

# *Lincoln LifeGuarantee<sup>®</sup> SUL (2019)*

PBR ✓

Product is compliant with principle-based reserving (PBR) and 2017 commissioners standard ordinary (CSO) table.

## Product Reference Guide

Products issued by:  
The Lincoln National Life Insurance Company

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# Table of Contents

## *Lincoln LifeGuarantee® SUL (2019)*

Category	Page
<b>Product Objective</b>	3
<b>Key Features</b>	
<ul style="list-style-type: none"> <li>Coverage Protection Guarantee (CPG) <ul style="list-style-type: none"> <li>Impact on Accelerated Benefits Rider</li> </ul> </li> <li>CPG Premium Timing <ul style="list-style-type: none"> <li>1035 Forgiveness Feature</li> <li>Premium Relief Feature</li> <li>Catch-Up Feature</li> </ul> </li> </ul>	3 4 4 4 5 5
<b>Product Summary</b>	6-7
<b>Premiums</b>	
<ul style="list-style-type: none"> <li>Target Premium</li> <li>Planned Premium</li> <li>Premium Deposit Fund</li> </ul>	8 8 8
<b>Policy Charges, Fees and Deductions</b>	
<ul style="list-style-type: none"> <li>Deductions from Premiums</li> <li>Charges and Fees</li> </ul>	9 9
<b>Policy Values, Loans and Withdrawals</b>	10
<b>CPG Charges, Fees, Deductions and Interest Crediting</b>	10
<b>Available Riders</b>	
<ul style="list-style-type: none"> <li>Accelerated Benefit Rider (with No First Death Benefit or Critical Illness Benefits)</li> <li>Accelerated Benefit Rider (with First Death Benefit and Critical Illness Benefits)</li> <li>Supplemental Survivorship Term Insurance (Estate Protection) Rider</li> </ul>	11 11-12 12
<b>Agent Compensation</b>	13
<b>General Information</b>	
<ul style="list-style-type: none"> <li>Modified Endowment Contracts (MEC) – 7702A</li> <li>Life insurance Tax Qualification Tests – 7702</li> <li>Recapture Ceiling</li> <li>Cash Value Accumulation Test (CVAT)</li> </ul>	13 14 14 14
<b>General Glossary of Terms</b>	15-16

## Product Objective

*Lincoln LifeGuarantee*® SUL (2019) is a survivorship universal life insurance product which offers flexible, guaranteed protection up to a lifetime. *Lincoln LifeGuarantee*® SUL offers guaranteed death benefit protection on the lives of two insureds payable upon the second death, and is best for clients who desire the security of a guaranteed death benefit and are not looking for significant account value accumulation. This product is designed to work optimally with level premium payments paid to the younger insured's age 121.

## Key Features

### Coverage Protection Guarantee (CPG)

Guaranteed life insurance protection is provided through the Coverage Protection Guarantee (CPG). The CPG provides an "alternate" Coverage Protection Value (CPV) that, if positive, will ensure coverage will continue even if the cash surrender value is insufficient to cover policy charges. Regardless of issue age, the CPG is available until the younger insured's age 121. This rider is included automatically.

The "alternate" Coverage Protection Value is calculated in a similar manner as the actual policy value but utilizing different monthly deduction charges and credited interest rates. All charges and interest rates are fixed and guaranteed not to increase or decrease from what is shown on the policy specifications pages for the initial specified amount. The CPV is a reference value used to determine whether the CPG is in effect. It is not accessible to the policy owner for any purpose.

The length of time the CPG can keep the policy in force may vary based on the following factors:

- Changes in premium frequency, timing or amount
- Policy changes such as loans, partial surrenders, increases or decreases in Specified Amount and the addition or removal of riders.

The Coverage Protection Guarantee is in effect if the CPG Test is satisfied. The CPG Test is satisfied if the total of the Coverage Protection Accounts equals or exceeds debt. The Coverage Protection Accounts are used only for determining whether the CPG is in effect, and are not used in calculating the actual Policy Value provided under the policy.

If at any time the planned duration of the CPG is shortened or the CPG Test fails, the policy owner may pay additional premiums within the allowable limits established by the IRS Code and Modified Endowment Contract provision of the policy in order to extend the duration or reactivate the CPG, provided the policy has not lapsed for a period longer than the CPG Reinstatement Period.

