

Plan and Protect Your Financial Future

Embrace the Power of Lincoln's
Hybrid Long-Term Care Solution

LONG-TERM CARE
PLANNING

Lincoln
MoneyGuard® III
Client Guide

Insurance products issued by:
The Lincoln National Life Insurance Company

Lincoln MoneyGuard® III is a universal life
policy with a qualified long-term care rider.

ICC20LCN-2885516-123019

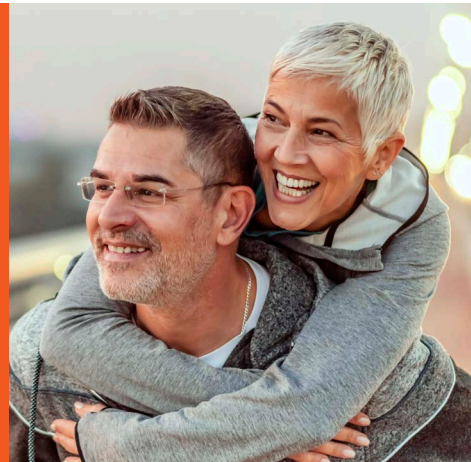
For use with the general public. The purpose of this communication is the solicitation of life insurance. Contact will be made by a licensed insurance agent/producer or insurance company.

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

Plan confidently for the journey ahead

Retirees are living longer than ever before, and with continually rising health care costs, the need for a long-term care solution becomes more of a “when” than an “if” situation.

Total life expectancy has increased by 9 years and is projected to increase another 7 years.¹



Long-term care planning is more than having enough money to pay for care services, it's about building a comprehensive strategy to better prepare your loved ones for the tough emotional and financial decisions they may need to make on your behalf.

Having a proactive care strategy in place enables you to:

- ✓ Prevent your loved ones from making tough decisions without your input.
- ✓ Create a tax-efficient funding source for long-term care expenses.
- ✓ Protect your retirement dollars and legacy.

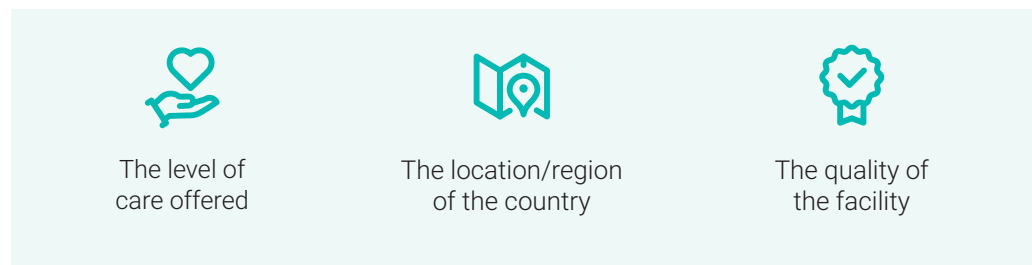
Keep in mind that long-term care events happen to a family, not just a person. Take control, protect your legacy and build tax efficiency into your portfolio.

¹United 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.

The fundamentals of LTC

Understand the impact

When planning for long-term care, it's important to consider the costs for the type of care you may want.



National average annual costs¹



Long-term care solutions provide a range of services to support you if you were to experience an extended life event. Most long-term care needs do not relate to medical care aid, but rather assistance with the Activities of Daily Living (ADL), such as:

Bathing	Dressing	Continence
Toileting	Transferring	Eating

Long-term care solutions help cover your expenses if you lose the ability to independently perform at least two Activities of Daily Living for at least 90 days, or if you require substantial supervision due to a severe cognitive impairment. It's important to plan for this need as Medicare will likely be insufficient and Medicaid does not account for your choices or preferences.

¹LTCG, "2020 Lincoln Financial Cost of Care Survey," March 2021, <https://www.whatcarecosts.com/lincoln>. For a printed copy, call 877-ASK-LINCOLN.

Smart, efficient protection for your financial future

At Lincoln, we believe that hybrid funding solutions may be the best way to protect you and your loved ones from long-term care expenses. Here's why:

- If you do need care, you have a tax-efficient, dedicated funding source, designed to meet your needs.¹
- However, should you not need care, you're able to give your family a legacy through a death benefit.²
- And, if you change your mind, you're able to get money back.³



Access LTC benefits⁴



Provide a legacy



Get money back⁵

¹ LTC reimbursements are generally income tax-free under IRC Section 104(a)(3). Funding is through reimbursements, subject to the monthly/annual maximum amount.

