After this Rider has terminated, the Maximum Monthly LTC Benefit is the Maximum Monthly Nonforfeiture Benefit, which is the monthly benefit limit for Nonforfeiture Benefits.

**Target Maximum Monthly Level Benefit** is the Maximum Monthly Level Benefit on the [fifth (5<sup>th</sup>) Rider Date Anniversary] if (i) on the LTC Funding Deadline the LTC GA is the Target LTC GA and (ii) no Excess Withdrawals or LTC Benefits are paid prior to the [fifth (5<sup>th</sup>) Rider Date Anniversary].

**Rider Charge Day** is the Monthly Anniversary Day of every third (3<sup>rd</sup>) month following the Rider Date, while this Rider is in effect. A Monthly Anniversary Day is the latest Valuation Date on or after the same day of the month as the Rider Date, as shown on the LTC Benefit Specifications.

**Rider Date** is the effective date of this Rider. It is shown on the LTC Benefit Specifications. A Rider Date Anniversary is the latest Valuation Date on or after the same day of the year as the Rider Date, as shown on the LTC Benefit Specifications. A Rider Year means each twelve (12) month period starting with the Rider Date and each Rider Date anniversary thereafter. A Rider Month means each one (1) month period starting with a Rider Date and each Monthly Anniversary Day thereafter.

**Withdrawal**, for the purposes of this Rider, means the gross amount of the Withdrawal before any applicable charges.

**Conforming Withdrawals** are all Withdrawals to the extent that the amount withdrawn is equal to or less than the greater of zero (\$0) and (A) minus (B), where

(A) is [five percent (5%)] of the excess, if any, of the Contract Value as of the most recent Rider Date Anniversary (or, prior to the first Rider Date Anniversary, the Rider Date) over the Acceleration Benefit as of the most recent Rider Date Anniversary (or, prior to the first Rider Date Anniversary, the Rider Date), and

(B) is all prior Withdrawals in that Rider Year.

**Excess Withdrawals** are all Withdrawals to the extent that the cumulative dollar amount withdrawn (including the current Withdrawal) from the Contract in the then-current Rider Year is not a Conforming Withdrawal for that Rider Year.

## **LTC CHARGES**

An LTC Charge is deducted from the Contract Value on each Rider Charge Day. The total LTC Charge may consist of an Acceleration Benefit Charge, an Extension Benefit Charge, and an Optional Nonforfeiture Benefit Charge. Such charges are expressed in the LTC Benefit Specifications as annual rates, although actual charges are the quarterly equivalent of such annual rates. An LTC Charge will not be taken if the Contract Value is zero (\$0).

LTC Charges will be proportionately deducted from each Variable Subaccount and each Fixed Account. If the Contract or this Rider is terminated (unless pursuant to the Right to Examine or due to the death of the Covered Life), a pro rata LTC Charge will be deducted for the period of coverage prior to such termination for which no LTC Charge has already been made.

### **Acceleration Benefit Charge**

On a Rider Charge Day, the Acceleration Benefit Charge is (a) the LTC GA, multiplied by (b) the annual Acceleration Benefit Charge rate, divided by (c) four (4). The initial annual Acceleration Benefit Charge rate is shown in the Rider Specifications.

### **Extension Benefit Charge**

On a Rider Charge Day, the Extension Benefit Charge is (a) the Extension Benefit as of the Rider Charge Day, multiplied by (b) the annual Extension Benefit Charge rate, divided by (c) four (4). The initial annual Extension Benefit Charge rate is shown in the Rider Specifications.

### **Optional Nonforfeiture Benefit Charge**

If an Optional Nonforfeiture Benefit Charge is shown in the LTC Benefit Specifications, then on a Rider Charge Day, the Optional Nonforfeiture Benefit Charge is (a) the Extension Benefit as of the Rider Charge Day, multiplied by (b) the annual Optional Nonforfeiture Benefit Charge rate, divided by (c) four (4).

If no Optional Nonforfeiture Benefit Charge is shown in the LTC Benefit Specifications, the Optional Nonforfeiture subsection is not in effect and no Optional Nonforfeiture Benefit Charge will be assessed.

## **Basis of LTC Charge Rates**

The Acceleration Benefit Charge rate, Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate on a Rider Charge Day are based on (i) the Covered Life's [gender and] age as of the Rider Date, and (ii) the combination of the Minimum Acceleration Benefit Duration and Minimum Extension Benefit Duration.

The Acceleration Benefit Charge rate, the Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate may change, at Our discretion, at any time after the Rider Date with at least thirty (30) days Written Notice from Us. Any change to such rates will be subject to any maximum rates shown in the LTC Benefit Specifications, and will be made on a class basis in a nondiscriminatory manner.

## **LTC FIXED ACCOUNT**

Upon the Company's determination of initial Benefit Eligibility, Contract Value sufficient to result in an LTC Fixed Account Value equal to the Acceleration Benefit will be transferred into the LTC Fixed Account, proportionally from all Variable Subaccounts and all other Fixed Accounts. If the Contract Value is less than the Acceleration Benefit, the entire Contract Value will be transferred into the LTC Fixed Account.

While the Covered Life is Benefit Eligible, if the LTC Fixed Account Value is less than the remaining Acceleration Benefit, the difference will be automatically transferred to the LTC Fixed Account proportionally from all Variable Subaccounts and all other Fixed Accounts. If the LTC Fixed Account Value is greater than the remaining Acceleration Benefit, the excess will be automatically transferred to the Variable Subaccounts according to the Contract Owner's future Variable Subaccount allocation instructions. The Company will make such transfers no less often than annually.

Acceleration Benefit payments made by Us will be paid to You from the LTC Fixed Account, until the LTC Fixed Account Value is zero (\$0), then proportionally from all Variable Subaccounts and all other Fixed Accounts until the Contract Value is reduced to zero (\$0). If the Contract Value is zero (\$0), the Acceleration Benefit payments will be made by the Company until the LTC GA is zero (\$0).

If the Covered Life has not received any LTC Benefits in a consecutive twelve (12) month period, the Owner may elect to transfer the LTC Fixed Account Value systematically over a twelve (12) month period to the Variable Subaccounts according to the Contract Owner's future Variable Subaccount allocation instructions. Whether or not this election is made, any subsequent determination of Benefit Eligibility will be treated as a determination of initial Benefit Eligibility for purposes of this Provision.

## **LTC GUARANTEED AMOUNT (LTC GA)**

### **Target LTC GA**

The Target LTC GA is specified by the Owner upon election of this Rider in order to establish a desired Acceleration Benefit assuming the Company's receipt of expected Purchase Payments prior to the LTC Funding Deadline. Subject to our approval, the Target LTC GA and the Target Funding Amount may be changed by the Owner on or before the LTC Funding Deadline.

If, on or prior to the LTC Funding Deadline, a Withdrawal occurs, the Target LTC GA will not be reduced by the amount of the Withdrawal.

### **Initial LTC GA**

The Initial LTC GA will be equal to (i) the Funding Amount shown on the LTC Benefit Specifications multiplied by (ii) the LTC Percentage as of the Rider Date. The LTC Percentage as of the Rider Date is shown on the LTC Benefit Specifications Page.

### **Adjustment for Additional Purchase Payments**

Additional Purchase Payments accepted by the Company on or before the LTC Funding Deadline may increase the LTC GA. The LTC GA will be increased by the product of (a) and (b), where (a) is the amount of any such additional Purchase Payment, plus Bonus Credits if any, and (b) is the current LTC Percentage. However, the LTC GA will not be increased above the Target LTC GA.

Additional Purchase Payments accepted by the Company after the earlier of (a) the LTC Funding Deadline, and (b) the LTC GA equals the Target LTC GA, will not increase the LTC GA.

### **Adjustment for Withdrawals**

Upon each Excess Withdrawal, the LTC GA will be reduced in the same proportion that the Withdrawal reduced the Contract Value. Upon each Conforming Withdrawal, the LTC GA will not be reduced.

### **Adjustment for LTC Benefits**

The LTC GA will be reduced by the dollar amount of each Acceleration Benefit payment.

## **LTC PERCENTAGE**

### **LTC Percentage on Rider Date**

On the Rider Date, the LTC Percentage is (i) the Target LTC GA, divided by (ii), the Target Funding Amount. The LTC Percentage on the Rider Date is shown on the LTC Benefit Specifications.

### **Maximum LTC Percentage**

The maximum LTC Percentage is 100%.

### **Target Adjustments On or Prior to the LTC Funding Deadline**

If, on or prior to the LTC Funding Deadline, We approve Your request, if any, to change the Target LTC GA and/or Target Funding Amount, the LTC Percentage will be recalculated and made effective as of the Rider Date. Any such change to the LTC Percentage may result in a different Initial LTC GA. Every transaction will be recalculated and made effective as of the original transaction date, to reflect the change.

## **DEDUCTIBLE PERIOD**

The Deductible Period is shown in the LTC Benefit Specifications. This Deductible Period must be completely satisfied before LTC Benefits will be payable. The Deductible Period must be satisfied only once. The Deductible Period will not begin until after the LTC Coverage Effective Date and must be satisfied only by days during which the Covered Life would otherwise be eligible to receive LTC Benefits. Such eligibility need not be incurred over consecutive days.

## **ACCELERATION BENEFITS**

### **Acceleration Benefit**

The Acceleration Benefit is a portion of the LTC Benefits and may be paid from the Contract Value. The initial Acceleration Benefit equals the LTC GA on the Rider Date. As Acceleration Benefits are paid, the remaining Acceleration Benefit will be reduced by the Acceleration Benefit payment. Each Acceleration Benefit payment will be deducted from the LTC Fixed Account Value, if any, otherwise any other Contract Value. If the Contract Value is zero (\$0), the Acceleration Benefit payments will be made by the Company until the Acceleration Benefit remaining is zero (\$0).

Acceleration Benefit payments are limited by (i) Benefit Eligibility pursuant to the LTC Coverage Endorsement, (ii) Acceleration Benefits remaining, (iii) the Maximum Monthly Level Benefit, and (iv) the type of Qualified Long-Term Care Services received, pursuant to the LTC Benefits provision of the LTC Coverage Endorsement.

### **Adjustment for Withdrawals**

Upon each Excess Withdrawal, the Acceleration Benefit will be reduced in the same proportion that the Withdrawal reduced the Contract Value. Upon each Conforming Withdrawal, the Acceleration Benefit will not be reduced.

### **Acceleration Benefit Duration**

The Acceleration Benefit Duration is the period during which Acceleration Benefits are payable, expressed in months.

Because [(a)] any calendar month's LTC Benefits may be less than the Maximum Monthly Level Benefit, [and (b) the Maximum Monthly Level Benefit may be less than the Target Maximum Monthly Level Benefit due to payment of Acceleration Benefits before the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Acceleration Benefit Duration may be greater than the Minimum Acceleration Benefit Duration. The Acceleration Benefit Duration will end and the Extension Benefit Duration will begin when the entire Acceleration Benefit has been paid.

### **Minimum Acceleration Benefit Duration**

The Minimum Acceleration Benefit Duration is used in determining the Maximum Monthly Level Benefit on the Rider Date [and the five (5) subsequent Rider Date Anniversaries]. The Minimum Acceleration Benefit Duration is shown in the LTC Benefit Specifications.

## **MAXIMUM MONTHLY LEVEL BENEFIT**

Beginning on the Rider Date, [and continuing on each Rider Date Anniversary up to and concluding upon the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Maximum Monthly Level Benefit is determined. It will equal  $A / (B + [C] - D)$ , where

A = Acceleration Benefit;

B = Minimum Acceleration Benefit Duration shown on the LTC Rider Specifications (in months);

[C = Number of Rider Months from the Rider Date to the fifth (5<sup>th</sup>) Rider Date Anniversary, or sixty (60);]

D = Number of Rider Months elapsed since the Rider Date;

[After the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Maximum Monthly Level Benefit will not be adjusted, unless there is an Excess Withdrawal. Upon each Excess Withdrawal [(before or after the fifth (5<sup>th</sup>) Rider Date Anniversary)], the Maximum Monthly Level Benefit will be reduced in the same proportion that the Excess Withdrawal reduced the Contract Value. The Maximum Monthly Level Benefit will not be reduced upon payment of LTC Benefits or upon a Conforming Withdrawal. The Maximum Monthly Level Benefit is determined using the Acceleration Benefit prior to payment of LTC Benefits and Withdrawals that may also occur on a Rider Date Anniversary.

## **EXTENSION BENEFITS**

### **Extension Benefit**

The Extension Benefit is an amount that may be paid as LTC Benefits after the Acceleration Benefit has been reduced to zero (\$0). The initial Extension Benefit will equal the result of the following formula:  $[J * (K / L)]$ , where

J = the LTC GA on the LTC Funding Deadline,

K = the Minimum Extension Benefit Duration shown in the LTC Benefit Specifications, and

L = the Minimum Acceleration Benefit Duration shown in the LTC Benefit Specifications.

As Extension Benefits are paid, the remaining Extension Benefit will be reduced by the Extension Benefit payment.

Extension Benefit payments are limited by (i) Benefit Eligibility pursuant to the LTC Coverage Endorsement, (ii) Extension Benefits remaining, (iii) the Maximum Monthly Level Benefit, and (iv) the type of Qualified Long-Term Care Services received, pursuant to the LTC Benefits provision of the LTC Coverage Endorsement.

### **Adjustments for Withdrawals**

Upon each Excess Withdrawal, the Extension Benefit will be reduced in the same proportion that the Excess Withdrawal reduced the Contract Value. The Extension Benefit will not be reduced upon a Conforming Withdrawal.

### **Extension Benefit Duration**

The Extension Benefit Duration is the period, expressed in months, beginning after the entire Acceleration Benefit has been reduced to zero (\$0) and during which Extension Benefits are payable. The Minimum Extension Benefit Duration is shown in the LTC Benefit Specifications, expressed in years.

Because [(a)] any calendar month's LTC Benefits may be less than the Maximum Monthly Level Benefit, [and (b) the Maximum Monthly Level Benefit may be less than the Target Maximum Monthly Level Benefit due to payment of Acceleration Benefits before the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Extension Benefit Duration may be greater than the Minimum Extension Benefit Duration. The Extension Benefit Duration will end when the entire Extension Benefit has been paid.

## **NONFORFEITURE BENEFIT**

If either Optional Nonforfeiture or Contingent Nonforfeiture apply, this Nonforfeiture Benefit provision will remain in effect after termination of this Rider whether or not the Contract to which this Rider is attached remains In Force.

The Nonforfeiture Benefit is the total amount available under this section to pay LTC Benefits for the Covered Life. The Nonforfeiture Benefit will be an amount equal to the greater of:

- a. One (1) month's Maximum Monthly Level Benefit in effect as of the date this Rider is terminated, not to exceed the remaining Extension Benefits; or
- b. An amount equal to the sum of all Extension Benefit Charges and Optional Nonforfeiture Benefit Charges, if any, paid for this Rider, less any Extension Benefits paid prior to the date this Rider is terminated.

No Nonforfeiture Benefits are payable prior to the [seventh (7<sup>th</sup>) Rider Date Anniversary and] satisfaction of any remaining Deductible Period. All claims for Nonforfeiture Benefits are subject to the terms of the attached LTC Coverage Endorsement. The Maximum Monthly Nonforfeiture Benefit under this section will be the Maximum Monthly Level Benefit in effect as of the date this Rider is terminated, subject to the LTC Benefits provision in the LTC Coverage Endorsement.