The Coverage Protection Value is made up of three Coverage Protection Accounts, (CPA I, CPA II and CPA III). Premiums are allocated to each CPA based on the timing of the premiums, the sum total of all CPA's and the comparison of premiums paid over a one-year period against an annual premium threshold. Charges are taken from only one account at a time until that account is exhausted, beginning with CPA III, then CPA II, then CPA I. For a more detailed look at the calculation of the Coverage Protection Value, please see a specimen contract.

## Key Features (Continued)

### Impact on Accelerated Benefits Rider

If the Accelerated Benefits Rider includes a “Right to Exercise Rider Benefit” provision, Lincoln will consider the Cash Surrender Value of the policy in determining if the Accelerated Benefit Continuation Period is satisfied. When a Coverage Protection Guarantee Rider is attached to the policy and the CPG Test is satisfied, the “Right to Exercise Rider Benefit” provision of the Accelerated Benefits Rider is expanded to include the Coverage Protection Value as a reference value in determining if the Accelerated Benefit Continuation Period is satisfied.

### CPG Premium Timing

The policy owner should pay premiums on or within a month before or after the target date. Premiums more than a month late or in an amount less than planned will shorten the Coverage Protection Guarantee period.

Paying the premium as soon as the client receives their bill (within a month before the due date) will not negatively impact the CPG period. In certain years, the CPG premium load applied to the premium varies. For purposes of calculating the Coverage Protection Value, if the CPG premium load decreases as of the next policy year, we apply the lower CPG premium load to premiums that are received within a month before their target date. This treatment is not a policy provision, but it is a benefit that Lincoln provides. It only affects the CPG. For purposes of calculating the policy value, all premiums are credited as of the date we receive them.

Generally, paying premiums more than a month before their target date will not negatively impact your CPG period as CPG premium loads do not change every year.

**NOTE: On *Lincoln LifeGuarantee*® SUL, premiums due at the beginning of year four should not be paid more than a month before the target date.**

### 1035 Forgiveness Feature

1035 premiums can arrive any time during the first year without impacting the length of the CPG. This alleviates the need to rerun projections should the actual timing of 1035 payments vary from original assumptions.

## Key Features (Continued)

### Premium Relief Feature

The Premium Relief Feature grants what amounts to an approximate 30-day “grace period” for scheduled premiums. For CPG purposes only, if the premium is received mid-policy month, it will be considered paid as of the beginning of the month for purposes of calculating the Coverage Protection Value. How long the “grace period” is depends on the number of days the month in question has. Here are a few examples:

If the client’s Monthly Anniversary Day (MAV) is 12, and the most recent MAV was 5/12/19, the client would have until 6/11/19 in order to pay a premium and have it be included in the CPG calculation as of 5/12. There are 31 days in this period, so the client’s “grace period” is 31 days. For a MAV in February, the client would have until March 11 to get their premium in. Since February is a shorter month, the client has only 28 days between 2/12 and 3/11 to get their premium in. So, that is why we refer to an “approximate 30 days” since the number of varies between 28, 30 and 31.

### Catch-Up Feature

If planned premiums are skipped, reduced or paid later than covered by the Premium Relief Feature, or if any other policy changes are made that reduce the Coverage Protection Value, it is possible to pay “catch-up” payments to restore the originally projected CPG guarantee period. These payments may be made at any time. To determine premiums needed to catch-up, ask Lincoln to run a Point-In-Time projection to help determine how much additional premium will need to be paid to catch up. You should expect that the new premium(s) in total will be more than originally planned due to lost interest crediting and the resultant higher net amount at risk (which produces higher charges).

The Coverage Protection Guarantee will be lost permanently if the policy lapses and is reinstated outside the CPG reinstatement period.

