Lincoln Financial Group®
Lincoln Life

Benefits and Exclusions May Vary By State

The Lincoln National Life Insurance Company
Executive Office: 1300 South Clinton Street • Fort Wayne, Indiana 46801
Administrative Office: 10 North Martingale Road • Schaumburg, Illinois 60173-2268 • (847) 466-8100

**We will pay the Proceeds** of this policy to the Beneficiary upon receipt of due proof of the Insured's death while this policy is in force. Our payment will be subject to all of the provisions, terms and conditions of this policy.

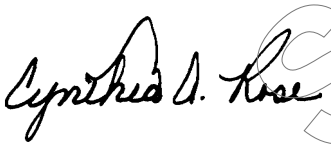
## Right to Examine Policy For 30 Days

It is important to us that you are satisfied with this policy and that it meets with your insurance needs. If for any reason you are not satisfied, you may return it to us within 30 days after its receipt. It may be returned to us at the address of our Administrative Office listed above, or to our agent through whom it was purchased. If returned, we will refund the premiums you have paid and this policy will be void from its Policy Date.

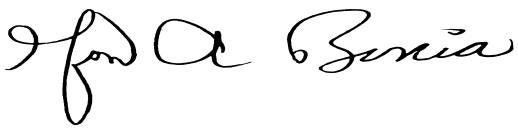
## Read This Policy Carefully

This policy is a legal contract between you and us. It is important that you read this policy carefully.
We issued this policy at 12:01 a.m. Standard Time on the Policy Date shown in the Schedule.

Signed for The Lincoln National Life Insurance Company at Schaumburg, Illinois.



Secretary



President



# FLEXIBLE PREMUM ADJUSTABLE LIFE INSURANCE POLICY

**Adjustable Death Benefit**

Death Benefit payable at the death of the Insured.
Flexible premiums payable during the Insured's lifetime.
Nonparticipating – No Dividends

## TABLE OF CONTENTS


Page

POLICY SCHEDULE ..... 3
PART 1. PREMIUMS, GRACE PERIOD AND REINSTATEMENT ..... 4
PART 2. OWNERSHIP, ASSIGNMENT AND BENEFICIARY ..... 4
PART 3. GENERAL PROVISIONS ..... 5
PART 4. INSURANCE COVERAGE PROVISIONS ..... 7
PART 5. NONFORFEITURE PROVISION ..... 8
PART 6. LOAN PROVISIONS ..... 10
PART 7. SETTLEMENT OPTIONS ..... 10


As used in this policy, the terms *"We", "our"* and *"us"*, or *"the Company"* means The Lincoln National Life Insurance Company.

*"Insured"* means the person so named on the Schedule page.

*"You"* and *"your"* refer to the Owner of this policy.

A copy of the application follows Page 13.

Lincoln Financial Group®
Lincoln Life

Benefits and Exclusions May Vary By State

The Lincoln National Life Insurance Company
Executive Office: 1300 South Clinton Street • Fort Wayne, Indiana 46801
Administrative Office: 10 North Martingale Road • Schaumburg, Illinois 60173-2268 • (847) 466-8100

# AMENDMENT

This Amendment is a part of the policy to which it is attached. It takes effect on the effective date of the policy. It only applies if the Convalescent Care Benefits Rider is attached to the policy.

The purpose of this Amendment is to ensure that benefit payments under the Convalescent Care Benefits Rider will not reduce the Death Benefit of the policy below a certain minimum amount which is referred to below as the Residual Death Benefit.