This Nonforfeiture Benefit will continue as paid-up long-term care coverage until the earlier of the death of the Covered Life or the date the Nonforfeiture Benefit has been paid. The Nonforfeiture Benefit will not exceed the remaining Extension Benefits which would have been paid if this Rider had remained In Force.

### Optional Nonforfeiture

If the Optional Nonforfeiture Benefit Charge is not shown in the LTC Benefit Specifications, this Optional Nonforfeiture subsection is void and will have no effect upon this Rider. If Optional Nonforfeiture is elected on the Rider Date, as shown in the LTC Benefit Specifications, the Nonforfeiture Benefit will be provided after this Rider has been terminated for any of the following reasons in addition to the reasons stated in the Contingent Nonforfeiture subsection:

- a. The Contract is surrendered at least three (3) years after the Rider Date;
- b. The Owner requests In Writing to terminate this Rider after the [third (3<sup>rd</sup>) Rider Date Anniversary];
- c. The Owner elects an Annuity Commencement Date prior to the Maturity Date and after the [third (3<sup>rd</sup>) Rider Date Anniversary].

### Contingent Nonforfeiture

Whether or not the Optional Nonforfeiture Benefit Charge is shown in the LTC Benefit Specifications, this Contingent Nonforfeiture subsection is effective. The Company will provide the Nonforfeiture Benefit if both of the following conditions are met:

- a. The Company increases the current Extension Benefit Charge rate to a level which results in a cumulative increase equal to or greater than the percentage shown in the Percent Over Initial Charges table below for the Covered Life's age on the Rider Date; and
- b. This Contract is surrendered, or the Owner elects to terminate this Rider, within one hundred twenty (120) days after the first Rider Charge Day subsequent to the Extension Benefit Charge rate increase.

Issue Age	Percent Over Initial Charges		Issue Age	Percent Over Initial Charges		Issue Age	Percent Over Initial Charges
29 and under	200%		66	48%		79	22%
30-34	190%		67	46%		80	20%
35-39	170%		68	44%		81	19%
40-44	150%		69	42%		82	18%
45-49	130%		70	40%		83	17%
50-54	110%		71	38%		84	16%
55-59	90%		72	36%		85	15%
60	70%		73	34%		86	14%
61	66%		74	32%		87	13%
62	62%		75	30%		88	12%
63	58%		76	28%		89	11%
64	54%		77	26%		90 Plus	10%
65	50%		78	24%			

## LTC BENEFITS AS OF MATURITY DATE (COVERED LIFE'S [95<sup>TH</sup>] BIRTHDAY)

If the Contract has reached the Maturity Date and the Owner is not receiving LTC Benefits as of that date, the Owner must elect an Annuity Payment Option guaranteed under the Contract or any other annuity payment option made available as agreed upon in writing by the Company. Unless otherwise agreed by the Company, LTC Charges will end, the remaining Extension Benefit will be in force paid-up long-term care coverage, and all other LTC Benefits will be terminated.

If the Contract has reached the Maturity Date and the Owner is receiving LTC Benefits under this Rider, the Company will extend the Maturity Date and will continue to pay LTC Benefits. LTC Charges and LTC Benefits will continue until the earlier of: (i) the death of the Covered Life; (ii) all LTC Benefits have been reduced to zero (\$0); (iii) Benefit Eligibility ends; (iv) the Contract is terminated, or (v) the Owner elects an Annuity Payment Option guaranteed under the Contract or any other annuity payment option made available as agreed upon in writing by the Company.

Within ninety (90) days after LTC Benefits end due to (ii) or (iii) above, the Owner must elect an Annuity Payment Option guaranteed under the Contract or any other annuity payment option made available as agreed upon in writing by the Company. Any remaining Extension Benefit will be paid-up long-term care coverage.

Any LTC Benefit paid pursuant to this provision will be subject to all the terms, provisions and conditions of this Rider and the attached Long-Term Care Coverage Endorsement.

### GENERAL INFORMATION

References to **Annuity Commencement Date** will be understood to include a Variable Annuity Payment Option Rider 'Periodic Income Commencement Date,' a CPI Adjusted Fixed Immediate Annuity Payment Option Rider 'Initial Scheduled Payment Date,' and any similar Payment Option Rider's annuity commencement date.

**Effect of LTC Benefits on Annuity Contract Values.** If as a result of Acceleration Benefit payments or LTC Charges, the Contract Value is reduced such that the Company has the right to terminate the contract under Article 5.03 of the Contract, such right to terminate the Contract is void if this Rider is In Force.

**Additional Purchase Payments.** In addition to any limitations on amount and frequency of additional Purchase Payments shown in the Contract Specifications, no additional Purchase Payments may be made after the Contract Value is reduced to zero (\$0) while this Rider is in force.

**Availability of Annuity Death Benefit.** If the Owner or Covered Life dies while the Covered Life is receiving LTC Benefits under this Rider, the Company reserves the right to recoup LTC Benefits paid for months after Benefit Eligibility ceased due to death, and to withhold the portion of any Death Benefit that would otherwise be payable until the Company has verified that it has received all remaining claims for LTC Benefits.

**Misstatement of Age or Sex.** If the Covered Life's age or sex has been misstated, the Company will adjust the LTC Charges to the amounts that would have applied based on the Covered Life's correct age or sex. If this Rider would not have been issued at the correct age and sex, this Rider will be cancelled and the Company will refund all LTC Charges paid less any LTC Benefits paid.

**GOP Death Benefit Amount.** A GOP death benefit is provided under the Guarantee of Principal (GOP) and Enhanced Guaranteed Minimum Death Benefit (EGMDB) Death Benefit, one of which may be applicable to the Contract as shown in the Contract Specifications.

If the Contract includes a Death Benefit, including any Death Benefit Rider, that has a Death Benefit amount defined as the sum of all Purchase Payments minus all death benefit reductions, then each Acceleration Benefit payment will [be treated as a Withdrawal for purposes of the calculation of death benefit reductions].

**Continuation of Annuity Contract by Eligible Beneficiary.** If the Beneficiary designated at the time of the original Owner's death or original Covered Life's death elects to continue the Contract, pursuant to Code §72, as the Owner and Covered Life, this Rider will terminate without value.

**Representations.** In the absence of fraud, any statement made by the Owner or by the Covered Life in an application for this Rider, or any statement agreed to by the Owner or by the Covered Life in a contract amendment, 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 or in a signed, written contract amendment attached to this Contract.

**Incontestability.** A misrepresentation by the Owner or by the Covered Life in any application or contract amendment for long-term care coverage may be used to void or cancel this Long-Term Care Benefits Rider. During the first six (6) months following the Rider Date shown on the LTC Benefit Specifications, the Company may void or cancel this Rider only if the misrepresentation was material to the issuance of this Rider. After the first six (6) months but before the end of the first twenty-four (24) months, the Company may void or cancel this Rider only if the misrepresentation 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 twenty-four (24) months following the Rider Date shown on the LTC Benefit Specifications, the Company can void or cancel this Rider only if the Company can show that the relevant facts relating to the health of the Covered Life were knowingly and intentionally misrepresented. No benefits will be paid under this Rider if voided or cancelled.

**Conformity With State and Federal Statutes.** If any feature of this Rider is in conflict with the statutes of the state in which the Entire Contract was delivered or with the Federal statutes which pertain to Qualified Long-Term Care insurance, such feature is automatically amended to meet the minimum requirements of the state or Federal statute.

**Assignments.** While this Rider is in effect, the Owner may not sell or assign the Contract, nor may it be discounted or pledged as collateral for a loan or as a security for the performance of an obligation or any other purpose.

## TERMINATION OF RIDER

Coverage under this Rider is contingent upon the Company's receipt of a completed and signed Contract Amendment for LTC Benefits. This Rider will terminate [forty-five (45)] days after the Rider Date if the duplicate copy of the Contract Amendment for LTC Benefits is not signed by the Owner and the Covered Life (if different) and returned to and received by the Company at its Administrative Office.

This Rider will terminate on the date the Contract to which this Rider is attached terminates.

The Owner may terminate this Rider upon Written Request any time after the [third (3<sup>rd</sup>) Rider Date Anniversary]. The Owner may not terminate this Rider upon Written Request prior to the [third (3<sup>rd</sup>) Rider Date Anniversary].

The Rider will also terminate as follows:

- a. on the date the Owner is changed due to death or divorce;
- b. on the death of the Covered Life.

Upon termination of this Rider, all benefits (except benefits provided under the Nonforfeiture Benefit provision) and charges within this Rider will terminate, any LTC Fixed Account Value will be transferred to the Variable Subaccounts according to the Contract Owner's future Variable Subaccount allocation instructions, and a proportional amount of the LTC Charge will be deducted.

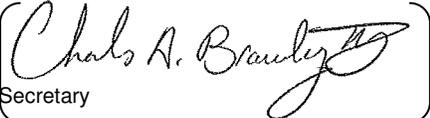
**Signed for the Company**

  
Secretary

## CONTRACT AMENDMENT FOR LTC BENEFITS

Effective upon the date it is signed by the Owner (and the Covered Life if different), this Contract Amendment For LTC Benefits ("Contract Amendment") shall become a part of the Annuity Contract ("Contract") to which it is attached.

**Signed for The Lincoln National Life Insurance Company (the "Company")**

  
Secretary

**I, the Owner, acknowledge that the Long-Term Care Benefits Rider that describes long-term care benefits under the Contract shall be terminated and void from the beginning if this Contract Amendment is not: (1) signed and dated by me (and the Covered Life if different); and (2) received by the Company within [45] days of the effective date of such Rider.**

I, the Owner (and the Covered Life if different), hereby affirm and agree that all the following statements are true to the best of my knowledge and belief. I understand that eligibility for long-term care coverage under the Contract is established by this Contract Amendment. I acknowledge that if any of the following statements are not true, the Covered Life is not eligible for long-term care coverage under the Contract. I acknowledge that if I knowingly and intentionally misrepresent the truthfulness of any of the following statements, which are relevant facts relating to the health of the Covered Life, the provisions of the Contract that relate to LTC Benefits may be void from the beginning pursuant to the Incontestability clause of the Long-Term Care Benefits Rider.

1. In the past 5 years, the Covered Life has **not**:
  - a. Applied for any long-term care insurance, or annuity or life insurance with a long-term care benefit and been either: (i) declined; or (ii) offered coverage on a rated or modified risk classification basis.
  - b. Resided in, nor been recommended by a Licensed Health Care Practitioner to reside in, a Nursing Home or Assisted Living Facility, as defined in the Long-Term Care Coverage Endorsement.
  - c. Received Home Health Care, Maintenance or Personal Care Services, or Adult Day Care, as defined in the Long-Term Care Coverage Endorsement, for more than a total of 14 days.
  - d. Received or applied for any form of disability benefits, including but not limited to disability insurance, Worker's Compensation, and Social Security Disability Insurance.
  - e. Had any impairment, mental or physical, for which the Covered Life needed or received assistance or supervision with the Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting, or Transferring) as defined in the Long-Term Care Coverage Endorsement.
  - f. Been told by a Licensed Health Care Practitioner to limit alcohol intake.
  - g. Been advised by a Licensed Health Care Practitioner to have any surgery which has not been completed.



# LTC FIXED ACCOUNT RIDER

## LTC FIXED ACCOUNT RIDER FOR VARIABLE ANNUITY

This Rider is part of the Contract to which it is attached and is effective upon issue. In the case of a conflict with any provision of the Contract, the provisions of this Rider will control. The terms of this Rider apply to the Contract when Contract Values are allocated to the LTC Fixed Account pursuant to any LTC provision of the Contract. This Rider will terminate on the earlier of (a) the termination of the Contract, (b) the termination of the Long-Term Care Benefits Rider attached to the Contract, and (c) the Annuity Commencement Date. All references to 'Annuity Commencement Date' in this Rider shall also apply to a Variable Annuity Payment Option Rider 'Periodic Income Commencement Date' or a CPI Adjusted Fixed Immediate Annuity Payment Option Rider 'Initial Scheduled Payment Date.' This Rider amends the Contract as follows:

**The definition of CONTRACT VALUE in ARTICLE 1 will be amended to read as follows:**

**CONTRACT VALUE** -- Prior to the Annuity Commencement Date, the sum of the values of the Variable Account and any Fixed Account attributable to this Contract on a given Valuation Date.

**The following definitions will be added to ARTICLE 1.**

**LTC FIXED ACCOUNT** – A Fixed Account that is invested in the General Account of the Company pursuant to any LTC provision of the Contract. The LTC Fixed Account is funded pursuant to transfers described in the LTC Fixed Account provision of the LTC Benefits Rider. You may not elect to transfer Contract Value to and from the LTC Fixed Account pursuant to the Transfers, Withdrawals, and Surrenders provision of the Contract. The **LTC Fixed Account Value** is that portion of the Contract Value, if any, in the LTC Fixed Account.

**The following LTC FIXED ACCOUNT provisions are added to the Contract:**

### **CREDITING OF INTEREST ON LTC FIXED ACCOUNT**

Prior to the earlier of:

- a. the Annuity Commencement Date;
- b. termination of this Contract upon payment of any Death Benefit; or
- c. surrender of this Contract;

The Company guarantees that at the end of each Valuation Period an effective annual interest rate, adjusted for the number of days in the Valuation Period, will be credited to the portion of Contract Value, if any, in the LTC Fixed Account at that time. The Company guarantees that it will credit an effective annual Minimum Guaranteed Interest Rate during all years as shown on the Contract Specifications or Rider Specifications. The Company may credit interest at effective annual rates in excess of the Minimum Guaranteed Interest Rate at any time.

**Section 3.01 CONTRACT VALUE will be amended to read as follows:**

### **3.01 CONTRACT VALUE**

The Contract Value, at any time prior to the Annuity Commencement Date, is equal to the sum of the values of the Variable Subaccounts and any Fixed Account attributable to this Contract on a given Valuation Date.

**The third paragraph of Section 5.02 WITHDRAWALS will be amended to read as follows:**

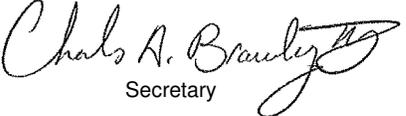
A withdrawal will be effective on the Valuation Date that the Company receives Notice. The Notice must specify from which Variable Subaccount and/or any Fixed Account the withdrawal will be made. If no allocation is specified, the Company will withdraw the amount requested on a pro-rata basis from each Variable Subaccount and/or any Fixed Account except the LTC Fixed Account until such Variable Subaccounts and other Fixed Accounts are exhausted, then the LTC Fixed Account.

**Section 9.02 SUSPENSION OR DEFERRAL OF PAYMENTS OR TRANSFERS FROM ANY FIXED ACCOUNT will be added to ARTICLE 9.**

**9.02 SUSPENSION OR DEFERRAL OF PAYMENTS OR TRANSFERS FROM ANY FIXED ACCOUNT**

Subject to the prior approval of the state insurance regulator, the Company reserves the right to defer payment for a withdrawal, surrender or transfer from any Fixed Account for the period permitted by law but for not more than six (6) months after Notice is received by the Company.