## Lincoln LifeGuarantee® SUL (2019) Product Summary

<b>Policy Form Number:</b>	<b>Nationwide:</b> ICC19SUL6084/SUL6084
<b>CPG Rider Form Number:</b>	<b>Nationwide:</b> CPG-7039
<b>Data Pages:</b>	<b>Nationwide:</b> SUL6084-1
<b>Issue Ages/Underwriting Classes (Fully Underwritten):</b>	<p>Preferred Non-tobacco: 20-80  Standard Non-tobacco: 20-85  Standard Tobacco: 20-85</p> <ul style="list-style-type: none"> <li>One insured must be Table F or better.</li> <li>With Uninsurable, other insured must be Table D or Better.</li> <li>If both insureds are between ages 76-80, one life must be Table D or better.</li> <li>The product is available with Full Underwriting only.</li> </ul>
<b>Minimum Specified Amount:</b>	\$100,000
<b>Maximum Specified Amount:</b>	Subject to individual consideration and underwriting guidelines
<b>Death Benefit Options:</b>	Death Benefit = Specified Amount (Level)
<b>Life Insurance Tax Qualification Test:</b>	Cash Value Accumulation Test (CVAT).
<b>Extended Maturity:</b>	As long as the policy is in force at the younger insured's Age 121, the specified amount and Death Benefit Option remain the same and all monthly deductions cease. Account value, if any, will continue to earn interest and interest on any loan would continue to accrue, and the policy will continue in-force until the death of the second insured.
<b>Policy Premium Load:</b>	<p>Current and Guaranteed: 15% in all years</p> <ul style="list-style-type: none"> <li>Increases and decreases in the Specified Amount do not affect the premium load.</li> </ul>
<b>Monthly Administrative Charges:</b>	<p>Monthly percentage multiplied by the Load Basis Amount*. Monthly percentage varies by the Younger Insured's Issue Age.</p> <p>*Load Basis Amount is generated by a separate set of per 1000 rates that are multiplied by the specified amount. The Load Basis Amount appears on the policy data pages in the contract.</p> <p>Decreases in specified amount do not reduce this charge.</p>
<b>Per Policy Expense Charge:</b>	\$8/mo. (\$96 annually)
<b>Guaranteed Cost of Insurance Charges:</b>	Based on 2017 CSO Ultimate Tables.
<b>Guaranteed Interest Rate:</b>	2.0% in all years; current = guaranteed
<b>Surrender Charge Period:</b>	19 Years

## Lincoln LifeGuarantee® SUL (2019) Product Summary (continued)

<b>Surrender Charges for Specified Amount Decreases:</b>	Per \$1000 charge x number of 1000's of the decrease amount during surrender charge period.
<b>Policy Loan Charged Rate:</b>	6.0% up to Attained Age 121; 4.0% thereafter
<b>Interest Credited on Borrowed Funds:</b>	4% in all years
<b>Withdrawals:</b>	Minimum: \$500 Fee: N/A Maximum: Cash Surrender Value minus \$2500
<b>Coverage Protection Guarantee:</b>	<p>Guaranteed life insurance protection is provided through the Coverage Protection Guarantee (CPG). The CPG provides an alternate Coverage Protection Value (CPV) that, if positive, will ensure coverage will continue even if the Cash Surrender Value is insufficient to cover charges. This rider is included automatically and can remain in force until the younger insured's Attained Age 121.</p> <p>The length of time the CPG can keep a policy in force may vary based on the following factors:</p> <ul style="list-style-type: none"> <li>• Changes in premium frequency, timing or amount</li> <li>• Policy changes such as loans, partial surrenders, increases or decreases in Specified amount and the addition or removal of riders.</li> </ul> <p><b>Premium Relief Feature:</b> If the premium is received mid-policy month, it will be considered paid as of the beginning of the month for purposes of the Coverage Protection Value (CPV).</p> <p><b>1035 Forgiveness Feature:</b> Premium that meets the definition of Section 1035 of the IRC can arrive any time during the first year without impacting the length of the guaranteed coverage (CPG).</p>
<b>Available Riders/Endorsements:</b>	<ul style="list-style-type: none"> <li>• Accelerated Benefits Rider (with First Death Benefit and Critical Illness Benefit)<sup>1</sup> (J-389)</li> <li>• Accelerated Benefits Rider (no First Death Benefit)<sup>1</sup> (J-390)</li> <li>• Supplemental Survivorship Term Insurance Rider (Estate Protection Rider)<sup>2</sup> (J-5666)</li> </ul> <p><sup>1</sup> There is no charge for this rider until exercised and the two versions of the Accelerated Benefits Rider cannot be elected on the same policy.</p> <p><sup>2</sup> There is an additional charge for this rider.</p>
<b>Internal Replacements:</b>	Internal replacement funds will be charged a 15% premium load
<b>Premium Deposit Fund:</b>	<p>Allows the policyholder to provide in advance for payment of future premiums.</p> <p>Minimum Deposit: \$250</p> <p>Maximum Deposit: 10 times annual premium</p> <p>Guaranteed interest credited on deposit: 1%; current = guaranteed</p>

## Premiums

*Lincoln LifeGuarantee*® SUL (2019) has flexible premiums as well as an adjustable death benefit and Coverage Protection Guarantee which gives the client control over the design of their policy. Premium payments are flexible but there are some requirements and limitations.