The following provision is hereby added to the policy:

**Residual Death Benefit**. Upon receipt of due proof of the Insured's death, we will pay the greater of:

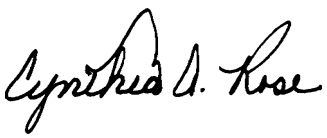
a. The Insured's Death Benefit as defined in the policy, less any debt; or
b. The Residual Death Benefit

On the Issue Date, the Residual Death Benefit equals 10% of the Initial Specified Amount shown on the Policy Schedule. Thereafter, the Residual Death Benefit may increase or decrease due to your exercising your rights under the policy. Policy loans (including unpaid loan interest), partial withdrawals and decreases in the Specified Amount will decrease the Residual Death Benefit. The decrease will equal 10% of the amount of the loan, withdrawal or decrease in Specified Amount. For example, if you obtain a policy loan of $500, then concurrently, the Residual Death Benefit will be reduced by $50 (10% of $500). Similarly, loan repayments and increases in the Specified Amount will increase the Residual Death Benefit by 10% of the amount of the repayment or increase in Specified Amount. Increases or decreases in the Specified Amount due to a change in the Death Benefit Option will not affect the Residual Death Benefit.

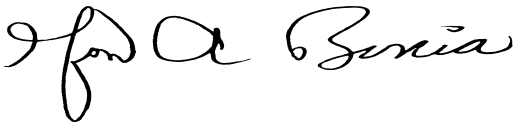
This Residual Death Benefit will terminate if the policy to which it is attached is terminated. The Residual Death Benefit will also terminate if the Convalescent Care Benefits Rider is terminated, unless termination of the Convalescent Care Benefits Rider is the result of reaching the Benefit Limit in that Rider. In the latter event, the Residual Death Benefit will remain in force for the lifetime of the Insured.

We will not charge a premium for this Amendment. We will not deduct a monthly Cost of Insurance charge for this Amendment from the policy Account Value.

Signed for The Lincoln National Life Insurance Company at Schaumburg, Illinois.



Secretary



President

## PART 1. PREMIUM, GRACE PERIOD AND REINSTATEMENT

**Payment of Premiums**. The Initial Premium is due on the Policy Date and is payable in advance. The amounts and frequency of Planned Period Premium payments are shown in the Policy Schedule. Policy anniversaries occur annually and are computed from the Policy Date.

The policy will not take effect until it has been delivered and the Initial Premium has been paid prior to death and prior to any change in health as shown in the application.

The Initial Premium is payable at the Administrative Office or to an authorized agent. All other premiums are payable in advance at our Administrative Office. Receipts will be furnished upon request.

You may change the frequency or increase or decrease the amounts of the Planned Periodic Premium payments. We reserve the right to limit the amount of any increase. We will send premium payment reminder notices to you on written request. The notices may be sent annually, semi-annually or quarterly. Planned Periodic Premium payments of $25.00 or more may be made on a monthly basis under our special payment facility.

Additional premium payments may be made at any time during the continuance of this policy. We reserve the right to limit the number and amount of additional premium payments.

We may limit the amount of premium paid so that this policy will continue to be qualified as a life insurance policy under any applicable law or regulation. To continue such qualification, we may refuse to accept any further premium payments or return any premium paid, including interest, which is in excess of such limit.

**Grace Period**. If on any Monthly Anniversary Day the Net Surrender Value will not cover the next monthly deduction, a grace period of 61 days will be allowed to pay a premium that will cover the monthly deduction described in the Nonforfeiture Provisions. Notice of such premium will be mailed to your last known address and to the last known address of any Assignee at least 30 days before the end of the grace period. If such premium is not paid within the grace period, all coverage under the policy will terminate without value at the end of the 61 day period. If a death occurs during the grace period, any overdue monthly deductions will be deducted from the proceeds.

The Basic Monthly Premium and the years applicable are shown on the Policy Schedule. During the number of years applicable, if there have been no policy changes, the policy will not lapse if the total paid premiums, less any partial withdrawals and debt, equal or exceed the sum of the Basic Monthly Premiums to date. Policy changes are defined as any one or more of the following items:

- a change from Option 1 to Option 2 of the Death Benefit provisions, as defined in the "Change in Types of Coverage" provision of the "Insurance Coverage Provisions"; or
- an increase in Specified Amount, as defined in point 2 of the "Changes in Insurance Coverage" provision of the "Insurance coverage Provisions"; or
- the addition of one or more riders to the policy.