Signed for The Lincoln National Life Insurance Company (the "Company")

  
Secretary

## LTC BENEFIT SPECIFICATIONS

**Rider Date:** [January 18, 2010]

**Funding Amount as of Rider Date:** [\$200,000.00]

**LTC Guaranteed Amount as of Rider Date:** [\$80,000.00]

**LTC Percentage as of Rider Date:** [40%]

**Funding Deadline:** [90 Day after Rider Date]

**Target Funding Amount:** [\$250,000.00]

**Target LTC Guaranteed Amount:** [\$100,000.00]

**LTC Coverage Effective Date:** [January 18, 2012]

**Deductible Period:** [90 Days]

**Minimum Acceleration Benefit Duration:** [2 Years]

**Minimum Extension Benefit Duration:** [4 Years]

**[5<sup>th</sup>] Rider Date Anniversary:** [January 18, 2015]

**Target Maximum Monthly Level Benefit:** [\$4,166.67]

### LTC Charges

**Initial Acceleration Benefit Charge:** [0.00%] ANNUALLY

**Maximum Acceleration Benefit Charge:** [4.00%] ANNUALLY

**Initial Extension Benefit Charge:** [2.25%] ANNUALLY

**[Initial Optional Nonforfeiture Benefit Charge:** [0.40%] ANNUALLY]

### LTC Fixed Account Guaranteed Minimum Interest Rate:

( Contract Years 1 through 10: 1.75%  
Contract Years 11 and later: 3.00% )

SERFF Tracking Number: LCNC-126429878 State: Arkansas  
 Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 44421  
 Company Tracking Number: AR-518(1-10)  
 TOI: A02.II Individual Annuities- Deferred Non- Sub-TOI: A02.II.002 Flexible Premium  
 Variable and Variable  
 Product Name: LTC Benefit Rider  
 Project Name/Number: AR-518(1-10)/AR-518(1-10)

## Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
	Exhibit 1	AR-518(1-10), AE-517(1-10)	New		Rates- AR518(12232009).pdf

Exhibit 1  
The Lincoln National Life Insurance Company  
For  
AR-518(1-10), Long-Term Care Benefits Rider  
AE-517(1-10), Long-Term Care Coverage Endorsement

Extension Benefit Annual Charges  
(Charges Denoted as % of Extension Benefit)

<b>Female</b>			
<b>Design Combination*</b>			
<b>Age Band</b>	<b>2+2</b>	<b>2+4</b>	<b>3+3</b>
35-39	0.44%	0.24%	0.40%
40-44	0.44%	0.24%	0.40%
45-49	0.46%	0.26%	0.40%
50-54	0.52%	0.30%	0.44%
55-59	0.58%	0.36%	0.46%
60-64	0.70%	0.42%	0.52%
65-69	0.86%	0.54%	0.60%
70-74	1.18%	0.76%	0.76%
75-79	1.58%	1.02%	0.96%

<b>Male</b>			
<b>Design Combination*</b>			
<b>Age Band</b>	<b>2+2</b>	<b>2+4</b>	<b>3+3</b>
35-39	0.42%	0.22%	0.38%
40-44	0.42%	0.22%	0.38%
45-49	0.44%	0.24%	0.40%
50-54	0.46%	0.26%	0.40%
55-59	0.50%	0.28%	0.42%
60-64	0.52%	0.30%	0.44%
65-69	0.60%	0.34%	0.48%
70-74	0.72%	0.42%	0.54%
75-79	0.88%	0.50%	0.62%

<b>Unisex</b>			
<b>Design Combination*</b>			
<b>Age Band</b>	<b>2+2</b>	<b>2+4</b>	<b>3+3</b>
35-39	0.44%	0.24%	0.40%
40-44	0.44%	0.24%	0.40%
45-49	0.46%	0.26%	0.40%
50-54	0.52%	0.30%	0.44%
55-59	0.56%	0.32%	0.46%
60-64	0.64%	0.38%	0.50%
65-69	0.82%	0.50%	0.58%
70-74	1.10%	0.68%	0.72%
75-79	1.44%	0.90%	0.90%

\* The first digit is for Acceleration Duration and the second digit is for Extension Duration

Exhibit 2  
The Lincoln National Life Insurance Company  
For  
AR-518(1-10), Long-Term Care Benefits Rider  
AE-517(1-10), Long-Term Care Coverage Endorsement

Optional Nonforfeiture Benefit Annual Charges  
(Charges Denoted as % of Extension Benefit)

<b>Female</b>			
<b>Design Combination*</b>			
<b>Age Band</b>	<b>2+2</b>	<b>2+4</b>	<b>3+3</b>
35-39	0.07%	0.04%	0.06%
40-44	0.07%	0.04%	0.06%
45-49	0.07%	0.04%	0.06%
50-54	0.08%	0.05%	0.07%
55-59	0.09%	0.06%	0.07%
60-64	0.11%	0.07%	0.08%
65-69	0.13%	0.09%	0.09%
70-74	0.18%	0.12%	0.12%
75-79	0.24%	0.16%	0.15%

<b>Male</b>			
<b>Design Combination*</b>			
<b>Age Band</b>	<b>2+2</b>	<b>2+4</b>	<b>3+3</b>
35-39	0.07%	0.04%	0.06%
40-44	0.07%	0.04%	0.06%
45-49	0.07%	0.04%	0.06%
50-54	0.07%	0.04%	0.06%
55-59	0.08%	0.05%	0.07%
60-64	0.08%	0.05%	0.07%
65-69	0.09%	0.06%	0.08%
70-74	0.11%	0.07%	0.09%
75-79	0.14%	0.08%	0.10%

<b>Unisex</b>			
<b>Design Combination*</b>			
<b>Age Band</b>	<b>2+2</b>	<b>2+4</b>	<b>3+3</b>
35-39	0.07%	0.04%	0.06%
40-44	0.07%	0.04%	0.06%
45-49	0.07%	0.04%	0.06%
50-54	0.08%	0.05%	0.07%
55-59	0.09%	0.05%	0.07%
60-64	0.10%	0.06%	0.08%
65-69	0.13%	0.08%	0.09%
70-74	0.17%	0.11%	0.11%
75-79	0.22%	0.14%	0.14%

\* The first digit is for Acceleration Duration and the second digit is for Extension Duration

SERFF Tracking Number: LCNC-126429878 State: Arkansas  
 Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 44421  
 Company Tracking Number: AR-518(1-10)  
 TOI: A02.II Individual Annuities- Deferred Non- Sub-TOI: A02.II.002 Flexible Premium  
 Variable and Variable  
 Product Name: LTC Benefit Rider  
 Project Name/Number: AR-518(1-10)/AR-518(1-10)

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Flesch Certification		
<b>Bypass Reason:</b> n/a		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application		
<b>Bypass Reason:</b> n/a		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Statement of Variability		
<b>Comments:</b> Attached are statements of variability		
<b>Attachments:</b> SOV-AE-517(1-10).pdf SOV-AR-518(1-10).pdf SOV-AR-532(1-10).pdf SOV-AS-533(1-10).pdf SOV-AA-531(1-10).pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Outline of Coverage - info only		
<b>Comments:</b> For information only, attached is our LTC Outline of Coverage		
<b>Attachment:</b> ANF10125.pdf		

SERFF Tracking Number: LCNC-126429878 State: Arkansas  
Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 44421  
Company Tracking Number: AR-518(1-10)  
TOI: A02.II Individual Annuities- Deferred Non- Sub-TOI: A02.II.002 Flexible Premium  
Variable and Variable  
Product Name: LTC Benefit Rider  
Project Name/Number: AR-518(1-10)/AR-518(1-10)

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Personal Worksheet - info only

**Comments:**

For information only, attached is our LTC Personal Worksheet

**Attachment:**

ANF10123.pdf

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Potential Rate Increase Disclosure -  
info only

**Comments:**

For information only, attached is our LTC Potential Rate Increase Disclosure

**Attachment:**

ANF10124.pdf

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Certificate of Compliance

**Comments:**

Certificate of Compliance attached.

**Attachment:**

AR Cert AE-517.pdf

# STATEMENT OF VARIABILITY

## The Lincoln National Life Insurance Company

Long-Term Care Coverage Endorsement: **AE-517(1-10)**

Used with

- 1) Long-Term Care Benefits Rider: **AR-518(1-10)**
- 2) Long-Term Care Benefits Rider: **AR-519(1-10)**
- 3) Contract Amendment for LTC Benefits: **AA-531(1-10)**
- 4) LTC Fixed Account Rider: **AR-532(1-10)**
- 5) LTC Benefit Specifications: **AS-533(1-10)**

This statement shows the particular sections and provisions in the above noted insert page forms that contain bracketed items to indicate variability. The variable items are bracketed and followed by a text box with the corresponding range of variability and an explanation for each. No change in variability will be made which in any way expands the scope of the item being changed.

Variable items listed herein may be changed by the Company for new contracts only. The use of variability shall be administered in a uniform manner and shall not result in unfair discrimination.

To start the process of making a claim for LTC Benefits, The Lincoln National Life Insurance Company (the "Company") must be notified. The toll-free number to call is [1-800-544-0327].

RANGE: The actual toll-free customer service telephone number, as of the Rider Date.

EXPLANATION: The current **Administrative Office toll-free telephone number** is needed to show a client where to call for assistance with filing a claim for benefits. All periodic statements provided to the client will provide a then-current toll-free number to call as well.

**Signed for the Company**  
  
Secretary

EXPLANATION: The rider will be signed by a President, Vice President, Secretary or Assistant Secretary of the Company. We reserve the right to have the rider actually signed by any such officer of the company as of the Rider Date.

# STATEMENT OF VARIABILITY

## The Lincoln National Life Insurance Company

Long-Term Care Benefits Rider: **AR-518(1-10)**

Used with

- 1) Long-Term Care Coverage Endorsement: **AE-517(1-10)**
- 2) Contract Amendment for LTC Benefits: **AA-531(1-10)**
- 3) LTC Fixed Account Rider: **AR-532(1-10)**
- 4) LTC Benefit Specifications: **AS-533(1-10)**

This statement shows the particular sections and provisions in the above noted insert page forms that contain bracketed items to indicate variability. The variable items are bracketed and followed by a text box with the corresponding range of variability and an explanation for each. No change in variability will be made which in any way expands the scope of the item being changed.

Variable items listed herein may be changed by the Company for new contracts only. The use of variability shall be administered in a uniform manner and shall not result in unfair discrimination.

Factors that may result in a change within the ranges of variability include but are not limited to the Company's determination of consumer preferences, current pricing, reserving guidelines, required capital guidelines, internal capital guidelines, internal profit targets, cost of benefit hedging and risk management, and expectations of policyholder lapse behavior, morbidity and mortality. Other factors that are applicable to specific ranges are indicated below. Changes within the ranges of variability that result in new charge rates are subject to long-term care rate filing requirements.

### PAGE 1

**NOTICE OF 30 DAY RIGHT TO EXAMINE.** Within thirty (30) days after this Rider is first received, this Rider may be cancelled for any reason by contacting the Company In Writing at its Administrative Office at [1300 South Clinton Street, Fort Wayne, IN 46802]. Upon cancellation, this Rider will be void from the beginning. Any LTC Charges will be reversed. Cancellation of this Rider under this Right To Examine will not be treated as a cancellation of the entire Contract. Confirmation of this cancellation will be provided In Writing.

...

**Caution.** The issuance of this Long-Term Care Benefits Rider is based upon your affirmations and agreement to the statements on the Contract Amendment for LTC Benefits. A copy of the contract amendment was attached to this Rider when it was delivered. If any statement(s) affirmed and agreed to is (are) incorrect or untrue, the Company has the right to deny benefits or rescind your Rider. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of the statement(s) are incorrect, contact the company at this address: [1300 South Clinton Street, Fort Wayne, IN 46802].

RANGE: The actual administrative office address as of the Rider Date.

EXPLANATION: The current **Administrative Office address** is needed to show a client where to return their Rider for cancellation, should they choose to exercise their Right to Examine. The Company will comply with any requirements for notification of changes of address to the insurance regulatory authority.

## PAGE 2

The following replaces the Maturity Date reference in the Contract Specifications.

**MATURITY DATE:** [95<sup>th</sup>] Birthday of the Covered Life.

## PAGE 10

### LTC BENEFITS AS OF MATURITY DATE (COVERED LIFE'S [95<sup>TH</sup>] BIRTHDAY)

**RANGE:** The Maturity Date, determined by the Company, as of the Rider Date. The date shall be no later than the 99<sup>th</sup> Birthday of the Covered Life.

**EXPLANATION:** The **Maturity Date** is the day through which annuity income must be deferred if the LTC Benefit rider is to continue. The client may choose to terminate their LTC coverage and annuitize before the Maturity Date. The Maturity Date is determined by the Company, but is the same for all contract holders of a given class.

## PAGE 3

**Target Maximum Monthly Level Benefit** is the Maximum Monthly Level Benefit on the [fifth (5<sup>th</sup>) Rider Date Anniversary] if (i) on the LTC Funding Deadline the LTC GA is the Target LTC GA and (ii) no Excess Withdrawals or LTC Benefits are paid prior to the [fifth (5<sup>th</sup>) Rider Date Anniversary].

## PAGE 7

Because [(a)] any calendar month's LTC Benefits may be less than the Maximum Monthly Level Benefit, [and (b) the Maximum Monthly Level Benefit may be less than the Target Maximum Monthly Level Benefit due to payment of Acceleration Benefits before the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Acceleration Benefit Duration may be greater than the Minimum Acceleration Benefit Duration. The Acceleration Benefit Duration will end and the Extension Benefit Duration will begin when the entire Acceleration Benefit has been paid.

### Minimum Acceleration Benefit Duration

The Minimum Acceleration Benefit Duration is used in determining the Maximum Monthly Level Benefit on the Rider Date [and the five (5) subsequent Rider Date Anniversaries]. The Minimum Acceleration Benefit Duration is shown in the LTC Benefit Specifications.

## MAXIMUM MONTHLY LEVEL BENEFIT

Beginning on the Rider Date, [and continuing on each Rider Date Anniversary up to and concluding upon the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Maximum Monthly Level Benefit is determined. It will equal  $A / (B + [C] - D)$ , where

A = Acceleration Benefit;

B = Minimum Acceleration Benefit Duration shown on the LTC Rider Specifications (in months);

[C = Number of Rider Months from the Rider Date to the fifth (5<sup>th</sup>) Benefit Anniversary, or sixty (60);]

D = Number of Rider Months elapsed since the Rider Date;

[After the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Maximum Monthly Level Benefit will not be adjusted, unless there is an Excess Withdrawal. Upon each Excess Withdrawal [(before or after the [fifth (5<sup>th</sup>)] Rider Date Anniversary)], the Maximum Monthly Level Benefit will be reduced in the same proportion that the Excess Withdrawal reduced the Contract Value. The Maximum Monthly Level Benefit will not be reduced upon payment of LTC Benefits or upon a Conforming Withdrawal. The Maximum Monthly Level Benefit is determined using the Acceleration Benefit prior to payment of LTC Benefits and Withdrawals that may also occur on a Rider Date Anniversary.

## PAGE 8

Because [(a)] any calendar month's LTC Benefits may be less than the Maximum Monthly Level Benefit, [and (b) the Maximum Monthly Level Benefit may be less than the Target Maximum Monthly Level Benefit due to payment of Acceleration Benefits before the fifth (5<sup>th</sup>) Rider Date Anniversary,] the Extension Benefit Duration may be greater than the Minimum Extension Benefit Duration. The Extension Benefit Duration will end when the entire Extension Benefit has been paid.

RANGE: Rider Date - 10<sup>th</sup> Rider Date Anniversary.

EXPLANATION: The applicable **Rider Date Anniversary** is the latest date that the payment of an LTC Benefit will impact the Maximum Monthly Level Benefit. The applicable Rider Date Anniversary is determined by the Company, but is the same for all contract holders of a given class.

