



Take care—two simple words can imply so much

Long-Term Care Rider

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

Insurance products issued by:
The Lincoln National Life Insurance Company

ICC20-LCN-3153104

The purpose of this communication is the solicitation of life insurance. A licensed insurance agent/producer will contact you.

LIFE SOLUTIONS

Client Guide
and Fact Sheet

Plan ahead to protect what matters most

Life insurance helps you take care of your loved ones by making sure they have the financial security of a death benefit. You deserve to take care of yourself too by protecting yourself and your retirement savings from long-term care expenses.

You can add the **Long-Term Care (LTC) Rider** to your life insurance policy at issue for an additional cost, subject to underwriting. With this Rider, should your death benefit grow, so will your long-term care benefits. By adding the LTC Rider, you'll gain access to:

With no elimination or waiting period, you can access your benefits sooner, once qualified.



An **array of covered care services** tailored to meet your lifestyle



Our **concierge care service** that provides access to caregiving resources and support for you and your loved ones



A **tax-efficient funding source** for long-term care expenses¹

Why LTC planning is important

Retirees are living longer than ever and healthcare costs are continually rising. By having a long-term care plan in place, you can decrease the impact a LTC event could have on your family and your portfolio. It's important to plan ahead for this need since Medicare will likely be insufficient to cover all LTC expenses.²

The LTC Rider can help you supplement what isn't covered if you lose your ability to independently perform at least two Activities of Daily Living expected to last at least 90 days or require substantial supervision due to a severe cognitive impairment.³

Long-term care solutions provide assistance or supervision with the Activities of Daily Living (ADL), which include:

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

¹ Long-term care reimbursements are generally income tax-free under IRC Section 104(a)(3). ² Medicare.gov, <https://www.medicare.gov/coverage/long-term-care>, 2018. ³ Subject to meeting eligibility requirements.

Care options to fit your needs

The LTC Rider will reimburse you for an array of qualified long-term care services,⁴ once eligible, including care in your home.⁵ Let's explore the flexibility this solution offers you.



With options such as Alternative and Transitional Care, the LTC Rider may provide benefits for nontraditional services so you can get the care you want, where you want it.



Care at home and in your community

- Home healthcare
- Respite care
- Adult day care
- Transitional care



Facility care

- Assisted living facility
- Nursing home



Additional care and services⁶

- Alternative care
- Hospice
- Noncontinual services
- Caregiver training
- Care planning
- Bed reservation⁷
- International benefits

DID YOU KNOW?



Total life expectancy has increased by 9 years and is projected to increase another 7 years.⁸

72%

of individuals worry that they would not be able to provide adequate care if somebody in their family needed it.⁹

\$110,595

is the national average annual cost of care in a private room of a skilled nursing facility.¹⁰

⁴Reimbursements are subject to monthly maximums specified in your rider and eligibility requirements. ⁵Subject to the plan of care that's prescribed by a licensed healthcare professional. ⁶Qualified long-term care services not covered under any of the above provisions, but are prescribed in the care plan that a licensed healthcare practitioner and Lincoln mutually agree are appropriate to meet the insured's long-term care needs, could be considered for reimbursement. We reserve the right to decline to authorize benefits and services. These services must be provided as an alternative to services otherwise covered by this rider. Alternative Care Services will be covered only to the extent that they are qualified long-term care services. Alternative care services may include, but are not limited to, forms of assistance provided in facilities, by organizations, or by persons other than the insured's immediate family, that do not otherwise meet the definitions of this rider. They must meet or exceed the applicable professional standards and state legal requirements for the services that are performed. ⁷Subject to restrictions. ⁸United States Census Bureau, "Living Longer: Historical and Projected Gains to Life Expectancy, 1960-2060", April, 2019; https://www.census.gov/content/dam/Census/library/working-papers/2019/demo/paa19_medina_sabo.pdf. ⁹Versta Research, "2017 LTC Marketing and Thought Leadership Research: Findings from Surveys of Advisors and Consumers," cdn2.hubspot.net/hubfs/392606/45u54445u4554.pdf?t=1526916193878. ¹⁰LTCG, "2019 Lincoln Financial Cost of Care Survey," March 2020, <https://www.whatcarecosts.com/lincoln>. For a printed copy, call 877-ASK-LINCOLN.