**Reinstatement**. If this policy terminates, as provided in the Grace Period provision, it may be reinstated at any time within 5 years after the date of such termination. The reinstatement is subject to:

- receipt of evidence of insurability satisfactory to us; and
- payment of a minimum premium sufficient to keep the policy in force for 2 months.

The effective date of a reinstatement shall be the Monthly Anniversary Date that falls on or next follows the date the application for reinstatement is approved by us.

The Account Value on the date of reinstatement will be the amount provided by the premium paid at reinstatement.

## PART 2. OWNERSHIP, ASSIGNMENT AND BENEFICIARY

The Applicant for this policy is the Owner, unless:

- a different person is named as the Owner in the application for this policy; or

- the Owner is changed in accordance with the *Change of Owner* provision.

The Owner may be someone other than an Insured. The Owner has all rights and privileges stated in this policy. The rights of the Owner are subject to the rights of an irrevocable Beneficiary.

If the Owner dies, all rights in this policy shall belong to the Contingent Owner, if any, otherwise to the estate of the Owner. Unless changed in accordance to the *Change of Owner* provision, the Contingent Owner, if any, is named in the application for this policy.

**Change of Owner.** You may transfer all of your ownership rights and privileges in this policy to a new owner. You may also designate or change the Contingent Owner. The request for any such designation or change must be in writing in a form that meets our needs. The form must be signed by you and by any irrevocable Beneficiary. The transfer will take effect when recorded by us. Any payment or any action taken by us before the change in ownership is recorded will be without prejudice to us. Unless otherwise provided, a change in ownership will not affect the interest of the Beneficiary.

**Assignment.** We will not honor any assignment unless we receive it, or a copy of it, at our Administrative Office. We shall not assume the responsibility of determining that the assignment is valid or sufficient.

This policy may not be assigned to another insurance company or to any employee benefit plan without our consent. This policy may not be assigned if such assignment would violate any Federal, state or local law or regulation prohibiting sex distinct rates for insurance.

The interest of any Beneficiary will be subject to the rights of any Assignee on record.

**Beneficiary**. The Beneficiary on the Policy Date will be as designated in the application. Unless provided otherwise, the interest of any Beneficiary who dies before the Insured will vest in you, if living, otherwise to or your estate.

**Change of Beneficiary**. A new Beneficiary may be named from time to time. A request for change of Beneficiary must be in writing on a form satisfactory to us and filed with us. The request must be signed by you and by any irrevocable Beneficiary.

A change of Beneficiary will not take effect until recorded in writing by us. When a change of Beneficiary has been recorded, whether or not the Insured is then alive, it will take effect as of the date the request was signed. Any payment made or any action taken or allowed by us before the change of Beneficiary is recorded will be without prejudice to us.

## PART 3. GENERAL PROVISIONS

**The Policy**. We issued this policy in consideration of the application and payment of the Initial Premium in advance. The policy, including any attached riders, the application and any supplemental applications are the entire contract. All statements made in an application will, in the absence of fraud, be deemed representations and not warranties. No statement will be used to void this policy or in defense of a claim unless it is contained in the application, or a supplemental application, or application for reinstatement and a copy of such application is attached to the policy when issued or made a part of the policy when a change in insurance coverage or reinstatement became effective.

No modification of this policy shall be binding on us unless in writing and made by our President, Vice President, Secretary or Assistant Secretary.

Inquiries may be directed to our Administrative Office.

**Nonparticipating.** This policy does not share in any distribution of surplus. No dividends are payable.

**Proceeds**. Proceeds means the amount payable: (1) on the surrender of this policy; or (2) after the death of an insured person.

The Proceeds payable on the death of the Insured shall be the Insured's Death Benefit, less any debt. The Proceeds payable on the death of any person insured by rider shall be as provided in the rider.

If the policy is surrendered the Proceeds shall be the Net Surrender Value.

The Proceeds are subject to any adjustments provided in the Error in Age or Sex, Incontestability and Suicide provisions.