² Beneficiaries may receive an income tax-free death benefit under IRC Section 101(a)(1).

³ The return of premium is provided through the Value Protection Endorsement available at issue on all policies. The amount returned will be reduced by any loans, withdrawals and benefits paid. The Value Protection Endorsement contains complete terms and conditions.

⁴ For policyholders to access their long-term care benefits, a licensed health care practitioner must certify that they are chronically ill and unable to perform at least 2 activities of daily living (bathing, continence, dressing, eating, toileting, transferring) for at least 90 days.

⁵ Two options are available; a 70% return of premium, or a 100% return of premium, subject to an 11-year vesting period. The 70% option provides higher reimbursement amounts. The return of premium option must be chosen at purchase and cannot be changed once selected.

Tailored to meet your lifestyle



Let's explore how *MoneyGuard*® III's flexibility empowers you to maintain your lifestyle.¹

In-home care:

If you prefer to have assistance in your home

Assisted living:

If you choose to downsize and prefer a social atmosphere

Alternative care services:²

If you only need informal care or if care options evolve

Transitional care:

Lets you access funds to help you smoothly transition from informal to formal care

Caregiver training and care planning services:

Lets you further customize your plan

Nursing home:

If you need more skilled care services

Additional care options include: non-continuous services, respite care, memory care facilities, adult day care, hospice and bed reservation.

¹ Subject to a licensed health care professional's plan of care.

² Qualified long-term care services that are not covered under any other provision, but are prescribed in the care plan that a licensed health care practitioner and Lincoln mutually agree are appropriate to meet the insured's long-term care needs, could be considered for reimbursement. These services must be provided as an alternative to services otherwise covered.

See how you'll benefit from the power of *MoneyGuard*® III

MoneyGuard® III¹ is a simple, powerful solution that is designed to meet your evolving needs.

It offers holistic, income tax-free long-term care benefits,² legacy protection and flexibility, so you may rest assured knowing that you're prepared no matter what life brings.



Flexible funding options:

Lock in your guaranteed rates through one single, upfront payment or pay over time (monthly, quarterly, semiannual or annual payment options are available).



Inflation protection:³

Your benefits can be adjusted to grow over time. 3% or 5% compound growth options are available.



Streamlined underwriting:

No medical exams or lab tests required. You may be approved by answering just a few questions.



Benefits sooner:

No elimination period for *any* type of care, which lets you access your benefits quickly, once qualified.



On the go:⁴

Looking to move abroad? No worries — your benefits travel with you.



Couples discount:⁵

You and your partner may each get a discount just for being together.

¹ Lincoln *MoneyGuard*® III is a universal life insurance policy with a long-term care rider.

² Long-term care reimbursements are generally income tax-free under IRC Section 104(a)(3).

³ Available for an additional cost.

⁴ International benefits only apply to care received in a nursing home or assisted living facility.

⁵ 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.

Did you know?

MoneyGuard® III's 0-day elimination period enables you to access your benefits sooner without incurring out-of-pocket costs. Other long-term care solutions require you pay out-of-pocket costs for up to 90 days. Consider the savings *MoneyGuard* III could provide.

Not only today...



Assumes 90-day costs using national averages.¹

But in the future.



Assumes 90-day costs using national averages projected for 20 years with a 3% annual increase.¹



¹ LTCG, "2020 Lincoln Financial Cost of Care Survey," March 2021, <https://www.whatcarecosts.com/lincoln>. For a printed copy, call 877-ASK-LINCOLN.

Resources that make all the difference

As part of our commitment to enable you to build a customized plan earlier, we provide **Lincoln Concierge Care Coordination** at the time of your *MoneyGuard*® III policy purchase.

Our guaranteed service provides you with complimentary access to the resources and flexibility needed to better protect your loved ones from the emotional, financial, time-consuming and administrative impact of a long-term care event.

Our service enables you to:



Access an online library

You'll find a wealth of information, such as third-party articles, videos and checklists on a multitude of topics regarding health, aging and elder care.



Explore services

See what's available — from skilled nursing to home care and community options.



Receive objective advice

Request a Provider Search & Match, a customized list of provider options in your area.

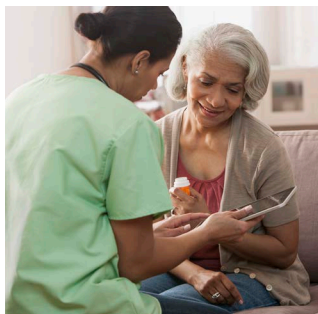


Connect your loved ones

Help your caregivers and family members closely communicate with each other about your evolving care needs.