If the applicable Rider Date Anniversary is the Rider Date itself, the definition of *Target Maximum Monthly Level Benefit* on page 3 shall refer to the 'Rider Date,' and all other bracketed language shall be deleted.

## PAGE 4

**Conforming Withdrawals** are all Withdrawals to the extent that the amount withdrawn is equal to or less than the greater of zero (\$0) and (A) minus (B), where

(A) is [five percent (5%)] of the excess, if any, of the Contract Value as of the most recent Rider Date Anniversary (or, prior to the first Rider Date Anniversary, the Rider Date) over the Acceleration Benefit as of the most recent Rider Date Anniversary (or, prior to the first Rider Date Anniversary, the Rider Date), and

(B) is all prior Withdrawals in that Rider Year.

RANGE: The 0% - 50%.

EXPLANATION: Withdrawals from the annuity are either Conforming or Excess. **Conforming Withdrawals** will not reduce LTC Benefits. The Conforming Withdrawal percentage is determined by the Company, but is the same for all contract holders of a given class.

## PAGE 5

The Acceleration Benefit Charge rate, Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate on a Rider Charge Day are based on (i) the Covered Life's [gender and] age as of the Rider Date, and (ii) the combination of the Minimum Acceleration Benefit Duration and Minimum Extension Benefit Duration.

RANGE: The rider charges may or may not be based upon the Covered Life's gender.

EXPLANATION: The product will be offered on a sex-distinct or unisex basis for new issues as determined by the Company, but is the same for all contract holders of a given class. The rate basis shall be supported by long-term care insurance rate filings.

## PAGE 8

No Nonforfeiture Benefits are payable prior to the [seventh (7<sup>th</sup>) Rider Date Anniversary and] satisfaction of any remaining Deductible Period. All claims for Nonforfeiture Benefits are subject to the terms of the attached LTC Coverage Endorsement. The Maximum Monthly Nonforfeiture Benefit under this section will be the Maximum Monthly Level Benefit in effect as of the date this Rider is terminated, subject to the LTC Benefits provision in the LTC Coverage Endorsement.

RANGE: The Nonforfeiture Benefit may not be paid until the earliest that date that Extension Benefits would be available. The range is therefore from the Rider Date to 12 years after the Rider Date.

EXPLANATION: The applicable Rider Date Anniversary is the date upon which the Target monthly benefit could be available, plus the Minimum Acceleration Benefit Duration. The applicable Rider Date Anniversary is determined by the Company, but is the same for all contract holders of a given class.

If the applicable Rider Date Anniversary is the Rider Date itself, the bracketed language shall be deleted.

## PAGE 9

### Optional Nonforfeiture

If the Optional Nonforfeiture Benefit Charge is not shown in the LTC Benefit Specifications, this Optional Nonforfeiture subsection is void and will have no effect upon this Rider. If Optional Nonforfeiture is elected on the Rider Date, as shown in the LTC Benefit Specifications, the Nonforfeiture Benefit will be provided after this Rider has been terminated for any of the following reasons in addition to the reasons stated in the Contingent Nonforfeiture subsection:

- a. The Contract is surrendered at least three (3) years after the Rider Date;
- b. The Owner requests In Writing to terminate this Rider after the [third (3<sup>rd</sup>) Rider Date Anniversary];
- c. The Owner elects an Annuity Commencement Date prior to the Maturity Date and after the [third (3<sup>rd</sup>) Rider Date Anniversary].

## PAGE 11

The Owner may terminate this Rider upon Written Request any time after the [third (3<sup>rd</sup>) Rider Date Anniversary]. The Owner may not terminate this Rider upon Written Request prior to the [third (3<sup>rd</sup>) Rider Date Anniversary].

RANGE: The Company may limit the right of the client to terminate the rider while keeping the annuity contract in force from the Rider Date to 10 years after the Rider Date.

EXPLANATION: Like many optional benefit riders for annuities, this rider is provided without a sales load or charge, but we do incur expenses in issuing coverage. In order to ensure that such expenses are recouped, we limit the right of the client to cancel coverage for a limited period of time. The earliest rider termination date is determined by the Company, but is the same for all contract holders of a given class.

## PAGE 10

**GOP Death Benefit Amount.** A GOP death benefit is provided under the Guarantee of Principal (GOP) and Enhanced Guaranteed Minimum Death Benefit (EGMDB) Death Benefit, one of which may be applicable to the Contract as shown in the Contract Specifications.

If the Contract includes a Death Benefit, including any Death Benefit Rider, that has a Death Benefit amount defined as the sum of all Purchase Payments minus all death benefit reductions, then each Acceleration Benefit payment will **be treated as a Withdrawal for purposes of the calculation of death benefit reductions**.

RANGE: Acceleration Benefit payments will either (A) "be treated as a Withdrawal for purposes of the calculation of death benefit reductions," or (B) "reduce the Death Benefit by the payment amount."

EXPLANATION: Under our variable annuity contracts with guaranteed death benefits equal to Purchase Payments less reductions (known as Guarantee of Principal death benefits), withdrawals and rider payments are variously treated as dollar-for-dollar reductions or as pro-rata reductions. The treatment of Acceleration Benefit payments under new issues of our LTC rider under either methodology for Guarantee of Principal death benefit purposes is determined by the Company, but is the same for all contract holders of a given class.

## PAGE 11

Coverage under this Rider is contingent upon the Company's receipt of a completed and signed Contract Amendment for LTC Benefits. This Rider will terminate **forty-five (45)** days after the Rider Date if the duplicate copy of the Contract Amendment for LTC Benefits is not signed by the Owner and the Covered Life (if different) and subsequently returned to and received by the Company at its Administrative Office.

RANGE: The Company may set the time period for return of the Contract Amendment for LTC Benefits from 15 to 90 days after the Rider Date.

EXPLANATION: Long-term care coverage is issued contingent upon the client signing a Contract Amendment that affirms our understanding of the client's current medical condition. We wish to receive this affirmation as promptly as possible, but require flexibility in setting an absolute deadline pursuant to our actual experience with this process. As the first rider charges are assessed 3 months after the Rider Date, we would not set a deadline past the point upon which we would need to refund rider charges.

**Signed for the Company**  
  
Secretary

EXPLANATION: The rider will be signed by a President, Vice President, Secretary or Assistant Secretary of the Company. We reserve the right to have the rider actually signed by any such officer of the company as of the Rider Date.

# STATEMENT OF VARIABILITY

## The Lincoln National Life Insurance Company

LTC Fixed Account Rider: **AR-532(1-10)**

Used with

- 1) Long-Term Care Coverage Endorsement: **AE-517(1-10)**
- 2) Long-Term Care Benefits Rider: **AR-518(1-10)**
- 3) Long-Term Care Benefits Rider: **AR-519(1-10)**
- 4) Contract Amendment for LTC Benefits: **AA-531(1-10)**
- 5) LTC Benefit Specifications: **AS-533(1-10)**

This statement shows the particular sections and provisions in the above noted insert page forms that contain bracketed items to indicate variability. The variable items are bracketed and followed by a text box with the corresponding range of variability and an explanation for each. No change in variability will be made which in any way expands the scope of the item being changed.

Variable items listed herein may be changed by the Company for new contracts only. The use of variability shall be administered in a uniform manner and shall not result in unfair discrimination.

Signed for The Lincoln National Life Insurance Company (the "Company")

  
Secretary

EXPLANATION: The rider will be signed by a President, Vice President, Secretary or Assistant Secretary of the Company. We reserve the right to have the rider actually signed by any such officer of the company as of the Rider Date.

# STATEMENT OF VARIABILITY

## The Lincoln National Life Insurance Company

LTC Benefit Specifications: **AS-533(1-10)**

Used with

- 1) Long-Term Care Coverage Endorsement: **AE-517(1-10)**
- 2) Long-Term Care Benefits Rider: **AR-518(1-10)**
- 3) Long-Term Care Benefits Rider: **AR-519(1-10)**
- 4) Contract Amendment for LTC Benefits: **AA-531(1-10)**
- 5) LTC Fixed Account Rider: **AR-532(1-10)**

This statement shows the particular sections and provisions in the above noted insert page forms that contain bracketed items to indicate variability. The variable items are bracketed and followed by a text box with the corresponding range of variability and an explanation for each. No change in variability will be made which in any way expands the scope of the item being changed.

Variable items listed herein may be changed by the Company for new contracts only. The use of variability shall be administered in a uniform manner and shall not result in unfair discrimination.

Factors that may result in a change within the ranges of variability include but are not limited to the Company's determination of consumer preferences, current pricing, reserving guidelines, required capital guidelines, internal capital guidelines, internal profit targets, cost of benefit hedging and risk management, and expectations of policyholder lapse behavior, morbidity and mortality. Other factors that are applicable to specific ranges are indicated below. Changes within the ranges of variability that result in new charge rates are subject to long-term care rate filing requirements.

### LTC BENEFIT SPECIFICATIONS

**Rider Date:** [January 18, 2010]

RANGE: The actual effective date of the rider.

EXPLANATION: The **Rider Date** shows the effective date of the rider. It may be either the Contract's Issue Date or it may be the date the Rider is added to an inforce annuity.

**Funding Amount as of Rider Date:** [\$200,000.00]

RANGE: The Funding Amount applicable on the Rider Date.

EXPLANATION: The **Funding Amount** shows the premium paid (for a rider issued with a new contract) or the contract value (for a rider issued on an inforce contract). It is entirely dependent upon the client.

**LTC Guaranteed Amount as of Rider Date:** [\$80,000.00]

RANGE: The LTC GA as of the Rider Date is a product of a set calculation.

EXPLANATION: The **LTC GA as of the Rider Date** is entirely dependent upon the client. It is the product of the Funding Amount (above) and the LTC Percentage (below).

**LTC Percentage as of Rider Date:** [40%]

RANGE: The client elects their LTC Percentage. We may restrict elections to whole percentages as low as 1% or as high as 100%.

EXPLANATION: The **LTC Percentage** is the client's election of how much of the annuity contract to make available for LTC Acceleration Benefits. The available LTC Percentage range is determined by the Company, but is the same for all contract holders of a given class.

**Funding Deadline:** [90 Day after Rider Date]

RANGE: The Funding Deadline for coverage issued with new contracts is 90 days after the Rider Date, as new contracts may be funded by multiple transfers or exchanges. For coverage issued with inforce contracts, the Funding Deadline is the Rider Date.

EXPLANATION: The extended deadline for new contracts is necessary in order to account for administrative variances in processing times as various financial institutions. For inforce contracts, any desired additional premiums, whether by check, transfer, or exchange, should be processed prior to election of the LTC coverage.

**Target Funding Amount:** [\$250,000.00]

RANGE: The Target Funding Amount is elected by the client for new contracts. For inforce contracts, it is equal to the Funding Amount.

EXPLANATION: The **Target Funding Amount** allows a new client who has scheduled multiple premiums, often by transfer or exchange from other financial institutions, to indicate the amount expected to be sent to the Company prior to the Funding Deadline. Because the actual coverage amount is a product of the actual Funding Amount (which can't be determined for 90 days) and the client's elected LTC Percentage, it is important to allow the client to set a Target Funding Amount so that if the client wants to limit the total LTC coverage, they can do so.

**Target LTC Guaranteed Amount:** [\$100,000.00]

RANGE: The Target LTC GA is a product of a set calculation.

EXPLANATION: The **Target LTC GA** is entirely dependent upon the client. It is the product of the Target Funding Amount (above) and the LTC Percentage (above).

**LTC Coverage Effective Date:** [January 18, 2012]

RANGE: The actual LTC Coverage Effective Date (calendar date) will be shown here. The range is from the Rider Date to 10 years after the Rider Date.

EXPLANATION: The **LTC Coverage Effective Date** is the earliest date upon which LTC coverage is provided. It is the Rider Date, plus what is effectively an elimination period, as described in the actuarial memorandum. The LTC Coverage Effective Date is determined by the Company, but is the same for all contract holders of a given class.

**Deductible Period:** [90 Days]

RANGE: The Deductible Period may be as brief as 0 days or as long as 6 months.

EXPLANATION: The **Deductible Period** is the period of time between eligibility for benefits, and when benefits begin to be payable. Different products may have different Deductible Periods. The Deductible Period is determined by the Company, but is the same for all contract holders of a given class.

**Minimum Acceleration Benefit Duration:** [2 Years]

RANGE: 1 – 10 years.

EXPLANATION: The **Minimum Acceleration Benefit Duration** is the minimum period of time over which the portion of annuity contract value designated for Acceleration Benefit is paid out, assuming that claims do not begin until after the [5<sup>th</sup>] Rider Date Anniversary, and assuming the maximum monthly benefit is paid for all such months. The Company will offer at least 2 different combinations of Minimum Acceleration Benefit Duration and Minimum Extension Benefit Duration. The Minimum Acceleration Benefit Duration is determined by the Company and shall be supported by long-term care insurance rate filings, but is the same for all contract holders of a given class.

**Minimum Extension Benefit Duration:** [4 Years]

RANGE: 1 – 20 years.

EXPLANATION: The **Minimum Extension Benefit Duration** is the minimum period of time over which LTC Benefits are paid out by the Company, and are paid out after the Acceleration Benefit is \$0, assuming that claims do not begin until after the [5<sup>th</sup>] Rider Date Anniversary, and assuming the maximum monthly benefit is paid for all such months. The Company will offer at least 2 different combinations of Minimum Acceleration Benefit Duration and Minimum Extension Benefit Duration. The Minimum Extension Benefit Duration is determined by the Company and shall be supported by long-term care insurance rate filings, but is the same for all contract holders of a given class.

**[5<sup>th</sup>] Rider Date Anniversary:** [October 18, 2014]

RANGE: Rider Date - 10<sup>th</sup> Rider Date Anniversary.

EXPLANATION: The applicable **Rider Date Anniversary** is the latest date that the payment of an LTC Benefit will impact the Maximum Monthly Level Benefit. The applicable Rider Date Anniversary is determined by the Company, but is the same for all contract holders of a given class. If the applicable Rider Date Anniversary is the Rider Date itself, this row will not appear on the form.

**Target Maximum Monthly Level Benefit:** [\$4,166.67]

RANGE: The Target Maximum Monthly Level Benefit is a product of a set calculation.

EXPLANATION: The **Target Maximum Monthly Level Benefit** is entirely dependent upon the client. It is the result of dividing the Target LTC GA (above) by the Minimum Acceleration Benefit Duration (above).

**LTC Charges**

**Initial Acceleration Benefit Charge:** [0.00%] ANNUALLY

RANGE: 0.00% - Maximum Acceleration Benefit Charge.

EXPLANATION: The **Initial Acceleration Benefit Charge** is determined by the Company, subject to the Maximum Acceleration Benefit Charge, but is the same for all contract holders of a given class. The charge is described as Initial because it is subject to change after the Rider Date.

**Maximum Acceleration Benefit Charge:** [4.00%] ANNUALLY

RANGE: 0.50% to 4.00%.

EXPLANATION: The **Maximum Acceleration Benefit Charge** is the highest total annual Acceleration Benefit charge associated with this rider as long as the rider is in force, as determined on the Rider Date. The Maximum Acceleration Benefit Charge is determined by the Company, but is the same for all contract holders of a given class.

**Initial Extension Benefit Charge:** [2.25%] ANNUALLY

RANGE: As limited by the associated LTC Rate Filing.