**Payment of Proceeds**. The Proceeds are subject first to any debt to us and then to the interest of any assignee of record. However, unless otherwise provided, the Death Benefit of any person insured by rider shall not be subject to any debt to us. Payments to satisfy any debt to us and any assignee shall each be paid in one sum. Unless a Settlement Option is elected, the balance of any Death Benefit shall be paid in one sum to the designated Beneficiary. If no Beneficiary survives, the Proceeds shall be paid in one sum to you, if living; otherwise to your estate. Unless a Settlement Option is elected upon surrender of this policy the Proceeds shall be paid in one sum.

**Age.** The Insured's issue age is shown on the Policy Schedule. Age means age last birthday.

**Error in Age or Sex.** If there is an error in the age or sex of the Insured or any person insured by rider, the Proceeds payable shall be the amount that would be purchased by the most recent monthly deduction at the true age and sex. The monthly deduction is described in the Nonforfeiture Provisions.

**Suicide**. If the Insured commits suicide, while sane or insane, within 2 years from the Policy Date , the total liability shall be the premiums paid prior to death, less any debt and any prior partial withdrawals and less the costs of any riders.

If the Insured commits suicide, while sane or insane, within 2 years from the effective date of any increase in insurance or any reinstatement, the total liability with respect to such increase or reinstatement shall be its cost.

**Incontestability**. This policy shall be incontestable after it has been in force for 2 years during the lifetime of the Insured.

Any increase in coverage effective after the Policy Date or any reinstatement shall be incontestable only after such increase or reinstatement has been in force during the lifetime of the Insured for 2 years from its effective date.

A contest of an increase in Specified Amount or a reinstatement will be based on misrepresentations in the application for such increase or reinstatement.

**Annual Report.** We will send you a report at least once a year. It will show:

- the current Death Benefit;
- the current Account Value;
- the current Net Surrender Value;
- the kind and amounts of the credits to, and the deductions from, the Account Value since the last report; and
- the current Policy Loan Balance, if any.

The report will also include any other data that may be currently required by the state where this policy was delivered.

**Projection of Benefits**. Upon your written request we will furnish a report which shows future benefits and values. The report will be based on assumptions as to Specified Amount, type of Death Benefit option, interest rate and future premium payments as may be specified by you and such other assumptions as are necessary and specified by us. A reasonable fee may be charged.

**Effective Date of Coverage**. The effective date of coverage under this policy shall be as follows:

- The Policy Date shall be the effective date for all coverage provided in the original application.
- For any increase or addition to coverage, the effective date shall be the Monthly Anniversary Day that falls on or next follows the date we approve the supplemental application. The effective date will be shown on the supplemental policy schedule.
- For any insurance that has been reinstated, the effective date shall be the Monthly Anniversary Day that falls on or next follows the date we approve the application for reinstatement.

**Monthly Anniversary Day**. The Monthly Anniversary Day is the same day each month as the Policy Date.

**Interest Before Settlement**. If the Proceeds are not paid in one sum or under a Settlement Option within 30 days after the receipt of the due proof of death, we will pay interest on the Proceeds at the legal rate of interest. Such interest shall be paid from the date of death until the date we pay the Proceeds.

**Elections, Designations, Changes and Requests**. All elections, designations, changes and requests must be in a written form satisfactory to us and will become effective only after they have been approved by us. We reserve the right to require the policy to be returned to our Administrative Office for endorsement of any change.

**Termination**. All coverage under this policy will terminate at the earliest of the following dates or events:

- You request that the coverage terminate;
- The Insured dies;
- The grace period ends; or
- The policy is surrendered.

## PART 4. INSURANCE COVERAGE PROVISIONS

**Death Benefit**. The Death Benefit depends on the Death Benefit option in effect on the date of the Insured's death. Under Option 1, the Specified Amount includes the Account Value. Under Option 2, the Specified Amount does not include the Account Value. The Death Benefit Option in effect is shown on the Policy Schedule.

