



# Rider Summary

## *Lincoln Care Coverage*<sup>®</sup> Accelerated Benefits Rider

### *Lincoln Care Coverage*<sup>®</sup> Accelerated Benefits Rider

**Rider Overview:** Subject to meeting the eligibility requirements, this rider, available at an additional cost at issue, provides monthly benefit payments for the reimbursement of expenses incurred by the Insured for Covered Services to the extent that such services are qualified long-term care services prescribed in the Plan of Care. Benefits are provided through the acceleration of the Policy's death benefit.

**Technical Name:** Accelerated Death Benefit for Long-Term Care Services Rider

**Marketing Name:** *Lincoln Care Coverage*<sup>®</sup> Accelerated Benefits Rider

As the rider is added to the product portfolio, the *Lincoln LifeEnhance*<sup>®</sup> Accelerated Benefits Rider will be withdrawn for new sales in applicable states.

**Policy Form Numbers:**

Rider: ICC18LTC-7050/LTC-7050 Available on: *Lincoln VUL*<sup>ONE</sup> (2019) and *Lincoln LifeGuarantee*<sup>®</sup> UL (2019)

Rider: ICC19LTC-7059 Available on: *Lincoln WealthAccumulate*<sup>®</sup> IUL (2019), *Lincoln WealthPreserve*<sup>®</sup> IUL (2019), *Lincoln AssetEdge*<sup>®</sup> VUL (2019) and *Lincoln AssetEdge*<sup>®</sup> Exec VUL (2019)

**Client Objectives:**

**Primary:** Death benefit protection from a life insurance policy.

**Secondary:** Supplemental source of funds in the event of a chronic illness.

**Charge for Rider:** Additional COI and Per 1000 charge

- Rates vary by issue age, gender, risk class and duration
- Guaranteed Renewable rates (current COI rates can change, subject to guaranteed maximums)
  - Charges used in No-Lapse Guarantee (CPG/ONE) Rider Calculations – Shadow account rates are guaranteed and **cannot** change

**Compensation:** Adding the rider will increase targets.

**Agent Licensing:** Requires health license with LTC CE, as required by each state. See state licensing and training requirements chart.

## Application and Underwriting

**Issue Ages:** 20-80

**Underwriting Classes:**

- Standard
- Couples Discount

**Couples Discount:** A Couples Discount underwriting class may be available based on the insured's marital status at the time of issue. An insured who is legally married (traditional or same sex), or is part of a civil union or domestic partnership, or is in a common law marriage as recognized in the state where the policy is delivered will qualify.

**Underwriting:**

- Full underwriting only. Available at issue only.
- Base policy may be rated up to Table D or a flat extra rating up to \$5/1000. A rating will NOT apply to the rider rates.
- Allowed with Table Reduction Program.

**Application Forms and Supplements:**

- Application Supplement
  - At ages 61+ there is a 10-word delayed recall test which will be completed as part of the Personal History Interview (PHI), and depending upon the results, a Short Portable Mental Status Questionnaire (SPMSQ) may be administered, during the same PHI call.
- Outline of Coverage
- Potential Rate Increase Disclosure
- LTC Replacement Form, if applicable

**Issue Rules:**

- Death Benefit Option 3 not available
- 30-day Right to Examine Period

**Term Conversions:** In the event of a term conversion to a permanent Lincoln policy with CCABR, full underwriting is required.

## Design

**LTC Specified Amount:** This Rider has its own face amount called the LTC Specified Amount, which is distinct from the policy's face amount. This is the maximum amount that can be accelerated, is chosen at issue and cannot increase. The initial LTC Specified Amount may be between 1% and 100% of the initial base policy Specified Amount. Subject to minimum and company maximum.

**Maximum Monthly LTC Benefit Percentage:** The maximum percentage of the Initial LTC Specified Amount available for acceleration each month. 2% or 4% payout options. Cannot change after issue.