### Target Premium

*Lincoln LifeGuarantee*® SUL has a target premium which is the maximum premium that will receive the full commission rate. There is a “rolling target” for commissions which means that the initial commission rate is paid on all premiums received in the first 5 policy years until premiums received reach the target premium.

### Planned Premium

The Planned Periodic Premium is the amount of premium that the policyowner intends to pay and the Premium Frequency is how often the Planned Periodic Premium will be paid. Both of these items are selected by the policyowner. Increases, decreases or changes in the frequency of premium payments may be made providing the payment meets guidelines set by the Internal Revenue Service. Additional premiums are any premiums made in addition to the planned premiums and are subject to the maximums imposed by the Internal Revenue Code.

The modes of premium payment allowed are as follows:

Mode:	Minimum modal premium:
Annual	\$200
Semi-Annual	\$100
Quarterly	\$50
Monthly Electronic Funds Transfer (EFT)	\$15 (\$10 if more than one policy is on the same bank draft)

There is no additional charge for modal billing, but be sure the illustration solve that is utilized assumes the appropriate, desired mode since the timing of the premium payments will impact the level of funding required due to the compounding of payments and interest over time. If the proper mode is not run, it will impact the length of protection offered by the Coverage Protection Guarantee.

### Premium Deposit Fund

The Premium Deposit Fund (PDF) allows the policy owner to provide in advance for payment of future premiums. This will help to avoid the policy from becoming a Modified Endowment Contract due to the 7702A premium limitations.

Minimum Deposit:	\$250
Maximum Deposit:	10 times annual premium

Interest is credited to the fund at a declared rate (1% guaranteed) and is taxable annually. Annual premiums are paid automatically from the Premium Deposit Fund into the policy. Deposits into the PDF are not commissionable but commissions will be paid when the money is transferred into the policy as premium. Loans are not permitted.



## Charges, Fees and Deductions on Policy Value

**Deductions from Premiums:** There is a premium load that is deducted from all premiums. The premium load for *Lincoln LifeGuarantee*® SUL (2019) is 15% in all years. Rollover money on internal replacements will be charged 15%. Increases and decreases in the Specified Amount do not affect the premium load.

**Charges and Fees:** In addition, the policy includes several ongoing charges and fees. They are:

- **Monthly Cost of Insurance:** A charge per 1,000 of net amount at risk, and any rider costs, which vary by gender and underwriting class will be deducted from the cash value until the policy anniversary at the younger insured's attained age 121. The rates are based on the Ultimate 2017 CSO Tables.
- **Per Policy Expense Charge:** A guaranteed \$8 charge will be deducted monthly (\$96 annually). Increases and decreases in the Specified Amount do not affect this charge.
- **Administrative Charge:** A monthly percentage multiplied by the Load Basis Amount. The monthly percentage varies by the Younger Insured's Issue Age. The Load Basis Amount is generated by a separate set of per \$1000 rates that are multiplied by the specified amount. The Load Basis Amount appears on the policy data pages in the contract. Decreases in specified amount do not reduce this charge.
- **Surrender Charges:** The cash surrender value equals the account value minus the applicable surrender charges and any outstanding loan balance. The surrender charges decrease as the policy year increases up to and including the 19<sup>th</sup> year, and are zero thereafter.
- **Partial Surrender Charges:** There will be a partial surrender charge if there is a decrease in the Specified Amount. The partial surrender charge is prorated by specified amount. These charges do apply to withdrawals that reduce the specified amount.
- **Withdrawal Charge:** There is no additional transaction fee in addition to the amount of the withdrawal. Partial withdrawals may be made at any time and may not exceed the cash value less \$2500. The minimum for a partial withdrawal is \$500. The Specified Death Benefit Amount remaining in force after a partial withdrawal may not be less than \$100,000. Any request for a partial surrender that would reduce the Specified Amount below this minimum will not be allowed. The allowable withdrawal will be limited to the amount that would result in the minimum face amount.
- **Policy Loan Charged Rate:** Interest on a loan is due and payable on each policy anniversary, but will accrue daily for the purpose of calculating any Debt. The policy loan charged rate is guaranteed at 6.0% to the younger insureds' attained age 121 and 4% thereafter.
- **Optional Riders:** Depending on election, some riders have monthly fees that can affect policy value. Please see Rider Description for details. Other riders may include a fee only when the rider exercised.