**Option 1.** The Death Benefit will be the greater of:

- the Specified Amount on the date of death; or
- the Minimum Death Benefit.

**Option 2.** The Death Benefit will be the greater of:

- the Account Value on the date of death, plus the Specified Amount on the date of death; or
- the Minimum Death Benefit.

**Minimum Death Benefit**. The Minimum Death Benefit is equal to a percentage of the Account Value. The applicable percentage depends on the attained age of the Insured and is shown in the Percentage of Account Value Table shown on the Policy Schedule.

**Minimum Specified Amount**. The Minimum Specified Amount permitted under this policy is shown on the Policy Schedule.

**Change in Types of Coverage**. You may, by written request, change between Options 1 and 2 of the Death Benefit provision, effective on the Monthly Anniversary Day that falls on or next follows receipt of such request, subject to the following:

- If the change is from Option 1 to Option 2, the Insured's Specified Amount after such change shall be equal to the Insured's Specified Amount prior to such change, less the Account Value on the date of change.
- If the change is from Option 2 to Option 1, the Insured's Specified Amount after such change shall be equal to the Insured's Specified Amount prior to such change plus the Account Value on the date of change.

A change in type of coverage may result in a Specified Amount less than the Minimum Specified Amount shown on the Policy Schedule.

**Changes in Insurance Coverage**. At any time after the first policy anniversary, you may request an increase or decrease of the Specified Amount of this policy. Such increase or decrease shall be subject to the following conditions:

- Specified Amount Decreases.

  Any decrease will become effective on the Monthly Anniversary Day that falls on or next follows receipt of request. Any such decrease shall reduce insurance in the following order:

  (a) against insurance provided by the most recent increase;

  (b) against the next most recent increases successively; and

  (c) against insurance provided under the original application.

A requested decrease in the Insured's Specified Amount may not be made if such decrease would result in the Insured's Specified Amount being less than the Minimum Specified Amount shown on the Policy Schedule.

- Specified Amount Increases.

  Any request for an increase must be applied for on a supplemental application. Such increase shall be subject to evidence of insurability satisfactory to us. An increase shall also be subject to the sufficiency of the Net Surrender Value to cover the next monthly deduction.

## PART 5. NONFORFEITURE PROVISIONS

**Net Premium**. A net premium is the premium paid, less the Percentage of Premium Expense Charge shown on the Policy Schedule.

**Account Value**. The Account Value on the Policy Date shall be the Initial Net Premium, less the Monthly Deduction for the first month of the Policy. On each Monthly Anniversary Day after the Policy Date the Account Value shall be calculated as (a), plus (b), minus (c), plus (d), where:

(a) is the Account Value on the preceding Monthly Anniversary Day;

(b) is all net premiums received since the preceding Monthly Anniversary Day;

(c) is the monthly deduction for the month following the Monthly Anniversary Day;

(d) is one month's interest on item (a).

On any day other than a Monthly Anniversary Day, the Account Value shall be calculated as (e), plus (f), where:

(e) is the Account Value as of the preceding Monthly Anniversary Day.

(f) is all net premiums received since the preceding Monthly Anniversary Day.

**Monthly Deduction**. The monthly deduction shall be calculated as (a), plus (b), where:

(a) is the cost of insurance (as described below) plus the cost of additional benefits provided by rider.

(b) is the monthly expense charge shown on the Policy Schedule.

**Interest Rates.** The guaranteed interest rate applied in the calculation of the Account Value is shown on the Policy Schedule.

Interest in excess of the guaranteed rate may be applied in the calculation of Account Value at such increased rates and in such manner as determined by us. Such rate will be based on our future expectations as to interest earnings.

A lower rate of interest will be applied to the portion of the Account Value which equals the amount of any debt, but such rate will not be less than the guaranteed rate.

**Cost of Insurance**. The cost of insurance is determined on a monthly basis. The cost of insurance is determined separately for each Specified Amount.