EXPLANATION: The Extension Benefit Charge rates are filed with the state regulatory authority.

**[Initial Optional Nonforfeiture Benefit Charge:** [0.40%] ANNUALLY]

RANGE: This data row appears only if the Optional Nonforfeiture Benefit has been elected by the client. If elected the rate is provided pursuant to the associated LTC Rate Filing.

EXPLANATION: The Optional Nonforfeiture Benefit Charge rates are filed with the state regulatory authority.

**LTC Fixed Account Guaranteed Minimum Interest Rate:**

( Contract Years 1 through 10: 1.75% )  
( Contract Years 11 and later: 3.00% )

RANGE: The minimum fixed interest rates provided pursuant to the LTC Fixed Account Rider.

EXPLANATION: The **LTC Fixed Account Guaranteed Minimum Interest Rate** may vary by Rider Date. The rates are determined in compliance with nonforfeiture law and as described in the LTC Fixed Account Rider materials. The LTC Fixed Account Guaranteed Minimum Interest Rate is determined by the Company, but is the same for all contract holders of a given class.

# STATEMENT OF VARIABILITY

## The Lincoln National Life Insurance Company

Contract Amendment for LTC Benefits: **AA-531(1-10)**

Used with

- 1) Long-Term Care Coverage Endorsement: **AE-517(1-10)**
- 2) Long-Term Care Benefits Rider: **AR-518(1-10)**
- 3) Long-Term Care Benefits Rider: **AR-519(1-10)**
- 4) LTC Fixed Account Rider: **AR-532(1-10)**
- 5) LTC Benefit Specifications: **AS-533(1-10)**

This statement shows the particular sections and provisions in the above noted insert page forms that contain bracketed items to indicate variability. The variable items are bracketed and followed by a text box with the corresponding range of variability and an explanation for each. No change in variability will be made which in any way expands the scope of the item being changed.

Variable items listed herein may be changed by the Company for new contracts only. The use of variability shall be administered in a uniform manner and shall not result in unfair discrimination.

CONTRACT OWNER NAME: [JOHN DOE]  
[PRODUCT NAME] CONTRACT NUMBER: [XX987654321]

RANGE: The Contract Owner Name and Contract Number are client-specific. The Product Names currently possible to be shown are: Multi Fund 5; Lincoln Select; American Legacy<sup>®</sup>; American Legacy<sup>®</sup> (A Class); American Legacy<sup>®</sup> (B Class); American Legacy<sup>®</sup> Design 1; American Legacy<sup>®</sup> Design 2; American Legacy<sup>®</sup> Design 3; Shareholders Advantage; Lincoln ChoicePlus<sup>SM</sup>; Lincoln ChoicePlus<sup>SM</sup> Design 1; Lincoln ChoicePlus<sup>SM</sup> Design 2; Lincoln ChoicePlus<sup>SM</sup> Design 3; Lincoln ChoicePlus<sup>SM</sup> Assurance (A Class); Lincoln ChoicePlus<sup>SM</sup> Assurance (B Class); Lincoln ChoicePlus<sup>SM</sup> Assurance (Bonus); Lincoln ChoicePlus<sup>SM</sup> Fixed; Lincoln GrowSmart; Lincoln ChoicePlus<sup>SM</sup> Advantage Fixed.

EXPLANATION: The form will show the client's name, contract owner, and the name of the product. Because this form is returned to us by mail, having the Product Name helps our administrative team direct the form to the attention of the proper servicing department as efficiently and quickly as possible.

**Signed for The Lincoln National Life Insurance Company (the "Company")**

  
Secretary

EXPLANATION: The rider will be signed by a President, Vice President, Secretary or Assistant Secretary of the Company. We reserve the right to have the rider actually signed by any such officer of the company as of the Rider Date.

**I, the Owner, acknowledge that the Long-Term Care Benefits Rider that describes long-term care benefits under the Contract shall be terminated and void from the beginning if this Contract Amendment is not: (1) signed and dated by me (and the Covered Life if different); and (2) received by the Company within [45] days of the effective date of such Rider.**

RANGE: The Company may set the time period for return of the Contract Amendment from 30 to 90 days after the Rider Date.

EXPLANATION: We wish to receive this affirmation as promptly as possible, but require flexibility in setting an absolute deadline pursuant to our actual experience with this process. As the first rider charges are assessed 3 months after the Rider Date, we would not set a deadline past the point upon which we would need to refund rider charges.

## **LONG-TERM CARE INSURANCE (“LTC”) OUTLINE OF COVERAGE**

**Long-Term Care Coverage Endorsement AR-517(1-10), and Long-Term Care Benefits Rider AR-518(1-10) (Level Benefit), or Long-Term Care Benefits Rider AR-519(1-10) (Growth Benefit) (state variation may apply)**

**The Long-Term Care Benefits Rider (“Rider”), together with the Long-Term Care Coverage Endorsement (“Endorsement”) and the Contract Amendment for LTC Benefits (“Amendment”) to which it is attached, will be referred to as your “LTC Contract.”**

**CAUTION: The issuance of the LTC Contract is based upon your affirmations and agreement to the statements in the Amendment. A copy of the Amendment will be attached when the Rider is delivered. If any statement(s) affirmed and agreed to is(are) incorrect or untrue, the Company has the right to deny benefits or rescind the LTC Contract. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of the statement(s) contained in the Amendment are incorrect, contact the Company at our address shown above.**

**NOTICE TO BUYER: The insurance described in this Outline of Coverage may not cover all of the costs associated with long-term care incurred by the Covered Life during the period of coverage. You are advised to review carefully all coverage limitations and conditions.**

### **1. INDIVIDUAL COVERAGE.**

The Rider, Endorsement, and Amendment (together, “LTC Contract”) described in this Outline of Coverage are attached to, and made a part of, an individual annuity contract (“Contract”).

### **2. PURPOSE OF OUTLINE OF COVERAGE.**

This Outline of Coverage provides a very brief description of the important features of the LTC Contract. You should compare this Outline of Coverage to Outlines of Coverage for other LTC Contracts available to you.

**This is not an insurance contract, but only a summary of coverage.** Only the LTC Contract and the Contract to which it is attached contain the governing contractual provisions. This means that the LTC Contract, and the Contract 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 LTC CONTRACT AND CONTRACT CAREFULLY!**

### **3. FEDERAL TAX CONSEQUENCES.**

The LTC Contract is intended to be a federally qualified long-term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

**4. TERMS UNDER WHICH THE LTC CONTRACT MAY BE CONTINUED IN FORCE OR DISCONTINUED.**

**Renewability**

THE LTC CONTRACT IS GUARANTEED RENEWABLE. The Company cannot cancel or reduce LTC coverage provided by the LTC Contract or change any terms of the LTC Contract, except that in the future the Company may increase LTC Charges on a class basis in a nondiscriminatory manner.

**Waiver of Premium**

The LTC Contract does not contain a waiver of premium or waiver of LTC Charge provision. However, the LTC Charges will cease and be waived if the Contract Value is \$0. If the Contract Value of the Contract is reduced to \$0 as a result of a withdrawal or surrender, the LTC Contract will terminate.

**Termination**

Coverage under the LTC Contract is contingent upon the Company's receipt of a completed and signed Contract Amendment for LTC Benefits. The LTC Contract will terminate forty-five (45) days after the Rider Date if the duplicate copy of the Contract Amendment for LTC Benefits is not signed by the Owner and the Covered Life (if different) and returned to and received by the Company at its Administrative Office.

The LTC Contract will terminate on the date the Contract to which the LTC Contract is attached terminates.

The Owner may terminate the LTC Contract upon Written Request any time after the third (3rd) Rider Date Anniversary. The Owner may not terminate the Rider upon Written Request prior to the third (3rd) Rider Date Anniversary.

The LTC Contract will also terminate as follows:

- a. on the date the Owner is changed due to death or divorce;
- b. on the death of the Covered Life.

Upon termination of the LTC Contract, all benefits (except benefits provided under the Nonforfeiture Benefit provision) and charges within the LTC Contract will terminate, any LTC Fixed Account Value will be transferred to the Variable Subaccounts according to the Contract Owner's future Variable Subaccount allocation instructions, and a proportional amount of the LTC Charge will be deducted.

**5. TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS ("LTC CHARGES").**

**The Acceleration Benefit Charge rate, Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate on a Rider Charge Day are based on (i) the Covered Life's age as of the Rider Date, (ii) the combination of the Minimum Acceleration Benefit Duration and Minimum Extension Benefit Duration, and (iii) which Rider was elected. The Acceleration Benefit Charge rate, the Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate may change, at Our discretion, at any time after the Rider Date with at least 30 days Written Notice from Us. Any change to such rates will be subject to any maximum rates shown in the LTC Benefit Specifications, and will be made on a class basis in a nondiscriminatory manner.**

**6. TERMS UNDER WHICH THE LTC CONTRACT MAY BE RETURNED AND LTC CHARGES REFUNDED.**

Within 30 days after the LTC Contract is first received, the LTC Contract may be cancelled for any reason by contacting the Company In Writing at 1300 South Clinton Street, Fort Wayne, IN 46802. Upon cancellation, the LTC Contract shall be void from the beginning. Any LTC Charges will be reversed. Cancellation of the LTC Contract under this Right To Examine shall not be treated as a cancellation of the entire Contract. Confirmation of this cancellation will be provided In Writing.

The LTC Contract does not contain provisions providing for a refund or partial refund of LTC Charges upon the death of the Covered Life, the termination of the Rider, or surrender of the Contract.

**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 more fully defined in the Long-Term Care Coverage Endorsement.

As of the LTC Coverage Effective Date, this LTC Contract provides coverage in the form of a fixed dollar benefit for covered long-term care expenses, subject to limitations, exclusions and Deductible Period.

**9. BENEFITS PROVIDED BY THE LTC CONTRACT**

The LTC Contract provides for the payment of benefits (LTC Benefits) upon the Covered Life's receipt of Qualified Long-Term Care services due to Chronic Illness. You have designated the amount of your Contract Value that will fund LTC Benefits when you elected the Rider.

**Level Benefit Rider:**

There are two (2) primary LTC Benefits provided by the LTC Contract if the Level Benefit Rider is elected by you: the Acceleration Benefit and the Extension Benefit. The Acceleration Benefit is payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. The Acceleration Benefit is payable by the Company even if your Contract Value has been reduced to zero (\$0). After the Acceleration Benefit is reduced to zero (\$0) the LTC Benefits will continue as Extension Benefits, which are payments provided by the Company, during the Extension Benefit Duration.

There is a total LTC Benefit limit that may be paid for each month and is referred to as the Maximum Monthly LTC Benefit. When you become eligible for benefits, up to the full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. Otherwise, up to fifty percent (50%) of the Maximum Monthly LTC Benefit is payable.

**Growth Benefit Rider:**

There are three (3) primary LTC Benefits provided by the LTC Contract if the Growth Benefit Rider is elected by you: the Acceleration Benefit, the Growth Benefit and the Extension Benefit. The Acceleration Benefit is payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. The Growth Benefit is an additional payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and Extension Benefit Duration. The Growth Benefit, if any, is based on your investment earnings. Acceleration and Growth Benefits are payable by the Company even if your Contract Value has been reduced to zero (\$0). After the Acceleration Benefit is reduced to zero (\$0) the LTC Benefits will continue as Extension Benefits, which are payments provided by the Company, during the Extension Benefit Duration.

There is a Maximum Monthly LTC Benefit that may be paid for each month which is the sum of the Maximum Monthly Level Benefit and Maximum Monthly Growth Benefit. When you become eligible for benefits, up to the full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. Otherwise, up to fifty percent (50%) of the Maximum Monthly LTC Benefit is payable.

**The Company will only pay LTC Benefits if all conditions for ELIGIBILITY FOR THE PAYMENT OF BENEFITS have been met and none of the LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS apply at the time the Qualified Long-Term Care Services were provided to the Covered Life.**

The maximum LTC Benefit payable is the maximum that will be paid for each calendar month, subject to remaining LTC Benefits. The maximum LTC Benefit payable for each calendar month is the Maximum Monthly LTC Benefit as of the Valuation Date of LTC Benefit payment if:

- a. The Covered Life resides in a Nursing Home in the United States, or
- b. The Covered Life is receiving Hospice Care in the United States. Any Deductible Period will be waived if the Covered Life is receiving Hospice Care.

Otherwise, the maximum LTC Benefit payable for each calendar month is 50% of the Maximum Monthly LTC Benefit as of the Valuation Date of LTC Benefit payment, but only if the Covered Life resides in the United States.

### **Qualified Long-Term Care Service**

A Qualified Long-Term Care Service is a Maintenance or Personal Care Service, or any necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative service, that is:

- a. Required by the patient because the patient is Chronically Ill; and
- b. Provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

### **Plan of Care**

A Plan of Care is a written, individualized plan for care (including medication and therapy) and support services for the Covered Life that:

- a. Has been prescribed by a Licensed Health Care Practitioner; and
- b. Has been developed as a result of an Assessment and incorporates any information provided by the Covered Life's personal physician; and
- c. Fairly, accurately and appropriately addresses the Covered Life's long term care and support service needs; and
- d. Specifies the type, frequency and duration of all Qualified Long-Term Care Services required to meet those needs and the specific agency or facility to provide those services in the United States; and
- e. Describes the likelihood of improvement or deterioration of the Covered Life's condition within the next year from the date the Plan of Care was prepared and includes 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 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.

### **Nursing Home**

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

- a. It must provide twenty-four (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 (1) physician and one (1) nurse;

- b. It must have a physician available to provide medical care in case of emergency;
- c. It must have at least one (1) nurse who is employed there full time (or at least twenty-four (24) hours per week if the facility has less than ten (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.

A Nursing Home is NOT:

- a. A hospital or clinic; or
- b. An Adult Day Care, Assisted Living Facility or similar facility, or
- c. A personal residence where Home Health Care is provided.

### **Hospice Care**

Hospice Care provides palliative care to Covered Life and the Covered Life's Immediate Family, to alleviate the physical, emotional, social, and spiritual discomforts in the terminal phases of life. If a provider of Hospice Care is not licensed, accredited or certified by the appropriate state licensing agency, Hospice Care must be administered by an interdisciplinary team that consists of a physician, a registered nurse, clergy or counselors, trained volunteers and other appropriate staff having expertise in meeting the needs of terminal patients.

### **Initial Benefit Eligibility**

A Licensed Health Care Practitioner will verify the Covered Life's initial Benefit Eligibility by performing the initial Assessment. The following conditions must be met to establish Benefit Eligibility under the LTC Contract:

- a. The Covered Life must be Chronically Ill, meaning that as the result of an Assessment the Covered Life has been certified, within the preceding twelve (12) months, by a Licensed Health Care Practitioner as having a chronic illness or disability that causes the Covered Life to either:
  - 1. Require Substantial Assistance with at least two (2) ADLs, expected to last at least ninety (90) days; or
  - 2. Have a Severe Cognitive Impairment that requires Substantial Supervision.
- b. The Covered Life must have and follow a Plan of Care prescribed by a Licensed Health Care Practitioner.
- c. The Covered Life must not meet any of the LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS.

If the Covered Life's Benefit Eligibility has ended, any subsequent determination of Benefit Eligibility will be treated as a determination of initial Benefit Eligibility.

