

Lifetime death benefit protection with a secondary guarantee and strong potential for policy value growth

Lincoln LifeGuaranteeSM Plus UL Fact Sheet

What can *Lincoln LifeGuaranteeSM Plus UL* do for me?

- Lets you protect what's most important with a death benefit that can be guaranteed
- Allows you to fund your policy so that it can build substantial policy value over time

Two separate companies issue Lincoln universal life insurance policies. New York policies are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. For all other states, policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. These companies are separately responsible for satisfying their own financial and contractual obligations.

What is *Lincoln LifeGuarantee Plus UL*?

A universal life insurance policy guaranteed to be there for your beneficiaries, *Lincoln LifeGuarantee Plus* can also build policy value tax-deferred for your future use. **Guarantees are backed by the claims-paying ability of the appropriate issuing company.**

How does the Coverage Protection Guarantee (CPG) work?

The Coverage Protection Guarantee is built into the base policy and is included automatically at issue. It runs to the insured's age 121 and helps you protect what's most important to you by guaranteeing that your coverage will be there for life. Here's how.

The guarantee is in effect if the total of the Coverage Protection Accounts equals or exceeds debt. The Coverage Protection Accounts provide an alternate value calculation using specified alternate cost of insurance rates, expenses, and interest rates. The alternate value serves simply as a reference value used to determine whether the CPG is in effect, not to determine the actual policy value.

During the CPG Period, the CPG guarantees that the policy will not lapse even if the cash surrender value is insufficient to cover the monthly deductions. Any changes to the policy such as loans, partial withdrawals, changes in the death benefit, changes in scheduled premiums, and adding riders may terminate the guarantee or reduce its duration. In most cases, policyowners may make additional payments to place the guarantee back into effect, but this will result in increased out-of-pocket costs. Policyowners may forego the advantage of building up a significant policy value by paying only the premium required to keep the CPG in effect.

The CPG is permanently lost if the policy lapses for a period longer than 90 days (5 years in Texas). Termination of the CPG may require greater premium amounts to keep the policy in-force.

The CPG includes a Premium Relief Feature. For purposes of CPG processing only, the Premium Relief Feature treats any premium that is received during the current policy month, and prior to the next monthly policy anniversary (monthiversary) day, as though it was received at the beginning of the policy month.

Fast facts about your *Lincoln LifeGuarantee*SM Plus UL policy

Coverage

Individual universal life insurance with a secondary guarantee and strong potential for policy value growth.

Issue classes and ages

Preferred plus: 20–80

Preferred nontobacco: 20–80

Standard nontobacco: 20–85

Preferred tobacco: 20–80

Standard tobacco: 20–85

Through an underwriting program, certain rated cases may be eligible to receive standard rates.

Face amount

Minimum: \$100,000 (\$25,000 for Guaranteed Issue)

Maximum: subject to individual consideration and underwriting limits

Premium requirements

Premium amount and payment frequency may vary as long as sufficient premiums are paid to either:

- maintain a positive cash surrender value, or
- satisfy the Coverage Protection Guarantee requirements. (Only the minimum premium payment is required to satisfy the no-lapse guarantee; however, the policyholder may be foregoing the advantage of building up a substantial policy value.)

Premium payment period

To age 121

As long as the policy is in-force at the insured's age 121, the face amount and death benefit option remain the same and all monthly deductions cease. Account value, if any, continues to earn interest. Interest on any loan would continue to accrue and the policy will continue in-force for the life of the insured.

Charges and fees

- Premium load: 7.5% for years 1–15, years 16+ 4.0% (current, guaranteed in New York); 7.5% all years (guaranteed)
- Per policy expense charge: year 1, \$14 per month (\$168 annually); years 2+, \$4 per month (\$48 annually)
- Monthly charge for administrative expenses: none
- Monthly cost of insurance charge on a per \$1,000 basis applied to the net amount at risk
- Monthly per thousand charge: none

Interest crediting

- The company declares a periodic current interest rate and applies it to unborrowed funds.
- A guaranteed minimum annual interest rate of 3.0% applies on unborrowed funds.

Loans

- Loan interest rate charged on borrowed funds is 6.5% up to policy year 21, and 5.5% thereafter for a zero spread loan basis, guaranteed in the policy.
- Borrowed funds receive 5.5% interest rate credited, guaranteed in the policy.
- Policyowners may borrow up to 100% of the cash surrender value at any time.

Withdrawals

- Minimum withdrawal amount is \$500.
- The company assesses a \$5 transaction fee for partial withdrawals.
- Withdrawal maximums are defined as 100% of cash surrender value less \$500. (100% of cash surrender value in New York).
- Withdrawal cannot decrease the face amount below the minimum required face amount of \$100,000 (\$25,000 for Guaranteed Issue).
- An additional charge applies if the withdrawal reduces the policy's face amount.