The cost of insurance for the Insured is calculated as (a), multiplied by the result of (b) minus (c), where:

(a) is the cost of insurance rate as described in the Cost of Insurance Rate provision;

(b) is the Insured's Death Benefit at the beginning of the policy month divided by one plus the guaranteed monthly interest rate;

(c) is the Account Value at the beginning of the policy month before deducting the monthly deduction for the month.

If Option 1 is in effect and there have been increases in the Specified Amount, the Account Value will be first considered a part of the Initial Specified Amount. If the Account Value exceeds the Initial Specified Amount, it will be considered a part of additional Specified Amounts resulting from increases in the order of the increases.

**Cost of Insurance Rate.** The monthly cost of insurance rate is based on the sex, attained age, and premium rate class. For the Specified Amount at issue, the premium rate class on the policy will

apply. For each increase in the Specified Amount, the premium rate class applicable to the increase will apply. The premium rate class applicable to the most recent increase will apply to any increase in Death Benefit which is a result of the application of the Minimum Death Benefit provision.

Attained age means age last birthday on the prior policy anniversary.

The guaranteed monthly cost of insurance rate is shown in the Table of Guaranteed Maximum Cost of Insurance Rates.

Monthly cost of insurance rates will be determined by us. We can change the rates from time to time but they will never be more than those rates shown in the Table of Guaranteed Maximum Cost of Insurance Rates. Any change will be made on a uniform basis for Insureds of the same sex, insuring age and premium rate class.

The guaranteed cost of insurance rates are based either on the 1980 Commissioners Standard Ordinary Male Smokers and Nonsmokers Mortality Table (Age Last Birthday) or on the 1980 Commissioners Standard Ordinary Female Smokers and Nonsmokers Mortality Table (Age Last Birthday), as appropriate.

**Basis of Computation**. Minimum values are based on the 1980 Commissioners Standard Ordinary Male Smokers and Nonsmokers Mortality Table (Age Last Birthday) or on the 1980 Commissioners Standard Ordinary Female Smokers and Nonsmokers Mortality Table (Age Last Birthday).

The nonforfeiture values for this policy are never less than the minimum required on the Policy Date by the state in which the policy is delivered. Where required a detailed statement of the method of computing values has been filed with the insurance supervisory official of the state in which this policy is delivered.

**Continuation of Insurance**. In the event Planned Periodic Premium payments are not continued and if no unscheduled premium payments are made, insurance coverage under this policy and any benefits provided by rider will be continued in force. Such coverage shall be continued until the Monthly Anniversary Day on which the Net Surrender Value is insufficient to cover the monthly deduction for the following month.

If the Net Surrender Value is not sufficient to cover the monthly deduction for the following month, the Grace Period provision will apply.

This provision will not continue any rider beyond the date for its termination, as provided in the rider. This policy may be surrendered at any time for its Net Surrender Value while this provision is in effect.

**Surrender and Net Surrender Value**. You may surrender this policy, any time during the lifetime of the Insured, by making a written request to us. The amount payable on surrender shall be the Account Value less any debt and less any surrender charge on the date of surrender. This amount is called the Net Surrender Value. The Net Surrender Value will be paid in cash or under an elected Settlement Option.

If surrender is requested under this provision within 30 days of a policy anniversary, the Net Surrender Value shall not be less than the Net Surrender Value on that anniversary, less any cash loans or partial withdrawals made on or after such anniversary.

If this policy is surrendered, coverage shall terminate as of the next Monthly Anniversary Day.

We will mail you a check for the amount of the withdrawal after we receive your request at our Administrative Office. State law, however, does allow us to defer payment of the withdrawal for up to 6 months.

**Surrender Charge.** The Surrender Charge is shown on the Policy Schedule.

**Partial Withdrawal**. You may withdraw part of the Account Value of this policy, at any time during the lifetime of the Insured, by making a written request to us. The amount withdrawn from the Account Value may be any amount not to exceed the current Net Surrender Value.