By your side every step of the way

Along with our tools that enable you and your loved ones to build a plan over time, Lincoln also provides you with a dedicated Care Specialist should you need care. They will offer you personalized support and act as your point of contact throughout the entire claims process.



Your Care Specialist helps you:

- ✓ 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.

The Lincoln commitment

With **decades of claim-paying experience**,¹ and more than a century of financial strength and stability,² we remain steadfastly committed to treating our clients, and their loved ones, with kindness and providing an experience marked by knowledge and simplicity.

- Average team tenure of 12 years with Lincoln and 8 years in the Claims department.³
- No outsourcing — all claims are processed in house in Greensboro, NC.
- History of processing reimbursements within an average of 5 days or less, after all requirements are met.⁴

¹ Lincoln MoneyGuard® Solutions have been sold since 1988.

² The Lincoln National Life Insurance Company was established in 1905.

³ As of December 31, 2018.

⁴ Based on 2018 Lincoln MoneyGuard® solutions claims, provided by Lincoln Information Systems.

Key product details

Features and benefits

Issue ages and classes	Ages 40–80 (age last birthday), male/female, couples discount, standard – Couples discount applies to individuals who are legally married (traditional or same sex) or have a partner in a civil union or domestic partnership or are in a common-law marriage as recognized in the state where the policy is issued.																									
Premiums	May be paid as a single premium or as flexible premiums. Flexible premiums available to be paid up to the greater of 10 years or age 70; could be lower for higher issue ages. – Premium modes: annual, semiannual, quarterly, monthly (requires EFT)																									
Amount of coverage	Minimum specified amount of death benefit: \$50,000 Maximum specified amount of death benefit: \$500,000																									
Inflation options	Help protect your wealth with optional compound inflation protection that will increase your long-term care benefits. Choose a compound increase of 3% or 5% for an additional cost. Long-term care benefits will continue to grow while on claim and receiving benefits.																									
No-lapse guarantee	This feature guarantees that your policy will not lapse if the minimum monthly no-lapse premium is paid. The no-lapse guarantee is provided through the Value Protection Endorsement.																									
Return of premium options	If your situation changes, you are eligible for return of premium. This benefit begins from the time of first premium payment. Return of premium options are selected at the time of purchase and cannot be changed.																									
Terminal illness rider	Option 1 – Basic		Option 2 – Vested																							
	Choose to maximize your long-term care benefits • A return of 70% of paid premiums		Choose to maximize your return of premium • A return of 100% of paid premiums is available after year 10. Please see vesting schedule below.																							
			Vesting schedule <table><tr><td>Year 1</td><td>70%</td><td>Year 7</td><td>88%</td></tr><tr><td>Year 2</td><td>73%</td><td>Year 8</td><td>91%</td></tr><tr><td>Year 3</td><td>76%</td><td>Year 9</td><td>94%</td></tr><tr><td>Year 4</td><td>79%</td><td>Year 10</td><td>97%</td></tr><tr><td>Year 5</td><td>82%</td><td>Year 11+</td><td>100%</td></tr><tr><td>Year 6</td><td>85%</td><td></td><td></td></tr></table>	Year 1	70%	Year 7	88%	Year 2	73%	Year 8	91%	Year 3	76%	Year 9	94%	Year 4	79%	Year 10	97%	Year 5	82%	Year 11+	100%	Year 6	85%	
Year 1	70%	Year 7	88%																							
Year 2	73%	Year 8	91%																							
Year 3	76%	Year 9	94%																							
Year 4	79%	Year 10	97%																							
Year 5	82%	Year 11+	100%																							
Year 6	85%																									
Elimination period	Once eligible, there is no deductible or waiting period for long-term care benefits to begin.																									
International benefits	Your policy can be used for qualified long-term care expenses if needed while you're abroad. This only applies to care received in a nursing home or assisted living facility and can be used for 36 months' worth of claims.																									

Benefit eligibility

If a licensed health care practitioner certifies that you are chronically ill and unable to perform at least two Activities of Daily Living (bathing, continence, dressing, eating, toileting, and transferring) for at least 90 days, you'll be reimbursed for qualified long-term care expenses — up to the monthly maximum benefit specified in your policy — under a care plan your licensed health care practitioner prescribes.