## Policy Values, Loans and Withdrawals

**Policy Value:** The policy value receives new net premium payments and interest credits. The policy value is decreased by current expense charges, monthly administrative charges, charges for supplementary coverage, loans and withdrawals.

**Interest Crediting:** The policy provides interest crediting based on a portfolio methodology and not a new money rate. On unborrowed money, interest is credited at a guaranteed minimum annual rate of 2% in all years. Interest is credited to borrowed funds is 4% in all years.

**Cash Surrender Value:** The cash surrender value is the amount of money available to a client upon full surrender of the policy. In the first 19 policy years, the cash surrender value equals the account value minus applicable surrender charges and any outstanding loans and loan interest. After the 19<sup>th</sup> policy year, if there have been no increases in the specified amount, the cash surrender value equals the account value, minus outstanding loans and loan interest.

**Loans:** Loans reduce both the policy's cash value and death benefit. The total loan balance includes outstanding loans and any accrued but unpaid loan interest.

**Withdrawals:** Withdrawals cannot decrease the face amount below the minimum required specified amount. An additional charge applies if the withdrawal reduces the policy's specified amount during the surrender charge period. The minimum withdrawal amount is \$500 and withdrawal maximums are defined as 100% of cash surrender value less \$500. The company may assess a \$25 transaction fee for partial withdrawals.

## CPG Charges, Fees, Deductions and Interest Crediting

The "alternate" Coverage Protection Value is calculated in a similar manner as the actual policy value but utilizing different monthly deduction charges and credited interest rates. All charges and interest rates are fixed and guaranteed not to increase or decrease from what is shown on the policy specifications pages for the initial specified amount. Please consult the specimen contract for more information on the various charges and credits that go into the Coverage Protection Value.

## Available Riders

Rider features are subject to state availability. Limitations and exclusions may apply. See State Availability Grid and New Business disclosure pages for more details.

### Accelerated Benefits Rider (With No First Death Benefit) (Rider form: J-390)

This rider pays a benefit upon the occurrence to the survivor of any one or more of two qualifying events:

1. Being permanently confined to a nursing home; or
2. Being diagnosed as terminally ill (life expectancy of 6 months or less).

This benefit will be treated as a lien against the policy and as such, will accrue interest. In order to exercise the benefit, there must be sufficient surrender value to cover costs for five years.

<b>Issue Age and Amount:</b>	Same as for base policy.
<b>Maximum Benefit Amount:</b>	<ul style="list-style-type: none"><li>• 50% for terminal illness</li><li>• 40% for nursing home confinement</li></ul>

**Maximum cumulative accelerated benefit** available on all policies per insured with Lincoln is \$250,000.

**Please note that there is no ABR benefit payable prior to or at the first death. Once the first death occurs, the surviving insured is then eligible for the rider benefits.**

#### ***Issue Guidelines:***

- This rider may be added after issue.
- There is a one-time charge at the time of acceleration.
- There is no charge if the rider is never exercised.
- Rider is not commissionable.

Not allowed with any other Accelerated Benefits Rider.

### Accelerated Benefits Rider (With First Death Benefit) (Rider form: J-389)

The rider pays a benefit at the first death of up to 5% of the base policy death benefit, with a maximum of \$25,000.

After the first death, the survivor is then eligible for the other rider benefits if any one or more of three qualifying events including:

1. The occurrence of a specified critical illness or condition;
2. Being permanently confined to a nursing home; or
3. Being diagnosed as terminally ill (life expectancy of 6 months or less).