**Minimum LTC Specified Amount:** \$50,000

**Maximum LTC Specified Amount:** The maximum base policy amount is subject to normal underwriting maximum limits but there is a separate Company Lifetime Maximum Benefit Amount:

- 2% maximum monthly benefit percentage: \$2,500,000
- 4% maximum monthly benefit percentage: \$1,250,000

## Design (Continued)

**Maximum Monthly LTC Benefit Amount:** The maximum dollar amount that can be accelerated each month, determined by multiplying the initial LTC Specified Amount, adjusted for any decreases, by the Maximum Monthly LTC Benefit Percentage.

<p><b>Riders not allowed with CCABR:</b></p> <p><b>VUL<sup>ONE</sup>:</b> Change of Insured Rider <i>LifeAssure</i>® ABR</p>	<p><b>LifeGuarantee UL:</b> <i>LifeAssure</i>® ABR</p>	<p><b>WealthAccumulate IUL:</b> Change of Insured Rider <i>LifeAssure</i>® ABR Exec Rider Supplemental Term on Other Insured</p>	<p><b>WealthPreserve IUL:</b> Change of Insured Rider <i>LifeAssure</i>® ABR Supplemental Term on Other Insured</p>	<p><b>AssetEdge/AssetEdge Exec VUL:</b> Change of Insured Rider <i>LifeAssure</i>® ABR</p>
--	--	--	---	--

**Qualifying for Benefits**

**Eligibility:** An insured may receive benefits under this rider once the following conditions are met:

- 90-day elimination period is satisfied
- Written certification within the preceding 12-month period from a Licensed Health Care Practitioner that the Insured is Chronically Ill
- A prescribed Plan of Care by a Licensed Health Care Practitioner for Covered Services is received at least every 12 months
- All claims forms and written notifications are submitted and satisfactory.

**Elimination Period:** 90 days of Covered Services within a rolling 730-day period. Only needs to be satisfied once during the life of the policy.

**Chronic Illness:**

A state of health where the Insured:

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

**Benefits**

**Benefit Payment Method:** Reimbursement of eligible receipts not to exceed the Maximum Monthly LTC Benefit Amount, paid no less frequently than once each Policy Month.

**Temporary Conditions:** Allowed, subject to satisfying the eligibility conditions.

## Benefits (Continued)

### Covered Services:

- Adult Day Care
- Alternative Care
- Assisted Living Facility
- Bed Reservation
- Caregiver Training
- Care Planning
- Home Health Care
- Hospice
- Nursing Home Care
- International Benefits
- Non-Continual Services
- Respite Care

### Impact of Benefit Payments on the Policy

**Acceleration impact on Death Benefit:** The base policy Specified Amount is reduced dollar for dollar.

If a Death Benefit Option (DBO) other than DBO I is in effect, it will be changed to DBO I prior to the first benefit payment. After this, no further DBO changes are permitted.

**Acceleration impact on Policy Values:** Most of the policy values will be proportionately reduced, as applicable for the base policy, including account and guidelines. Existing loans are repaid proportionately with each benefit payment.

### Lapse Protection upon acceleration:

- CCABR charges will be waived while benefits are being paid under the rider.
- Monthly deductions continue; benefit payments ratio down the specified amount used to determine charges.
- If, while on claim, the policy would otherwise lapse, Lincoln will waive ALL monthly deductions but death benefit is limited to Remaining LTC Specified Amount, less debt. If the insured comes off claim, must pay premiums needed to keep policy in-force.

### Impact of Benefit Payments on Other Riders

If any of these riders are on the policy, the following impacts will apply:

**Accelerated Benefits Riders:** ABR is allowed with the CCABR but accelerating one rider will terminate the other.

**Change of Insured Rider:** Not allowed

**Enhanced Surrender Value Rider (VUL<sup>ONE</sup>):** Allowed until acceleration, then terminates.

**Exec Rider (WealthAccumulate IUL):** Not allowed

**Overloan Protection Rider (OPR):** If the Overloan Protection Benefit is elected, this rider will terminate. For IUL only – if CCABR were to terminate, OPR may be reinstated.