Be prepared
for whatever
life brings

Benefits you can rely on

When you need care, you'll receive monthly reimbursements for qualified long-term care services. These benefits are intended to be excluded from taxable income.¹ And, if life takes you abroad, you can rest assured knowing your benefits travel with you.²

Couples discount savings

If you're married or have a domestic partner³ (as recognized in the state of policy issue at the time of application), you may be eligible for a couples discount — even if your spouse or partner doesn't apply for coverage!

Resources at your fingertips

Lincoln Concierge Care Coordination is a complimentary service offered exclusively with the purchase of your LTC Rider. It provides you with access to resources that help you plan ahead for a long-term care event.⁴

Plan proactively with ease

- **Access an online library** that includes third-party articles, videos and checklists on topics like health, aging and elder care.
- **Explore services** such as home healthcare, assisted living facilities and alternative care.
- **Request a Provider Search & Match** to view care options in the area you live, or where you'd like to retire.
- **Connect your loved ones** by creating a Care Circle social network that allows them to communicate with one another about your evolving care needs.

By your side every step of the way

- Should you need care, Lincoln provides you with a dedicated Care Specialist who will provide you with personalized support and be your point of contact throughout the entire claims process.

Your care specialist helps:

- File a claim through our streamlined process either online or by phone.
- Access your long-term care funds quickly and seamlessly.
- Set up direct billing to caregivers and direct deposit to receive and manage your funds easily.

¹ Consult your tax advisor and see page 6 for additional information. ² International benefits only apply to care received in a nursing home or assisted living facility. ³ Legally married (traditional or same sex), or has a partnership, or is in a common-law marriage as recognized in the state where the policy is delivered. ⁴ Concierge Care Coordination includes claims support provided by Lincoln Financial and services provided by a third-party vendor not affiliated with Lincoln Financial. Ask your advisor, a licensed insurance agent/producer, how to access Concierge Care Coordination services.

Features and benefits

Issue ages

Ages 20–80

A choice of long-term care benefits

When your policy is issued, you determine how much of your life insurance benefit will be used as a LTC benefit if you would need care in the future. This is your LTC Specified Amount.

- **Choose the amount of LTC coverage you need.** This can be up to 100% of your life insurance coverage amount, subject to a minimum of \$50,000 and company maximum. The LTC coverage you choose becomes your LTC Benefit Pool and is distinct from the policy's face amount. Should your policy death benefit grow, your LTC Benefit Pool will also increase.¹
- **Choose your Maximum Monthly LTC Benefit Percentage.** This is the maximum percentage of LTC coverage that can be accelerated each policy month. You can select a 2% or 4% option.
- **LTC benefit cap.** This is the total LTC benefit you are able to receive with your LTC Rider. It varies by the Maximum Monthly LTC Benefit Percentage, not to exceed:
 - \$2,500,000 for 2%
 - \$1,250,000 for 4%

Cost of rider

A monthly rider charge and an administrative fee apply. The current cost of insurance rates used to calculate the rider charge may increase or decrease over time, not to exceed the guaranteed maximum rates described in your policy. It is important to note that the charges used in any no-lapse guarantee rider attached to a policy that offers a lifetime guarantee will never increase.²

Benefit eligibility

Benefits for this rider will become available once the following conditions are met:

- Written certification within the preceding 12-month period from a licensed healthcare practitioner stating that the insured is chronically ill.
- A prescribed plan of care by a licensed healthcare practitioner for covered services is received at least every 12 months.
- All claims forms and written notifications are submitted and are satisfactory.

Income tax-free long-term care benefits and death benefit

Benefits are generally paid income tax-free. If you need qualified long-term care and have met eligibility requirements, your LTC benefit is accelerated to pay for covered expenses up to a monthly maximum.

Your LTC Rider benefits will continue as long as you remain eligible or until your benefit is exhausted. If you never need to access the rider benefits, your policy death benefit is paid to your beneficiaries, income tax-free.

Exclusions

This rider does not provide benefits for:

- Treatment for alcoholism or drug addiction
- Treatment for attempted suicide or an intentionally self-inflicted injury
- Treatment provided in a Veterans Administration or government facility
- Loss to the extent that benefits are payable from governmental programs, employment laws or motor vehicle no-fault laws
- Confinement or care received outside the U.S. other than benefits for nursing home care services and assisted living facility services
- Services provided by a facility or an agency that does not meet this rider's definition for such facility or agency as described in the "Covered Services" section of this rider
- Services provided by the insured's or owner's immediate family member
- Services for which no charge is (or would normally be) made in the absence of insurance

¹ Subject to LTC benefit cap and excludes any requested death benefit increases. ² *Lincoln LifeGuarantee UL (2019)* and *Lincoln VUL^{ONE} (2019)*.