This benefit will be treated as a lien against the policy and as such, will accrue interest. In order to exercise the benefit, there must be sufficient surrender value to cover costs for five years.

**(Continued)**

### Accelerated Benefits Rider (With First Death Benefit) (Rider form: J-389) (Continued)

<b>Issue Ages:</b>	Same as for base policy
<b>Maximum Cumulative Benefit Amount:</b>	<ul style="list-style-type: none"><li>• 5% for critical illness or \$25,000, whichever is less</li><li>• 40% for nursing home confinement</li><li>• 50% for terminal illness</li><li>• The maximum cumulative accelerated benefit is \$250,000.</li></ul>

#### **Issue Guidelines:**

- This rider may not be added after issue.
- Available on policies where neither insured is rated higher than Table D and there is less than 20 years difference in the insureds' ages.
- There is a one-time charge at the time of acceleration.
- There is no charge if the rider is never exercised.
- Rider is not commissionable.
- Not allowed with any other Accelerated Benefits Rider.

### Supplemental Survivorship Term Insurance Rider (also known as Estate Protection Rider) (Rider form: J-5666)

This rider, available at an additional cost, protects the policy proceeds if an irrevocable trust is not established prior to policy issue and both insureds die in the first four policy years. The rider covers this risk by providing additional term insurance death benefit. This benefit will offset the effect of applicable estate taxes on the total policy proceeds, keeping the intended policy benefit intact.

<b>Issue Ages:</b>	Same as base policy. Not allowed if younger insured is age 76 or older.
<b>Minimum Issue Amount:</b>	\$250,000
<b>Maximum Issue Amount:</b>	123% of the base policy initial specified amount
<b>Monthly Charge:</b>	Same as the base policy COI x the Estate Protection Rider specified amount

#### **Issue Guidelines:**

- May not be added after issue.
- Increases and decreases to the rider post-issue are not allowed.
- It is not convertible to permanent insurance.
- The rider is commissionable.

## Agent Compensation

There is a rolling target for the first 5 policy years. Excess compensation is paid in the first year. Please refer to your commission schedule for complete compensation details.

Commission Recalls: Commissions will be recalled within the first two policy years for a specified amount decrease and within the first year for a lapse/surrender/withdrawal based on the following percentages. When a policy is decreased, the recall pertains to the decreased portion of the policy rather than to the policy as a whole.

Face Decrease		Lapse/Surrender/Withdrawal	
Months	% of First Year Commissions Recalled	Months	% of First Year Commissions Recalled
1-6	100%	1-6	100%
7-12	75%	7-12	50%
13-24	50%		

External rollover loans are not commissionable.

## General Information – 7702/7702A

### Modified Endowment Contracts (MEC) - 7702A

An additional funding consideration in universal life insurance is Modified Endowment Contract status. If a policy is classified as a MEC under IRS definitions, some of its favorable tax treatment is lost because it is too heavily funded. Generally, distributions from a MEC policy are taxable as income to the extent there is a gain in the contract. However, death benefits still remain non-taxable under a MEC situation. Clients who wish to access some of their cash accumulation should prevent the policy from becoming a MEC. To accomplish this, a client must limit premiums paid into the policy in the first seven years (and seven years following a material change) to the calculated 7-Pay premium which will be specified on their illustration.

(Continued)

## General Information – 7702/7702A (continued)

### Life Insurance Tax Qualification Tests - 7702

#### Recapture Ceiling

The tax code includes rules that prevent the tax deferred treatment of life insurance from being abused. Two of the main tests include the Guideline Premium Test, which compares premium to death benefit, and the Cash Value Accumulation Test (CVAT), which compares cash value to death benefit. See descriptions below.

Historically, when partial withdrawals were taken from a contract, any amount up to the premiums paid to date, also known as basis, was non-taxable. This is known as the FIFO treatment (basis is withdrawn first, then any income/gain).

Rules which came into effect on January 1, 1985 changed the way partial withdrawals were to be taxed. Under the new rules, taxable income may be forced out of the policy when a partial withdrawal meets all of the following conditions:

- The change reduces the future benefits under the contract.
- The change occurs within 15 years of the policy issue date.
- Cash is distributed from the contract as a result of the change.
- The Recapture Ceiling calculation is positive.
- There is a gain in the contract.