### **Ongoing Benefit Eligibility**

The Company will require verification that the Covered Life is Chronically Ill and receiving the prescribed care and services as frequently as determined by the Company. The following conditions must be met to continue Benefit Eligibility under the LTC Contract:

- a. The Covered Life must receive the care and support services prescribed by the Plan of Care, through the agency or facility identified in the Plan of Care, in the United States. The Plan of Care must be updated as the Covered Life's needs change.
- b. At least once every twelve (12) months thereafter, and for as long as the Covered Life continues to be Chronically Ill, a Licensed Health Care Practitioner must complete a new Assessment and again:
  - 1. Certify that the Covered Life is Chronically Ill. If the Covered Life is Chronically Ill due to loss of functional capacity, the Licensed Health Care Practitioner must again certify that the Covered Life is expected to continue to be Chronically Ill for at least ninety (90) days; and
  - 2. Either prescribe a new Plan of Care, or reconfirm the existing Plan of Care In Writing.

If the Company is unable to verify ongoing Benefit Eligibility, the Company will revoke Benefit Eligibility status, reject any subsequent Request for Benefits, and take action pursuant to the Recovery for Overpayment provision. Any subsequent determination of Benefit Eligibility will be treated as the determination of initial Benefit Eligibility.

LTC Benefits will be paid under the LTC Contract for as long as: (i) the conditions of the LTC Contract, including the Long-Term Care Coverage Endorsement, are met; (ii) the LTC Contract remains in force; (iii) any rider that provides for LTC Benefit payment remains in force; and (iv) any applicable LTC Benefit limit is not reached.

### **Activities of Daily Living (“ADL”)**

ADLs are the 6 basic functional abilities that relate to the ability to live independently. They are:

- a. **Bathing:** The ability to wash oneself 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 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 ability to put on or take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- d. **Eating:** The ability to feed oneself by getting food into the body from a receptacle (such as plate, cup or table) or by a feeding tube or intravenously.
- e. **Toileting:** The ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene.
- f. **Transferring:** The ability to move oneself into or out of a bed, chair or wheelchair.

### **Severe Cognitive Impairment**

Severe Cognitive Impairment means deterioration or loss in an individual’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. Short-term or long-term memory;
  2. Orientation as to person (such as who they are), place (such as their location), and time (such as day, date and year); and
  3. Deductive or abstract reasoning, including judgment as it relates to safety awareness.

### **Substantial Assistance**

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 while performing ADLs.

### **Substantial Supervision**

Substantial Supervision means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person.

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

### **Pre-Existing Conditions**

The LTC Contract does not exclude pre-existing conditions.

## **Non-Eligible Facilities or Providers**

The LTC Contract does not cover services:

- a. provided by unlicensed facilities or providers;
- b. provided by a member of the Covered Life's immediate family;
- c. for which no charge is normally made in the absence of insurance;
- d. 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; **(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)** and
- e. provided in a Veteran's Administration or other government facility, unless otherwise required by law.

## **Non-Eligible Levels of Care**

The LTC Contract does not cover services that do not constitute Qualified Long-Term Care Services as defined.

## **Exclusions, Exceptions and Limitations**

The Covered Life can not establish initial or ongoing Benefit Eligibility under any of the following conditions:

- a. Covered Life is receiving treatment for alcoholism or drug addiction (unless the drug addiction is a result of medication taken in doses as prescribed by a physician);
- b. Covered Life is receiving treatment arising out of an attempt (while sane or insane) at suicide or an intentionally self-inflicted injury;
- c. Covered Life is receiving services for which benefits are available under Medicare or other governmental program (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws; and
- d. All Qualified Long-Term Care Services the Covered Life is receiving are provided by members of the Covered Life's Immediate Family, whether paid or unpaid.

THE LTC CONTRACT MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.

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

Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted.

The most that you may receive in LTC benefits each month (called Maximum Monthly LTC Benefit) is determined annually by adding a limit for Acceleration or Extension Benefits (called Maximum Monthly Level Benefit) to a limit for Growth Benefits, (called Maximum Monthly Growth Benefit) if the Growth Benefit was elected by you.

The expected Maximum Monthly Level Benefit is determined by taking the amount of your Contract Values you picked for use in providing LTC Benefits (the Acceleration Benefit) and dividing that number into the months you selected to receive the Acceleration Benefit. However, this assumes that you wait at least 5 years to make your first LTC Benefit claim.

The Maximum Monthly Level Benefit is determined each year through the fifth, increasing if you are not yet receiving the Maximum Monthly Level Benefit. As a result, if you do not wait at least 5 years to receive your first LTC Benefit payment, then the Maximum Monthly Level Benefit in effect will be lower and the Acceleration Benefit will be paid over a longer time than you initially selected. Even after your Acceleration Benefit has been exhausted, this Maximum Monthly Level Benefit applies during receipt of the Extension Benefit, resulting in a longer Extension Benefit period than you initially selected. Regardless of the date you begin receiving LTC Benefits and the amount available each month, you will still have access to the entire LTC Benefit. You may not receive LTC Benefits before the LTC Coverage Effective Date shown in your LTC Contract.

The full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. The amount of LTC benefits payable for a calendar month is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care Services due to Chronic Illness. If the LTC Benefit paid in a given calendar month is less than the amount payable, they are treated as Acceleration Benefits or Extension Benefits until the payable Acceleration Benefit or Extension Benefit is reached, then as Growth Benefits.

Up to 5% of the Contract Value in excess of the Acceleration Benefit and Growth Benefit may be withdrawn without impacting the LTC Benefits. Withdrawals that exceed this amount reduce the LTC Benefits (both the Acceleration Benefit, the Extension Benefit and the Growth Benefit, if elected) proportionally.

## **12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.**

The LTC Contract 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**

An LTC Charge is deducted from the Contract Value on each Rider Charge Day. The total LTC Charge may consist of an Acceleration Benefit Charge, an Extension Benefit Charge, and an Optional Nonforfeiture Benefit Charge. Such charges are expressed in the LTC Benefit Specifications as annual rates, although actual charges are the quarterly equivalent of such annual rates. An LTC Charge may not exceed the Contract Value.

LTC Charges will be proportionately deducted from each Variable Subaccount and Fixed Account until the Contract Value is reduced to zero (\$0). If the Contract or the LTC Contract is terminated (unless pursuant to the Right to Examine or due to the death of the Covered Life), a proportional LTC Charge will be deducted for the period of coverage prior to such termination for which no LTC Charge has already been made.

## **14. ADDITIONAL FEATURES.**

### **Nonforfeiture**

The Nonforfeiture Benefit provision in the LTC Contract provides for a limited amount of paid-up long-term care insurance if the LTC Contract is terminated under certain circumstances. If the LTC Contract is terminated following a post-issue Extension Benefit Charge rate increase described in the Rider, after having been in force for at least 3 years, the Nonforfeiture Benefit is provided subject to Contingent Nonforfeiture terms and conditions described in the Rider. You also have the option to purchase Optional Nonforfeiture for an additional charge. The Optional Nonforfeiture provides for the Nonforfeiture Benefit if the LTC Contract is terminated after having been in force for at least 3 years, subject to the Optional Nonforfeiture terms and conditions, even if the Extension Benefit Charge has not been increased. Benefits under the Nonforfeiture Benefit provision become effective only if the LTC Contract has been terminated and no other LTC Benefits may be paid.

### **Medical Underwriting**

The issuance of the LTC Contract is not subject to Medical Underwriting. However, it is subject to your truthful affirmation and agreement with statements related to your health.

## **15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LTC CONTRACT.**

## LONG-TERM CARE PERSONAL WORKSHEET

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:

Contract and Rider Form Numbers: \_\_\_\_\_

The premium for this policy is a one-time Single Premium of \$ \_\_\_\_\_

### Type of Rider:

Guaranteed Renewable

### Right to Increase Long-Term Care Rider Charges:

The Lincoln National Life Insurance Company ("Lincoln") has the right to increase long-term care rider charges in the future, provided it increases the rider charges for all contracts in the same class in the jurisdiction where the contract is issued.

### 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 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-\$19,999     \$20-\$29,999     \$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 premiums with money received from your own income, consider how an increase in the Rider Charges will impact your Annuity.*

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 – U.S. Department of Health and Human Services National Clearinghouse for Long-Term Care Information, March 2008)*

How are you planning to pay for your care during the period when benefits are not payable?

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

**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-\$99,999     \$100-\$149,999     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 us along with the application. We 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 quarterly 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.

- I understand that the rider charges may increase in the future**

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

**Agent's Statement**

I have explained to the Applicant the importance of completing this information. I have reviewed this information with the Applicant and I have determined this product is:

- is suitable for the Applicant  
 is NOT suitable for the Applicant

\_\_\_\_\_  
Signature of Agent

\_\_\_\_\_  
Date

\_\_\_\_\_  
Agent's Printed Name

If applicable, please check box and sign below.

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

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

## **LONG-TERM CARE INSURANCE BENEFITS POTENTIAL CHARGE INCREASE DISCLOSURE**

The Long-Term Care Insurance (LTC) coverage provided by your Contract is Guaranteed Renewable. This means that the charges for LTC coverage may be increased in the future. Any increase in the charges for LTC coverage will be based on the experience of all policyholders with similar contracts. The charges **cannot** be increased due to your increasing age or change in health status.

The initial charges for LTC coverage will be shown in your Contract on the LTC Benefit Specifications. The charges for LTC coverage are deducted from the Contract Value on a quarterly basis, as described in the LTC Benefit Rider.

Any increase in the charges for LTC coverage will be effective on the Rider Date Anniversary following our notice to you that charges are being increased.

If the charges for LTC coverage are increased, you have the following options:

1. Take no action. The increased charges for LTC coverage will be deducted from your Contract Value and the LTC coverage will remain in force.
2. Exercise the Contingent Nonfortiture option as provided in your LTC Benefit Rider.

# ARKANSAS

## CERTIFICATE OF COMPLIANCE

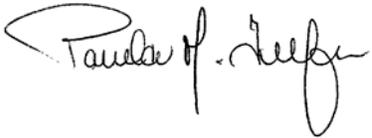
### *The Lincoln National Life Insurance Company*

Re: AE-517(1-10) Long-Term Care Coverage Endorsement  
AR-518(1-10) Long-Term Care Benefit Rider (Level Benefit)  
AA-531(1-10) Contract Amendment for LTC Benefit  
AR-532(1-10) LTC Fixed Account Rider  
AS-533(1-10) LTC Benefit Specification Pages

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 separate document with each contract 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.



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Pamela M. Telfer, AVP  
Product Compliance

Date: December 28, 2009

SERFF Tracking Number: LCNC-126429878 State: Arkansas  
 Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 44421  
 Company Tracking Number: AR-518(1-10)  
 TOI: A02.II Individual Annuities- Deferred Non- Sub-TOI: A02.II.002 Flexible Premium  
 Variable and Variable  
 Product Name: LTC Benefit Rider  
 Project Name/Number: AR-518(1-10)/AR-518(1-10)

## Superseded Schedule Items

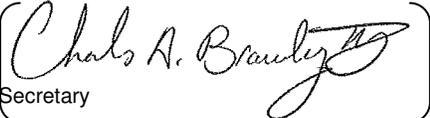
Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
12/23/2009	Form	Contract Amendment for LTC Benefit	02/17/2010	AA-531(1-10).pdf (Superseded)
12/23/2009	Supporting Document	Statement of Variability	02/17/2010	SOV-AE-517(1-10).pdf SOV-AR-518(1-10).pdf SOV-AA-531(1-10).pdf (Superseded) SOV-AR-532(1-10).pdf SOV-AS-533(1-10).pdf
12/23/2009	Supporting Document	Outline of Coverage - info only	02/17/2010	AX-537(1-10).pdf (Superseded)
12/23/2009	Supporting Document	Personal Worksheet - info only	02/17/2010	AX-538(1-10).pdf (Superseded)
12/23/2009	Supporting Document	Potential Rate Increase Disclosure info only	02/17/2010	AX-539(1-10).pdf (Superseded)

## CONTRACT AMENDMENT FOR LTC BENEFITS

Effective upon the date it is signed by the Owner (and the Covered Life if different), this Contract Amendment For LTC Benefits ("Contract Amendment") shall become a part of the Annuity Contract ("Contract") to which it is attached.

**Signed for The Lincoln National Life Insurance Company (the "Company")**

  
Secretary

**I, the Owner, acknowledge that the Long-Term Care Benefits Rider that describes long-term care benefits under the Contract shall be terminated and void from the beginning if this Contract Amendment is not: (1) signed and dated by me (and the Covered Life if different); and (2) received by the Company within [45] days of the effective date of such Rider.**

I, the Owner (and the Covered Life if different), hereby affirm and agree that all the following statements are true to the best of my knowledge and belief. I understand that eligibility for long-term care coverage under the Contract is established by this Contract Amendment. I acknowledge that if any of the following statements are not true, the Covered Life is not eligible for long-term care coverage under the Contract. I acknowledge that if I knowingly and intentionally misrepresent the truthfulness of any of the following statements, which are relevant facts relating to the health of the Covered Life, the provisions of the Contract that relate to LTC Benefits may be void from the beginning pursuant to the Incontestability clause of the Long-Term Care Benefits Rider.

1. In the past 5 years, the Covered Life has **not**:
  - a. Applied for any long-term care insurance, or annuity or life insurance with a long-term care benefit and been either: (i) declined; or (ii) offered coverage on a rated or modified risk classification basis.
  - b. Resided in, nor been recommended by a Licensed Health Care Practitioner to reside in, a Nursing Home or Assisted Living Facility, as defined in the Long-Term Care Coverage Endorsement.
  - c. Received Home Health Care, Maintenance or Personal Care Services, or Adult Day Care, as defined in the Long-Term Care Coverage Endorsement, for more than a total of 14 days.
  - d. Received or applied for any form of disability benefits, including but not limited to disability insurance, Worker's Compensation, and Social Security Disability Insurance.
  - e. Had any impairment, mental or physical, for which the Covered Life needed or received assistance or supervision with the Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting, or Transferring) as defined in the Long-Term Care Coverage Endorsement.
  - f. Been told by a Licensed Health Care Practitioner to limit alcohol intake.
  - g. Been advised by a Licensed Health Care Practitioner to have any surgery which has not been completed.

CONTRACT OWNER NAME: [JOHN DOE]  
[PRODUCT NAME] CONTRACT NUMBER: [XX987654321]

2. The Covered Life does **not** use, and the Covered Life has **never** been advised by a Licensed Health Care Practitioner to use any of the following:
  - a. Oxygen, catheter, dialysis machine or other health-related mechanical device.
  - b. Wheelchair, walker, cane or permanent handicap parking placard, plate or sticker.
3. Within the past 5 years the Covered Life has **not** been: (i) diagnosed by a Licensed Health Care Practitioner with; (ii) treated by a Licensed Health Care Practitioner for; and/or (iii) hospitalized for:
  - a. Alcohol or drug use.
  - b. Any type of cancer, other than non-melanoma skin cancer.
  - c. Bipolar disorder, schizophrenia, depression, or attempted suicide.
4. The Covered Life has **never**: (i) been diagnosed by a Licensed Health Care Practitioner with; or (ii) been treated by a Licensed Health Care Practitioner for; and/or (iii) taken medication for:
  - a. Heart attack, heart surgery, angioplasty of any heart vessels, heart valve replacement or repair, or congenital heart disease.
  - b. Congestive Heart Failure, cardiomyopathy, stroke, Transient Ischemic Attack (TIA, that is, mini-stroke), carotid artery surgery or other vascular surgery.
  - c. Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition.
  - d. Chronic Obstructive Pulmonary Disease (COPD), emphysema, or chronic bronchitis.
  - e. Memory loss, Alzheimer's Disease or other dementia.
  - f. Parkinson's disease, Huntington's chorea, Amyotrophic Lateral Sclerosis (ALS), Multiple Sclerosis (MS), myasthenia gravis, or muscular dystrophy.
  - g. Rheumatoid arthritis, lupus, polymyositis, dermatomyositis, systemic sclerosis, or vasculitis.
  - h. Chronic liver disease, chronic hepatitis B or C, cirrhosis, impaired kidney function, or kidney transplant.
  - i. Diabetes.