You are also considered chronically ill if you were certified by a licensed health care practitioner as requiring substantial supervision to protect you from threats to health and safety caused by severe cognitive impairment.

Important facts about your policy

Pre-existing conditions	We will not deny benefits for pre-existing conditions. This does not preclude us from exercising other remedies available at law, in equity or in contract because of misrepresentations. A pre-existing condition is a condition of the insured for which medical advice or treatment was discussed with, recommended by, or received from, any provider of health, psychological or other care services within six months preceding the issue date.
Policy loans and withdrawals	Long-term care benefits and death benefit will be reduced if any withdrawals or loans are taken. Taking loans or withdrawals may jeopardize your policy's performance and guarantees.
Interest credits and tax-deferred growth	Your policy cash value will increase each month due to a 2% credited interest rate and will decrease due to policy charges.

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.

Income tax-free long-term care benefit	Benefits are generally paid income tax-free under Internal Revenue Code Section 104(a)(3). Choose between a minimum 3–7 years of long-term care benefits based on the duration of the Long-Term Care Benefits Rider (LTCBR) option that you choose. Long-term care coverage will continue as long as you remain eligible or until your entire long-term care benefit is exhausted.
Income tax-free death benefit	If you never need long-term care and all planned premiums are paid to keep your policy in-force, a death benefit is paid to your beneficiaries, income tax-free under Internal Revenue Code Section 101(a)(1). If your entire specified death benefit amount has been used to pay for long-term care, your beneficiaries receive a residual death benefit.

Backed by a company with more than a century of financial stability

For more than 110 years, we've remained committed to helping Americans plan for retirement, plan for the unexpected and protect their wealth from taxes, long-term care costs, longevity, inflation and market risk.

With over 30 years of experience in developing hybrid long-term care solutions, Lincoln remains steadfastly committed to equipping our customers with the strategies they need to accomplish their goals.



Ready to protect your financial future by implementing an LTC solution? Talk with your financial professional today.

Important information:

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.

This material is provided by the insurance company that issues the product described herein; it is intended for use with the general public. The issuing insurance company is not undertaking to provide investment advice for any individual or any individual situation, and you should not look to this material for any investment advice. The issuing insurance company, as well as affiliated companies, has financial interests that are served by the sale of this product. Ask your financial advisor for assistance with your situation.

Lincoln Concierge Care Coordination's name, tools, resources and services may change or evolve over time. All information within this client guide is current as of the created date of this material.

Lincoln *MoneyGuard*® III is a universal life insurance policy with a Long-Term Care Benefits Rider (LTCBR) that accelerates the specified amount of death benefit to pay for covered long-term care expenses and continues long-term care benefit payments after the entire specified amount of death benefit has been paid. The return of premium options are offered through the Value Protection Endorsement (VPE) available at issue; Base option (1) and Graded option (2) are included in the policy cost. Any additional surrender benefit provided will be adjusted by any loans/loan interest/loan repayments, withdrawals taken, and claim payments made. The cost of riders will be deducted monthly from the policy cash value. The insurance policy and riders have limitations, exclusions and reductions. Renewability, Termination and Cancelability: The LTCBR is noncancelable. This means you have the right, subject to the terms of your policy and rider(s), to continue these riders as long as your policy stays in force. The Lincoln National Life Insurance Company cannot change any of the terms of your policy and rider(s) on its own and cannot increase the monthly rider charges or monthly inflation charges. If your policy enters a grace period, we will allow 61 days to pay a premium sufficient to prevent your policy from lapsing. Long-term care benefit riders may not cover all costs associated with long-term care costs incurred by the insured during the coverage period. All contract provisions, including limitations and exclusions, should be carefully reviewed by the owner. For costs and complete coverage details, contact your agent or producer.

Issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, on Policy Form ICC19MG890 with the following riders: Value Protection Endorsement (VPE) on form ICC19END-10534; Terminal Illness Acceleration of Death Benefit Rider (TIR) on form ICC19TIR-891; Long-Term Care Benefits Rider (LTCBR) on form ICC19LTCBR-890.

All guarantees and benefits of the insurance policy are the responsibility 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.

Product not available in New York.

For use in all states except: AZ, CA, CT, DC, DE, FL, IN, MT, ND, NJ, NY, SD, VI.

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

©2021 Lincoln National Corporation

LincolnFinancial.com

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

Affiliates are separately responsible for their own financial and contractual obligations.

ICC20LCN-2885516-123019

PDF 5/21 **Z05**

Order code: MG-ICC-BRC004