Impacts on your policy

Should you need to use your policy for a LTC event, your living benefits will have the following impacts to your policy:

- Benefit payments taken will reduce your policy death benefit dollar for dollar. Other policy values will be proportionately reduced. Should you have a loan on your policy at time of acceleration, a portion of your benefit payment will be used to repay the outstanding debt.
- If a death benefit option other than death benefit option 1 is in effect, it will be changed to death benefit option 1 and no further death benefit option changes are permitted.
- Once your claim has been approved, your LTC Benefit Pool will determine your maximum monthly benefit. We will transfer any accumulation values to the Fixed Account if applicable and all premium payments received will be allocated to the Fixed Account.
- LTC Rider charges will be waived while you are receiving benefit payments but your policy charges will continue. While each benefit payment reduces the policy death benefit used to determine charges, additional premiums may be needed to keep the policy in-force.

If while receiving benefit payments your policy would otherwise lapse, your death benefit will be limited to the Remaining LTC Benefit Pool, less any debt. If you come off claim, additional premiums may be needed.

Federal and state tax information

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

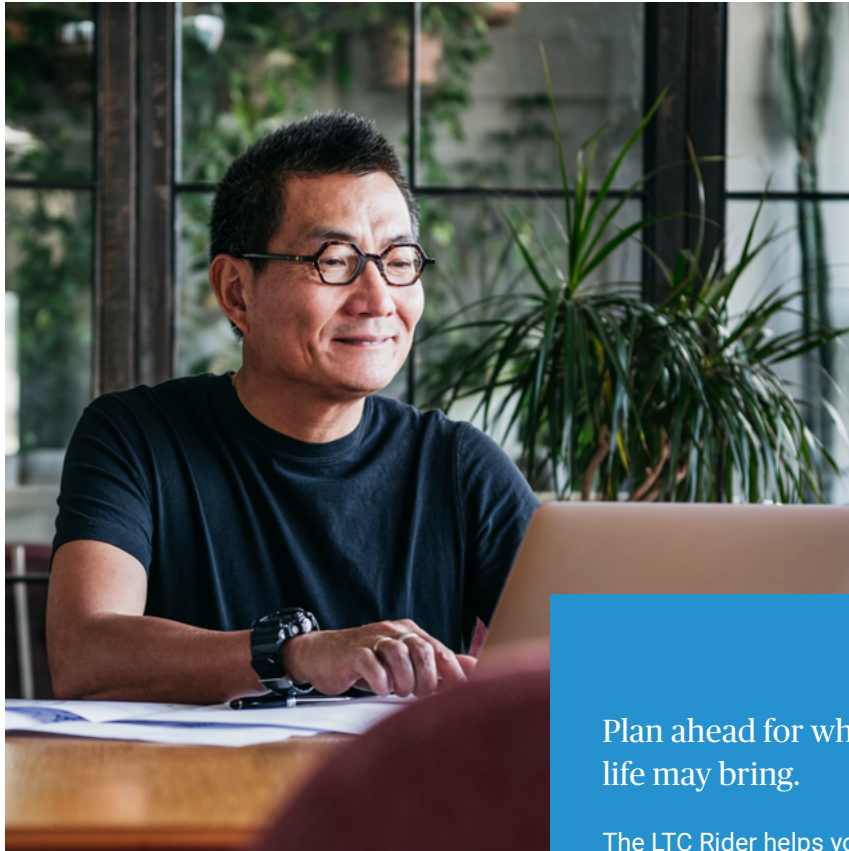
Qualified long-term care insurance

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

This policy and rider is intended to meet the criteria for qualified long-term care insurance. Please consult your tax advisor to determine whether any medical expenses you incurred qualify as deductible medical expenses.