**Waiver of Monthly Deductions:** If already on waiver, may remain. May also go on waiver after coming off claim.

## Post-Issue

**Increases/Decreases to the CCABR Specified Amount After Issue:** Not allowed

**Switches Between 2% and 4% Option:** Not allowed

### Allowable Policy Changes After Issue:

- Increases are allowed on the base policy but they will have no impact on the CCABR Benefit Amount determined at the time of issue.
- Base policy decreases are allowed but may have an impact to the CCABR benefit amount if the policy is reduced to an amount lower than the CCABR.

**New Loans or Withdrawals:** Loans are allowed up to and after acceleration but are not allowed in the same month that a benefit is paid. Loans will be repaid proportionately with each benefit payment. Partial Surrender reduces Remaining LTC Specified Amount dollar for dollar.

## Tax Qualification

### Tax Qualification:

This Rider is intended to be a qualified long-term care insurance policy under the Internal Revenue Code. The death benefit provided by this policy is intended to qualify for the Federal Income Tax exclusion. The CCABR is intended to be a federally tax-qualified long-term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

## Exclusions

### Benefits Not Provided by the Rider:

- a. Treatment for alcoholism or drug addiction;
- b. Treatment for attempted suicide or an intentionally self-inflicted injury;
- c. Treatment provided in a Veteran's Administration or government facility;
- d. Loss to the extent that benefits are payable from governmental programs or other insurance programs;
- e. Confinement or care received outside the United States other than benefits for Nursing Home Care Services and Assisted Living Facility Services;
- f. 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; and
- g. Services provided by the Insured's or Owner's Immediate Family member; and
- h. Services for which no charge is or would normally be made in the absence of insurance.

## Termination of Rider

**Rider Termination:** The rider will terminate on the first of the following to occur:

- Requested in writing to terminate;
- The Remaining LTC Specified Amount is reduced to zero;
- The election to exercise any Accelerated Benefits Rider;
- The election to exercise the Overloan Protection Rider;
- Termination of the Policy;
- Death of the Insured.

**Descriptions in this document are limited to the products listed. Future variations may apply when added to other products.**

**Tax qualification**

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.

*Lincoln LifeGuarantee*<sup>®</sup> UL (2019) policies are issued on policy number ICC19UL6080/UL6080 (and state variations), and optional rider form number ICC18LTC-7050/LTC-7050 by The Lincoln National Life Insurance Company, Fort Wayne, IN.

*VUL<sup>ONE</sup>* (2019) policies are issued on policy number ICC19-VUL686/ICC19ONER-686/19-VUL686/ONER-686 (and state variations), and optional rider form number ICC18LTC-7050/LTC-7050 by The Lincoln National Life Insurance Company, Fort Wayne, IN.

*Lincoln WealthAccumulate*<sup>®</sup> IUL (2019) policies are issued on policy number ICC18UL6083 (and state variations), and optional rider form number ICC19LTC-7059 by The Lincoln National Life Insurance Company, Fort Wayne, IN.

*Lincoln WealthPreserve*<sup>®</sup> IUL (2019) policies are issued on policy number ICC19UL6088/UL6088 (and state variations), and optional rider form number ICC19LTC-7059 by The Lincoln National Life Insurance Company, Fort Wayne, IN.

*Lincoln AssetEdge*<sup>®</sup> VUL (2019) and *Lincoln AssetEdge*<sup>®</sup> Exec VUL (2019) policies are issued on policy number ICC18-VUL685/18-VUL685 (and state variations), and optional rider form number ICC18LTC-7059 by The Lincoln National Life Insurance Company, Fort Wayne, IN.

©2019 Lincoln National Corporation

[LincolnFinancial.com](http://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.



Distributor: Lincoln Financial Distributors, Inc., a broker-dealer

**Variable products are sold by prospectuses, which contain the investment objectives, risks, and charges and expenses of the variable product and its underlying investment options. Read carefully before investing.**

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 may apply.

Only Registered Representatives can sell Variable Products.

The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Guarantees are subject to the claims-paying ability of the insurer. Products and features subject to state availability.

Not available in New York.