When the withdrawal meets these conditions it will receive the LIFO treatment (any income/gain is withdrawn first, then basis), and any gain up to the Recapture Ceiling would be taxable.

In an effort to make clients aware of how different funding patterns might impact the tax advantage status of their policy's death benefit and how premiums could change the tax treatment of distributions, Lincoln uses the Cash Value Accumulation Test and the Recapture Ceiling Test. This should not be used in place of professional tax advice, but rather to draw attention to possible pitfalls.

The Recapture Ceiling (RC) Test is only applied during the first 15 years following policy issue and only when a withdrawal creates a gain in the policy. There is a two-year look back period (from point of withdrawal request) during which previous withdrawals must be included in the calculation. There are two separate calculations that could apply depending upon whether the policy is in Years 1-5 or Years 6-15. If the withdrawal fails this test, the entire withdrawal is treated as a loan to avoid a taxable event.

#### DEFRA Type:

#### Cash Value Accumulation Test (CVAT)

A contract meets the cash value accumulation test if the cash surrender value does not exceed the net single premium which would have to be paid at such time to fund future benefits under the contract. Only CVAT testing is available on this product.

## General Glossary of Terms

### **Age**

The Insured's Age, nearest birthday, on the Policy Date.

### **Attained Age**

An Insured's age as measured from the Policy Date plus the number of completed policy years. For the purposes of determining dates and values under the policy, the Attained Age of the first Insured to die will continue to increase each year. "Younger Insured's Attained Age 121" occurs on the policy anniversary day when the number of completed policy years plus the age of the younger Insured on the Policy Date equals 121.

### **Cash Surrender Value**

The Policy Value as of the date of surrender less the charge, if any, for full surrender, and less any Debt. To the extent that the amount of the surrender charge exceeds the available Policy Value, less Debt, the Policy Value will not be less than zero.

### **Cash Value**

Policy Value less any surrender charge.

### **Debt**

The principal of the Participating Loan or the Fixed Loan with interest due. On any day, Debt is equal to the principal of the loan plus accrued interest on the loan.

### **Frasierization**

Frasierization is the pricing methodology used for joint life products that blends single life mortality rates to determine joint last to die mortality rates. This technique combines individual probabilities of death to determine the probability that the second of the two lives dies during a certain year.

### **Insured**

Each person whose life is insured under this policy.

### **Modified Endowment Contract**

The federal tax law definition of "life insurance" limits your ability to pay certain high levels of premiums. In addition, if your cumulative premium payments exceed certain amounts specified under the Internal Revenue Code, your policy will become a Modified Endowment Contract (MEC). If your policy is a MEC, the tax treatment of any death benefit provided under the contract will still qualify for income tax free treatment but you may be subject to additional taxes and penalties on any distributions from your policy during the life of the insured.

### **Monthly Anniversary Day**

The same day in each calendar month as the Policy Date.

### **Monthly Deductions**

The monthly deduction for a policy month is:

- The cost of insurance and the cost of any additional benefits provided by rider for the policy month, and
- The sum of all administrative charges for the policy and any attached riders shown on the policy specifications pages as being due for the policy month.

**Net Amount at Risk**

The Specified Amount plus any Supplemental Survivorship Term Insurance Rider amount minus Policy Value.

**Owner**

The Owner, at issue, is shown on the policy specifications page or in an Amendment, Endorsement, or Rider attached to the policy. While either Insured is alive, the Owner may exercise every right and option and receive every benefit provided by the policy. These rights, however, are subject to the written consent of any Irrevocable Beneficiary. Any rights and privileges that may be exercised by the Owner may be exercised only with the consent of all joint Owners.

**Policy Date**

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

**Policy Value**

The sum of premiums paid less a premium expense charge, monthly deductions, and withdrawals, plus interest.

**Second Death**

The second of the two Insureds to die.

**Specified Amount**

The amount the policy owner chooses which is used to determine the amount of death benefit and the amount of Rider benefits, if any.

**Important Disclosures, please read.**

*Lincoln LifeGuarantee*® SUL (2019) is issued on policy form ICC19SUL6084/SUL6084 (and state variations) by The Lincoln National Life Insurance Company, Fort Wayne, IN. Product and features subject to state availability. Guarantees are subject to the claims-paying ability of The Lincoln National Life Insurance Company.

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