CONTRACT OWNER NAME: [JOHN DOE]  
 [PRODUCT NAME] CONTRACT NUMBER: [XX987654321]

5. The Covered Life is **not** currently:
- a. Confined to a hospital.
  - b. Receiving Medicaid.
  - c. Weighing more than 275 pounds.
  - d. Taking any medication for memory loss or any of the following prescription medications or their generic equivalents.

A.Z.T.	Cytosan	Haldol	Meridia	Procyclidine	Tarceva
Adriamycin		Haloperidol	Mesridizine	Prokine	Tasmar
Agrylin	Dacarbarzine	Humira	Mestinon	Proleukin	Teslac
Akineton	(DTIC)	Hydergine	Methadone	Prostigmin	Thioplex
Alkeran	Dantrium	Hydrea	Mirapex	Purinethol	Thorazine
Alferon	Donepezil		Moban	Prolixin	Timespan
Anitbuse	Dopar	Ifex	Moditen		Toposar
Aptivus	Dostinex	Imuran	Molindone	Razadyne	Trelstar
Aricept	Doxil	Insulin > 60	Mutamycin	Rebetron	Trihexane
Arimisdix		units/day	Myleran	Regonol	Trilafon
Artane	Eldepryl	Interferon		Remicaid	Tysabai
	Enbrel	Intron	Natreacor	Reminyl	
Baclofen	Ergamisol		Navane	Requip	Velban
Benzotropine	Ergoloid	Kemadrin	Neosar	Respiridone	Viadur
BICNU	Mesyate		Neupogen	Retrovir	Videx
Blenoxane	Etoposide	Lasix >79	Niloric	Rilutek	VePesid
Bromocriptine	Eulexin	mg/day	Nilandron	Risperidil	
Busulfex	Exelon	Lanvix	Nipent	Rituxan	Wellcovorin
Busulfan		Laradopa	Novatrone	Rivastigmine	Wellferon
	Femara	L-Dopa		Referon	
Campral	Forteo	Leukeran	Oxycodone	Rubex	Xeloda
Carbex	Foscavir	Leukine	Oxycontin		Xenical
Carbidopa	FUDR	Levodopa		Serentil	
Casodex		Levsin	Parlodel	Seroquel	Zanosar
CeeNU	Galantamine	Loxitane	Permitil	Sinemet	Zyprexa
Cerefolin	Geodon	Lioresal	Platinol	Stelazine	
Cerubidine	Gerimal	Lysodren	Pramipexole	Symadine	
Clozaril	Gleevec		Prednisone	Symmetrel	
Cogentin	Gold	Matulane	(chronic		
Cognex	Therapy	Megace	use)	Tace	
Cytosar-U		Mellaril	Priftin	Tacrine	

**Caution:** If your affirmation and agreement that all the above statements on this amendment are true to the best of your knowledge and belief is incorrect or untrue, the Company has the right to deny benefits or rescind your long-term care insurance rider.

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Covered Life (if different) Date

# STATEMENT OF VARIABILITY

## The Lincoln National Life Insurance Company

Contract Amendment for LTC Benefits: **AA-531(1-10)**

Used with

- 1) Long-Term Care Coverage Endorsement: **AE-517(1-10)**
- 2) Long-Term Care Benefits Rider: **AR-518(1-10)**
- 3) Long-Term Care Benefits Rider: **AR-519(1-10)**
- 4) LTC Fixed Account Rider: **AR-532(1-10)**
- 5) LTC Benefit Specifications: **AS-533(1-10)**

**This statement shows the particular sections and provisions in the above noted insert page forms that contain bracketed items to indicate variability. The variable items are bracketed and followed by a text box with the corresponding range of variability and an explanation for each. No change in variability will be made which in any way expands the scope of the item being changed.**

**Variable items listed herein may be changed by the Company for new contracts only. The use of variability shall be administered in a uniform manner and shall not result in unfair discrimination.**

CONTRACT OWNER NAME: [JOHN DOE]  
[PRODUCT NAME] CONTRACT NUMBER: [XX987654321]

**RANGE:** The Contract Owner Name and Contract Number are client-specific. The Product Names currently possible to be shown are: Multi Fund 5; Lincoln Select; American Legacy<sup>®</sup>; American Legacy<sup>®</sup> (A Class); American Legacy<sup>®</sup> (B Class); American Legacy<sup>®</sup> Design 1; American Legacy<sup>®</sup> Design 2; American Legacy<sup>®</sup> Design 3; Shareholders Advantage; Lincoln ChoicePlus<sup>SM</sup>; Lincoln ChoicePlus<sup>SM</sup> Design 1; Lincoln ChoicePlus<sup>SM</sup> Design 2; Lincoln ChoicePlus<sup>SM</sup> Design 3; Lincoln ChoicePlus<sup>SM</sup> Assurance (A Class); Lincoln ChoicePlus<sup>SM</sup> Assurance (B Class); Lincoln ChoicePlus<sup>SM</sup> Assurance (Bonus); Lincoln ChoicePlus<sup>SM</sup> Fixed; Lincoln GrowSmart; Lincoln ChoicePlus<sup>SM</sup> Advantage Fixed.

**EXPLANATION:** The form will show the client's name, contract owner, and the name of the product. Because this form is returned to us by mail, having the Product Name helps our administrative team direct the form to the attention of the proper servicing department as efficiently and quickly as possible.

**Signed for The Lincoln National Life Insurance Company (the "Company")**

  
Secretary

**EXPLANATION:** The rider will be signed by a President, Vice President, Secretary or Assistant Secretary of the Company. We reserve the right to have the rider actually signed by any such officer of the company as of the Rider Date.

**I, the Owner, acknowledge that the Long-Term Care Benefits Rider that describes long-term care benefits under the Contract shall be terminated and void from the beginning if this Contract Amendment is not: (1) signed and dated by me (and the Covered Life if different); and (2) received by the Company within [45] days of the effective date of such Rider.**

**RANGE:** The Company may set the time period for return of the Contract Amendment from 15 to 90 days after the Rider Date.

**EXPLANATION:** We wish to receive this affirmation as promptly as possible, but require flexibility in setting an absolute deadline pursuant to our actual experience with this process. As the first rider charges are assessed 3 months after the Rider Date, we would not set a deadline past the point upon which we would need to refund rider charges.

5. The Covered Life is **not** currently:

- a. Confined to a hospital.
- b. Receiving Medicaid.
- c. Weighing more than 275 pounds.
- d. Taking any medication for memory loss or any of the following prescription medications or their generic equivalents.

A.Z.T.	Cytosar-U		Megace	Prednisone	Symmetrel
Adriamycin	Cytosan	Haldol	Mellaril	(chronic use)	
Agrylin		Haloperidol	Meridia	Priftin	Tace
Akineton	Dacarbarzine	Humira	Mesridizine	Procyclidine	Tacrine
Alkeran	(DTIC)	Hydergine	Mestinon	Prokine	Tarceva
Alferon	Dantrium	Hydrea	Methadone	Proleukin	Tasmar
Anitbuse	Donepezil		Mirapex	Prostigmin	Teslac
Aptivus	Dopar	Ifex	Moban	Purinethol	Thioplex
Aricept	Dostinex	Imuran	Moditen	Prolixin	Thorazine
Arimisdix	Doxil	Insulin > 60	Molindone		Timespan
Artane		units/day	Mutamycin	Razadyne	Toposar
	Eldepryl	Interferon	Myleran	Rebetron	Trelstar
Baclofen	Enbrel	Intron		Regonol	Trihexane
Benzotropine	Ergamisol		Natrecor	Remicaid	Trilafon
BiCNU	Ergoloid	Kemadrin	Navane	Reminyl	Tysabai
Blenoxane	Mesylate		Neosar	Requip	
Bromocriptine	Etoposide	Lasix >79	Neupogen	Respiridone	Velban
Busulfex	Eulexin	mg/day	Niloric	Retrovir	Viadur
Busulfan	Exelon	Lanvix	Nilandron	Rilutek	Videx
		Laradopa	Nipent	Risperidil	VePesid
Campral	Femara	L-Dopa	Novatrone	Rituxan	
Carbex	Forteo	Leukeran		Rivastigmine	Wellcovorin
Carbidopa	Foscavir	Leukine	Oxycodone	Referon	Wellferon
Casodex	FUDR	Levadopa	Oxycontin	Rubex	
CeeNU		Levsin			Xeloda
Cerefolin	Galantamine	Loxitane	Parlodel	Serentil	Xenical
Cerubidine	Geodon	Lioresal	Permitil	Seroquel	
Clozaril	Gerimal	Lysodren	Platinol	Sinemet	Zanosar
Cogentin	Gleevec		Pramipexole	Stelazine	Zyprexa
Cognex	Gold Therapy	Matulane		Symadine	

RANGE: The prescription drug list will be updated to reflect our current LTC coverage availability standards.

EXPLANATION: The pharmaceutical options for the treatment of chronic medical conditions is ever-evolving, so we need to be able to update this list to reflect our current eligibility criteria and to account for new prescription drugs that are introduced to the market.

# The Lincoln National Life Insurance Company

(the "Company")

Administrative Office: 1300 South Clinton Street, Fort Wayne, Indiana 46802(1?)

1-800-544-0327

## LONG-TERM CARE INSURANCE ("LTC") OUTLINE OF COVERAGE

For

**Long-Term Care Coverage Endorsement AR-517(1-10), and**

**Long-Term Care Benefits Rider AR-518(1-10) (Level Benefit), or  
Long-Term Care Benefits Rider AR-519(1-10) (Growth Benefit)  
(state variation may apply)**

The Long-Term Care Benefits Rider ("Rider"), together with the Long-Term Care Coverage Endorsement ("Endorsement") and the Contract Amendment for LTC Benefits ("Amendment") to which it is attached, will be referred to as your "LTC Contract."

**CAUTION:** The issuance of the LTC Contract is based upon your affirmations and agreement to the statements in the Amendment. A copy of the Amendment will be attached when the Rider is delivered. If any statement(s) affirmed and agreed to is(are) incorrect or untrue, the Company has the right to deny benefits or rescind the LTC Contract. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of the statement(s) contained in the Amendment are incorrect, contact the Company at our address shown above.

**NOTICE TO BUYER:** The insurance described in this Outline of Coverage may not cover all of the costs associated with long-term care incurred by the Covered Life during the period of coverage. You are advised to review carefully all coverage limitations and conditions.

### 1. INDIVIDUAL COVERAGE.

The Rider, Endorsement, and Amendment (together, "LTC Contract") described in this Outline of Coverage are attached to, and made a part of, an individual annuity contract ("Contract").

### 2. PURPOSE OF OUTLINE OF COVERAGE.

This Outline of Coverage provides a very brief description of the important features of the LTC Contract. You should compare this Outline of Coverage to Outlines of Coverage for other LTC Contracts available to you.

**This is not an insurance contract, but only a summary of coverage.** Only the LTC Contract and the Contract to which it is attached contain the governing contractual provisions. This means that the LTC Contract, and the Contract 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 LTC CONTRACT AND CONTRACT CAREFULLY!**

### **3. FEDERAL TAX CONSEQUENCES.**

The LTC Contract is intended to be a federally qualified long-term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

### **4. TERMS UNDER WHICH THE LTC CONTRACT MAY BE CONTINUED IN FORCE OR DISCONTINUED.**

#### **Renewability**

THE LTC CONTRACT IS GUARANTEED RENEWABLE. The Company cannot cancel or reduce LTC coverage provided by the LTC Contract or change any terms of the LTC Contract, except that in the future the Company may increase LTC Charges on a class basis in a nondiscriminatory manner.

#### **Waiver of Premium**

The LTC Contract does not contain a waiver of premium or waiver of LTC Charge provision. However, the LTC Charges will cease and be waived if the Contract Value is \$0. If the Contract Value of the Contract is reduced to \$0 as a result of a withdrawal or surrender, the LTC Contract will terminate.

#### **Termination**

Coverage under the LTC Contract is contingent upon the Company's receipt of a completed and signed Contract Amendment for LTC Benefits. The LTC Contract will terminate forty-five (45) days after the Rider Date if the duplicate copy of the Contract Amendment for LTC Benefits is not signed by the Owner and the Covered Life (if different) and returned to and received by the Company at its Administrative Office.

The LTC Contract will terminate on the date the Contract to which the LTC Contract is attached terminates.

The Owner may terminate the LTC Contract upon Written Request any time after the third (3<sup>rd</sup>) Rider Date Anniversary. The Owner may not terminate the Rider upon Written Request prior to the third (3<sup>rd</sup>) Rider Date Anniversary.

The LTC Contract will also terminate as follows:

- a. on the date the Owner is changed due to death or divorce;
- b. on the death of the Covered Life.

Upon termination of the LTC Contract, all benefits (except benefits provided under the Nonforfeiture Benefit provision) and charges within the LTC Contract will terminate, any LTC Fixed Account Value will be transferred to the Variable Subaccounts according to the Contract Owner's future Variable Subaccount allocation instructions, and a proportional amount of the LTC Charge will be deducted.

## **5. TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS (“LTC CHARGES”).**

The Acceleration Benefit Charge rate, Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate on a Rider Charge Day are based on (i) the Covered Life’s [gender and] age as of the Rider Date, (ii) the combination of the Minimum Acceleration Benefit Duration and Minimum Extension Benefit Duration, and (iii) which Rider was elected. The Acceleration Benefit Charge rate, the Extension Benefit Charge rate, and any Optional Nonforfeiture Benefit Charge rate may change, at Our discretion, at any time after the Rider Date with at least 30 days Written Notice from Us. Any change to such rates will be subject to any maximum rates shown in the LTC Benefit Specifications, and will be made on a class basis in a nondiscriminatory manner.

## **6. TERMS UNDER WHICH THE LTC CONTRACT MAY BE RETURNED AND LTC CHARGES REFUNDED.**

Within 30 days after the LTC Contract is first received, the LTC Contract may be cancelled for any reason by contacting the Company In Writing at 1300 South Clinton Street, Fort Wayne, IN 46802. Upon cancellation, the LTC Contract shall be void from the beginning. Any LTC Charges will be reversed. Cancellation of the LTC Contract under this Right To Examine shall not be treated as a cancellation of the entire Contract. Confirmation of this cancellation will be provided In Writing.

The LTC Contract does not contain provisions providing for a refund or partial refund of LTC Charges upon the death of the Covered Life, the termination of the Rider, or surrender of the Contract.

## **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 more fully defined in the Long-Term Care Coverage Endorsement.

As of the LTC Coverage Effective Date, this LTC Contract provides coverage in the form of a fixed dollar benefit for covered long-term care expenses, subject to limitations, exclusions and Deductible Period.

## 9. BENEFITS PROVIDED BY THE LTC CONTRACT

The LTC Contract provides for the payment of benefits (LTC Benefits) upon the Covered Life's receipt of Qualified Long-Term Care services due to Chronic Illness. You have designated the amount of your Contract Value that will fund LTC Benefits when you elected the Rider.