Favorable tax treatment for qualified long-term care insurance

This coverage is intended to be recognized as qualified long-term care insurance under federal law. The acceleration of life insurance benefits provided under this rider is intended to qualify for favorable tax treatment under Section 7702B(b) of the Internal Revenue Code. For federal income tax purposes, the policy is considered a qualified long-term care insurance contract. Note that your state insurance department does not in any way warrant that this coverage meets the requirements of Section 7702B(b) of the IRC.



Plan ahead for whatever life may bring.

The LTC Rider helps you protect your future and provide financial security to your loved ones.

Acceleration of life insurance benefits

Receiving accelerated life insurance benefits may affect eligibility for you, your spouse or your family for public assistance programs [e.g., Medicaid, Temporary Assistance for Needy Families (TANF), Supplementary Security Income (SSI) or drug assistance programs].

Taxation of rider costs

The costs for this rider are deducted monthly from the policy cash value and are federally treated as “distributions” from your Lincoln life insurance policy. Lincoln will not report these distributions as taxable to you, even if your policy is a modified endowment contract (MEC). Instead, the costs will reduce the investment in the contract. Once the investment in the contract has been reduced to zero, distributions will come from any gain in the contract but will not be reportable as taxable distributions. Consult your tax advisor to learn how this may apply to your specific situation.

The Lincoln commitment

With **decades of long-term care claims-paying experience**, and more than a century of financial strength and stability, we remain steadfastly committed to treating our clients and their loved ones with kindness and providing an experience marked by knowledge and simplicity.



Our LTC team has an average tenure of 12 years with Lincoln and 8 years with the Claims Department.



No outsourcing — all long-term care claims are processed in-house in Greensboro, NC.



A history of processing LTC reimbursements within an average of 5 days or less, after all requirements are met.¹

¹Based on 2019 Lincoln claims, provided by Lincoln Information Systems.



Take care. Ask your financial professional about adding the Long-Term Care Rider to your life insurance policy today.

With any VUL product, certain fees and costs are involved, including monthly cost of insurance, administrative expense and premium load charges, as well as daily charges on assets invested in the variable subaccounts for mortality and expense risk, and asset management fees. Please consult the prospectus or ask your financial advisor for more detailed information.

The Long-Term Care Rider is an optional rider available through the purchase of *Lincoln VUL^{ONE}* (2019).

This coverage is intended to be recognized as qualified long-term care insurance under federal law. The acceleration of life insurance benefits provided under the long-term care riders is intended to qualify for favorable tax treatment under Section 7702B(b) of the Internal Revenue Code. For federal income tax purposes, the policy is considered a qualified long-term care insurance contract. Note that a state insurance department does not in any way warrant that this coverage meets the requirements of Section 7702B(b) of the IRC.

Important information: Concierge Care Coordination includes claims support provided by Lincoln Financial and services provided by a third-party vendor not affiliated with Lincoln Financial. Concierge Care third-party vendors do not provide direct care or home services. Participating providers are not agents or employees of Lincoln Financial Group or the third-party vendor. Results and outcomes cannot be guaranteed. The availability of any provider cannot be guaranteed and is subject to change. Lincoln Financial does not monitor or participate in the review of programs or services referred or recommended by third-party vendors. Long-term care coverage is provided through the applicable long-term care rider offered through your Lincoln policy. Lincoln Financial Group[®] affiliates, their distributors, and their respective employees, representatives and/or insurance agents do not provide tax, accounting or legal advice. Please consult an independent advisor as to any tax, accounting or legal statements made herein.

Lincoln VUL^{ONE} (2019) policy form, ICC19-VUL686/ICC19ONER-686, 19-VUL686/ONER-686 with optional rider form ICC20LTC-7090 and state variations are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.**

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

Lincoln variable universal life insurance is sold by prospectuses. Carefully consider the investment objectives, risks, and charges and expenses of the policy and its underlying investment options. This and other important information can be found in the prospectus for the variable universal life policy and the prospectus for the underlying investment options. Prospectuses are available upon request and should be read carefully before investing or sending money. For current prospectuses, please call 800-444-2363 or go to www.LincolnFinancial.com.

With variable products, policy values will fluctuate and are subject to market risk and to possible loss of principal. Products, riders and features are subject to state availability. Limitations and exclusions apply.

It is possible coverage will expire when either no premiums are paid following the initial premium, or subsequent premiums are insufficient to continue coverage.

For use in states where this rider is available under the Interstate Insurance Product Regulation Commission (IIPRC).

Not a deposit
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May go down in value

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