Loans and withdrawals reduce the cash surrender value and death benefit, may cause the policy to lapse, and may have tax implications.

Surrender charges

Charges for the surrender of the policy apply for 19 years. They decrease over the 19-year period.

How flexible are my funding options?

With *Lincoln LifeGuarantee*SM Plus UL, you can choose how to finance your policy by adjusting:

- The amount of guaranteed death benefit protection
- The amount and frequency of premium payments
- The length of the guarantee period

Your CPG gives you the option of skipping premiums, taking loans or withdrawals, or changing your death benefit options—although doing any of these things would likely shorten the guarantee period. You have the ability to pay catch-up premiums to restore your guarantee period; however, this will result in increased out-of-pocket costs to meet your objectives. Talk to your financial professional about an appropriate funding strategy for you. You can choose to guarantee the policy to any age or policy year, and you can change that guarantee at any time by changing the amount of premium you pay. Your financial professional can explain how to do this.

What choices are available for my death benefit?

For people who are looking for cost-efficient protection,

or for those whose financial needs will grow in the future, *Lincoln LifeGuarantee* Plus UL provides three death benefit options.

- Death Benefit Option 1 (level face amount)
- Death Benefit Option 2 (face amount plus account value)
- Death Benefit Option 3 (face amount plus premiums paid)

Loans or withdrawals offset death benefits under any of the three options. Ask your financial professional which option is appropriate for you.

Can I change my death benefit option or amount after issue?

Yes, the policy allows death benefit option changes after issue, within certain limits, and adjustments in face amount. After issue, changes to Option 3 are not permitted.

After the first policy year, you may increase the face amount subject to proof of insurability. Underwriting may apply. Decreases cannot go below the minimum required face amount and will cause a partial surrender charge that will impact both the cash surrender value and the length of the guarantee period.

What additional options are available?

The **Accelerated Benefits Rider** pays out a portion of the death benefit if the insured were to fall terminally ill or require permanent nursing home care. It may be elected after policy issue. Please note that in New York, this rider applies to terminal illnesses only and provides no coverage for nursing home stays. The charge for this rider is incurred when the rider is exercised.

The **Accelerated Benefits Rider with Critical Illness** pays out a portion of the death benefit if the insured were to fall terminally ill, require permanent nursing home care, or need help during a critical illness or condition. The charge for this rider is incurred when the rider is exercised. This rider is unavailable in New York.

The **Accidental Death Benefit Rider**, available at an additional cost, can help offset the financial burden by offering an additional amount in the event of a death due to an accident.

With the **Children's Term Rider**, available at an additional cost, the insured has the choice of insuring a child under his or her own policy.

The **Disability Waiver of Monthly Deductions Benefit Rider**, available at an additional cost, waives the monthly deduction and other charges if the insured become totally disabled.

The **Disability Waiver of Specified Premium Rider**, available at an additional cost, covers the insured for a monthly specified premium if he or she becomes totally disabled.

The **Guaranteed Insurability Rider**, available at an additional cost, gives the insured the ability to increase his or her death benefit coverage in the future without additional underwriting.

The **Minimum Death Benefit Endorsement** gives the insured the security of knowing that the beneficiaries will never receive less than the death benefit minus total policy debt (policy loan plus accrued interest) plus \$5,000.

With the **Spouse Term Rider**, available at an additional cost, the insurer has the choice of insuring a spouse under the insured's own policy. This rider is unavailable in New York.

Flexible guarantees

What happens to my guarantee if my premium payments are a few days late?

For your protection, the *Lincoln LifeGuarantee*SM Plus UL policy has a Premium Relief Feature. If the premium is received after the due date, but prior to the next monthiversary (approximately 30 days after the due date), it will be considered paid as of the original due date for purposes of the Coverage Protection Guarantee.

What happens to my guarantee if I don't make my original payment schedule?

If you miss premium payments or pay less than your scheduled premium payments, your guarantee period will be reduced. The impact may be small initially unless premiums are skipped on a frequent and systematic basis.

Your annual statement will notify you of the date when your coverage is expected to lapse under guaranteed assumptions. You can catch-up on premiums at any time to restore the guarantee period to its original length, so long as the CPG has not terminated due to a prior lapse in coverage.

The catch-up premium will be higher than what you would have paid had your original payment schedule been met, but your financial professional can work with you to determine the appropriate method (lump sum, annual premium increase, or short period increase) for you.

Can I make changes to my policy and still get my guarantee?

You can take loans, make withdrawals, increase or decrease your death benefit amount. But to keep your original guarantee period, you will most likely need to change your scheduled premium payments. Before you make any policy changes, make sure to contact your financial professional so you understand the financial impact.

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Important disclosures. Please read.

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Policies sold in New York are issued on policy form UL5070N by Lincoln Life & Annuity Company of New York, Syracuse, NY. **The contractual obligations are backed by the claims-paying ability of Lincoln Life & Annuity Company of New York.**

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