### **Level Benefit Rider:**

There are two (2) primary LTC Benefits provided by the LTC Contract if the Level Benefit Rider is elected by you: the Acceleration Benefit and the Extension Benefit. The Acceleration Benefit is payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. The Acceleration Benefit is payable by the Company even if your Contract Value has been reduced to zero (\$0). After the Acceleration Benefit is reduced to zero (\$0) the LTC Benefits will continue as Extension Benefits, which are payments provided by the Company, during the Extension Benefit Duration.

There is a total LTC Benefit limit that may be paid for each month and is referred to as the Maximum Monthly LTC Benefit. When you become eligible for benefits, up to the full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. Otherwise, up to fifty percent (50%) of the Maximum Monthly LTC Benefit is payable.

### **Growth Benefit Rider:**

There are three (3) primary LTC Benefits provided by the LTC Contract if the Growth Benefit Rider is elected by you: the Acceleration Benefit, the Growth Benefit and the Extension Benefit. The Acceleration Benefit is payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. The Growth Benefit is an additional payment to you, first paid from your Contract Value. It is available during the Acceleration Benefit Duration and Extension Benefit Duration. The Growth Benefit, if any, is based on your investment earnings. Acceleration and Growth Benefits are payable by the Company even if your Contract Value has been reduced to zero (\$0). After the Acceleration Benefit is reduced to zero (\$0) the LTC Benefits will continue as Extension Benefits, which are payments provided by the Company, during the Extension Benefit Duration.

There is a Maximum Monthly LTC Benefit that may be paid for each month which is the sum of the Maximum Monthly Level Benefit and Maximum Monthly Growth Benefit. When you become eligible for benefits, up to the full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. Otherwise, up to fifty percent (50%) of the Maximum Monthly LTC Benefit is payable.

**The Company will only pay LTC Benefits if all conditions for ELIGIBILITY FOR THE PAYMENT OF BENEFITS have been met and none of the LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS apply at the time the Qualified Long-Term Care Services were provided to the Covered Life.**

The maximum LTC Benefit payable is the maximum that will be paid for each calendar month, subject to remaining LTC Benefits. The maximum LTC Benefit payable for each calendar month is the Maximum Monthly LTC Benefit as of the Valuation Date of LTC Benefit payment if:

- a. The Covered Life resides in a Nursing Home in the United States, or
- b. The Covered Life is receiving Hospice Care in the United States. Any Deductible Period will be waived if the Covered Life is receiving Hospice Care.

Otherwise, the maximum LTC Benefit payable for each calendar month is 50% of the Maximum Monthly LTC Benefit as of the Valuation Date of LTC Benefit payment, but only if the Covered Life resides in the United States.

**Qualified Long-Term Care Service.** A Qualified Long-Term Care Service is a Maintenance or Personal Care Service, or any necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative service, that is:

- a. Required by the patient because the patient is Chronically Ill; and
- b. Provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

**Plan of Care.** A Plan of Care is a written, individualized plan for care (including medication and therapy) and support services for the Covered Life that:

- a. Has been prescribed by a Licensed Health Care Practitioner; and
- b. Has been developed as a result of an Assessment and incorporates any information provided by the Covered Life's personal physician; and
- c. Fairly, accurately and appropriately addresses the Covered Life's long term care and support service needs; and
- d. Specifies the type, frequency and duration of all Qualified Long-Term Care Services required to meet those needs and the specific agency or facility to provide those services in the United States; and
- e. Describes the likelihood of improvement or deterioration of the Covered Life's condition within the next year from the date the Plan of Care was prepared and includes 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 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.

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

- a. It must provide twenty-four (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 (1) physician and one (1) nurse;
- b. It must have a physician available to provide medical care in case of emergency;
- c. It must have at least one (1) nurse who is employed there full time (or at least twenty-four (24) hours per week if the facility has less than ten (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.

A Nursing Home is NOT:

- a. A hospital or clinic; or
- b. An Adult Day Care, Assisted Living Facility or similar facility, or
- c. A personal residence where Home Health Care is provided.

**Hospice Care.** Hospice Care provides palliative care to Covered Life and the Covered Life's Immediate Family, to alleviate the physical, emotional, social, and spiritual discomforts in the terminal phases of life. If a provider of Hospice Care is not licensed, accredited or certified by the appropriate state licensing agency, Hospice Care must be administered by an interdisciplinary team that consists of a physician, a registered nurse, clergy or counselors, trained volunteers and other appropriate staff having expertise in meeting the needs of terminal patients.

**Initial Benefit Eligibility.** A Licensed Health Care Practitioner will verify the Covered Life's initial Benefit Eligibility by performing the initial Assessment. The following conditions must be met to establish Benefit Eligibility under the LTC Contract:

- a. The Covered Life must be Chronically Ill, meaning that as the result of an Assessment the Covered Life has been certified, within the preceding twelve (12) months, by a Licensed Health Care Practitioner as having a chronic illness or disability that causes the Covered Life to either:
  1. Require Substantial Assistance with at least two (2) ADLs, expected to last at least ninety (90) days; or
  2. Have a Severe Cognitive Impairment that requires Substantial Supervision.
- b. The Covered Life must have and follow a Plan of Care prescribed by a Licensed Health Care Practitioner.

- c. The Covered Life must not meet any of the LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS.

If the Covered Life's Benefit Eligibility has ended, any subsequent determination of Benefit Eligibility will be treated as a determination of initial Benefit Eligibility.

**Ongoing Benefit Eligibility.** The Company will require verification that the Covered Life is Chronically Ill and receiving the prescribed care and services as frequently as determined by the Company. The following conditions must be met to continue Benefit Eligibility under the LTC Contract:

- a. The Covered Life must receive the care and support services prescribed by the Plan of Care, through the agency or facility identified in the Plan of Care, in the United States. The Plan of Care must be updated as the Covered Life's needs change.
- b. At least once every twelve (12) months thereafter, and for as long as the Covered Life continues to be Chronically Ill, a Licensed Health Care Practitioner must complete a new Assessment and again:
  - 1. Certify that the Covered Life is Chronically Ill. If the Covered Life is Chronically Ill due to loss of functional capacity, the Licensed Health Care Practitioner must again certify that the Covered Life is expected to continue to be Chronically Ill for at least ninety (90) days; and
  - 2. Either prescribe a new Plan of Care, or reconfirm the existing Plan of Care In Writing.

If the Company is unable to verify ongoing Benefit Eligibility, the Company will revoke Benefit Eligibility status, reject any subsequent Request for Benefits, and take action pursuant to the Recovery for Overpayment provision. Any subsequent determination of Benefit Eligibility will be treated as the determination of initial Benefit Eligibility.

LTC Benefits will be paid under the LTC Contract for as long as: (i) the conditions of the LTC Contract, including the Long-Term Care Coverage Endorsement, are met; (ii) the LTC Contract remains in force; (iii) any rider that provides for LTC Benefit payment remains in force; and (iv) any applicable LTC Benefit limit is not reached.

**Activities of Daily Living ("ADL").** ADLs are the 6 basic functional abilities that relate to the ability to live independently. They are:

- a. **Bathing:** The ability to wash oneself 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 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 ability to put on or take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- d. **Eating:** The ability to feed oneself by getting food into the body from a receptacle (such as plate, cup or table) or by a feeding tube or intravenously.
- e. **Toileting:** The ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene.
- f. **Transferring:** The ability to move oneself into or out of a bed, chair or wheelchair.

**Severe Cognitive Impairment.** Severe Cognitive Impairment means deterioration or loss in an individual'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:
  - i. Short-term or long-term memory;
  - ii. Orientation as to person (such as who they are), place (such as their location), and time (such as day, date and year); and
  - iii. Deductive or abstract reasoning, including judgment as it relates to safety awareness.

**Substantial Assistance.** 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 while performing ADLs.

**Substantial Supervision.** Substantial Supervision means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person.

## 10. LIMITATIONS AND EXCLUSIONS.

### Pre-Existing Conditions

The LTC Contract does not exclude pre-existing conditions.

### Non-Eligible Facilities or Providers

The LTC Contract does not cover services:

- a. provided by unlicensed facilities or providers;
- b. provided by a member of the Covered Life's immediate family;
- c. for which no charge is normally made in the absence of insurance;
- d. 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; **(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)** and
- e. provided in a Veteran's Administration or other government facility, unless otherwise required by law.

### Non-Eligible Levels of Care

The LTC Contract does not cover services that do not constitute Qualified Long-Term Care Services as defined.

## **Exclusions, Exceptions and Limitations**

The Covered Life can not establish initial or ongoing Benefit Eligibility under any of the following conditions:

- a. Covered Life is receiving treatment for alcoholism or drug addiction (unless the drug addiction is a result of medication taken in doses as prescribed by a physician);
- b. Covered Life is receiving treatment arising out of an attempt (while sane or insane) at suicide or an intentionally self-inflicted injury;
- c. Covered Life is receiving services for which benefits are available under Medicare or other governmental program (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws; and
- d. All Qualified Long-Term Care Services the Covered Life is receiving are provided by members of the Covered Life's Immediate Family, whether paid or unpaid.

THE LTC CONTRACT MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.

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

Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted.

The most that you may receive in LTC benefits each month (called Maximum Monthly LTC Benefit) is determined annually by adding a limit for Acceleration or Extension Benefits (called Maximum Monthly Level Benefit) to a limit for Growth Benefits, (called Maximum Monthly Growth Benefit) if the Growth Benefit was elected by you.

The expected Maximum Monthly Level Benefit is determined by taking the amount of your Contract Values you picked for use in providing LTC Benefits (the Acceleration Benefit) and dividing that number into the months you selected to receive the Acceleration Benefit. However, this assumes that you wait at least 5 years to make your first LTC Benefit claim.

The Maximum Monthly Level Benefit is determined each year through the fifth, increasing if you are not yet receiving the Maximum Monthly Level Benefit. As a result, if you do not wait at least 5 years to receive your first LTC Benefit payment, then the Maximum Monthly Level Benefit in effect will be lower and the Acceleration Benefit will be paid over a longer time than you initially selected. Even after your Acceleration Benefit has been exhausted, this Maximum Monthly Level Benefit applies during receipt of the Extension Benefit, resulting in a longer Extension Benefit period than you initially selected. Regardless of the date you begin receiving LTC Benefits and the amount available each month, you will still have access to the entire LTC Benefit. You may not receive LTC Benefits before the LTC Coverage Effective Date shown in your LTC Contract.

The full Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. The amount of LTC benefits payable for a calendar month is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care Services due to Chronic Illness. If the LTC Benefit paid in a given calendar month is less than the amount payable, they are treated as Acceleration Benefits or Extension Benefits until the payable Acceleration Benefit or Extension Benefit is reached, then as Growth Benefits.

Up to 5% of the Contract Value in excess of the Acceleration Benefit and Growth Benefit may be withdrawn without impacting the LTC Benefits. Withdrawals that exceed this amount reduce the LTC Benefits (both the Acceleration Benefit, the Extension Benefit and the Growth Benefit, if elected) proportionally.

## **12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.**

The LTC Contract 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**

An LTC Charge is deducted from the Contract Value on each Rider Charge Day. The total LTC Charge may consist of an Acceleration Benefit Charge, an Extension Benefit Charge, and an Optional Nonforfeiture Benefit Charge. Such charges are expressed in the LTC Benefit Specifications as annual rates, although actual charges are the quarterly equivalent of such annual rates. An LTC Charge may not exceed the Contract Value.

LTC Charges will be proportionately deducted from each Variable Subaccount and Fixed Account until the Contract Value is reduced to zero (\$0). If the Contract or the LTC Contract is terminated (unless pursuant to the Right to Examine or due to the death of the Covered Life), a proportional LTC Charge will be deducted for the period of coverage prior to such termination for which no LTC Charge has already been made.

## **14. ADDITIONAL FEATURES.**

### **Nonforfeiture**

The Nonforfeiture Benefit provision in the LTC Contract provides for a limited amount of paid-up long-term care insurance if the LTC Contract is terminated under certain circumstances. If the LTC Contract is terminated following a post-issue Extension Benefit Charge rate increase described in the Rider, after having been in force for at least 3 years, the Nonforfeiture Benefit is provided subject to Contingent Nonforfeiture terms and conditions described in the Rider. You also have the option to purchase Optional Nonforfeiture for an additional charge. The Optional Nonforfeiture provides for the Nonforfeiture Benefit if the LTC Contract is terminated after having been in force for at least 3 years, subject to the Optional Nonforfeiture terms and conditions, even if the Extension Benefit Charge has not been increased. Benefits under the Nonforfeiture Benefit provision become effective only if the LTC Contract has been terminated and no other LTC Benefits may be paid.

### **Medical Underwriting**

The issuance of the LTC Contract is not subject to Medical Underwriting. However, it is subject to your truthful affirmation and agreement with statements related to your health.

## **15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LTC CONTRACT.**

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

**The Lincoln National Life Insurance Company**

**Administrative Mailing Address:  
1300 South Clinton Street, Fort Wayne, Indiana 46801**

**Home Office Location:  
1300 South Clinton Street, Fort Wayne, Indiana**

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:**

Contract and Rider Form Numbers: \_\_\_\_\_

The premium for this policy is a one-time Single Premium of \$ \_\_\_\_\_

## **Type of Rider**

Guaranteed Renewable

## **Right to Increase Long-Term Care Rider Charges:**

The Lincoln National Life Insurance Company ("Lincoln") has the right to increase long-term care rider charges in the future, provided it increases the rider charges for all contracts in the same class in the jurisdiction where the contract is issued.

## **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 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 premiums with money received from your own income, consider how an increase in the Rider Charges will impact your Annuity.*

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)*

How are you planning to pay for your care during the period when benefits are not payable?

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

## 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 us along with the application. We 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.

- I understand that the rider charges may increase in the future**

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*Signature of Applicant*

*Date*

## Agent's Statement

I have explained to the Applicant the importance of completing this information. I have reviewed this information with the Applicant and I have determined this product is:

- is suitable for the Applicant
- is NOT suitable for the Applicant

---

*Signature of Agent*

*Date*

Agent's Printed Name: \_\_\_\_\_

If applicable, please check box and sign below.

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

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*Signature of Applicant*

*Date*

# ***Long-Term Care Insurance Benefits Potential Charge Increase Disclosure***

**The Lincoln National Life Insurance Company**

**Administrative Mailing Address:  
1300 South Clinton Street, Fort Wayne, Indiana 46801**

**Home Office Location:  
1300 South Clinton Street, Fort Wayne, Indiana**

The Long-Term Care Insurance (LTC) coverage provided by your Contract is Guaranteed Renewable. This means that the charges for LTC coverage may be increased in the future. Any increase in the charges for LTC coverage will be based on the experience of all policyholders with similar contracts. The charges **cannot** be increased due to your increasing age or change in health status.

The initial charges for LTC coverage will be shown in your Contract on the LTC Benefit Specifications. The charges for LTC coverage are deducted from the Contract Value on a quarterly basis, as described in the LTC Benefit Rider.

Any increase in the charges for LTC coverage will be effective on the Rider Date Anniversary following our notice to you that charges are being increased.

If the charges for LTC coverage are increased, you have the following options:

1. Take no action. The increased charges for LTC coverage will be deducted from your Contract Value and the LTC coverage will remain in force.
2. Exercise the Contingent Nonforfeiture option as provided in your LTC Benefit Rider.