A partial withdrawal of Account Value will reduce the Death Benefit. The Account Value will be reduced by the amount withdrawn. If Option 1 is in

effect, the Specified Amount will also be reduced by the amount of the partial withdrawal. A Partial Withdrawal Charge will be deducted from each partial withdrawal. The Partial Withdrawal Charge is shown on the Policy Schedule.

The Partial Withdrawal charge will never be greater than the Surrender Charge then in effect for the applicable policy year.

When a Partial Withdrawal Charge is deducted, the schedule of Surrender Charges then in effect shall be reduced by a proportion equal to (a) divided by (b), where:

(a) is the Partial Withdrawal Charge levied; and

(b) is the Surrender Charge then in effect for the applicable policy year.

We reserve the right to defer payment of a partial withdrawal for the period permitted by law, but not for more than 6 months except to pay premiums to us.

## PART 6. LOAN PROVISIONS

**Cash Loans**. During the continuance of this policy, we will grant a loan against the policy provided:

- a written loan agreement is executed; and
- a satisfactory assignment of the policy to us is made.

The policy will be the sole security for the loan. The amount of the loan with interest may not exceed the Net Surrender Value as of the date of the policy loan. We reserve the right to defer a loan for the period permitted by law, but not for more than 6 months except to pay premiums to us.

**Loan Interest**. Interest on any loan will be at the Policy Loan Rate shown in the Policy Schedule, payable annually in advance, except for any period for which we may charge interest at a lower Policy Loan Rate. We will give you and any assignee of record at least 30 days written notice of any change in the Policy Loan Rate.

Interest not paid when due will then be added to the loan and bear interest at the same rate.

**Repayment**. Any debt may be repaid in whole or in part at any time while this policy is in force.

If at any time the total debt against the policy, including interest, equals or exceeds the then Account Value less any surrender charge, the policy will become void, but not until 61 days after we have mailed a written notice to you and any Assignee at the last known addresses shown in our records.

## PART 7. SETTLEMENT OPTIONS

**Payee Defined.** In this part, the word *"Payee"* means a person who has a right to receive the Proceeds of this policy. Such a person may be an Insured, the Owner or a Beneficiary.

**Choosing an Option.** A Payee may choose an option for any of the Proceeds that becomes payable to him or her in one sum.

In some cases, a Payee will need our consent to choose an option. We describe these cases under the Conditions provision.

**Options Described.** Here are the options we offer. We may also consent to other arrangements.

**Option A - Payments for a Fixed Number of Years.** We will pay the Proceeds in equal monthly payments for the number of months chosen. The amount of the monthly payments will be determined from the Option A Table.

The Option A Table is based on a guaranteed interest rate of 4% per year compounded yearly.

**Option B - Life Income with a Guaranteed Minimum Payment Period.** We will pay the Proceeds in equal monthly payments for as long as the Payee lives. If the Payee dies before we pay the Guaranteed Minimum Payment, we will continue to pay the monthly payment until the Guaranteed Minimum Payment has been paid. The Guaranteed Minimum Payment and the amount of each payment will be determined from the Option B Table and shall be based on the Payee's age and sex.

The age shown in the Option B Table will be the Payee's age, last birthday, on the date of the first payment. The Option B Table is based on a guaranteed interest rate of 4% per year compounded yearly.

**Option C - Proceeds Left on Deposit.** We will retain the Proceeds on deposit while the Payee is alive. We will pay interest on this deposit at a rate of not less than 4% per year compounded yearly.

**Option D - Payments of Fixed Amount until Proceeds are Exhausted.** We will pay the Proceeds in equal payments until the Proceeds and interest are exhausted. The payment amounts must be at least $ 120 per year per $ 1,000 of Proceeds retained. Interest will be payable at a rate of not less than 4% per year compounded yearly.

**Additional Options.** The Proceeds may be applied under any other Settlement Option which may be agreed upon between the Payee and us.

**First Payment Due Date.** Unless a different date is stated when the option is chosen:

- the first interest payment for Option C will be due at the end of the chosen payment interval; and
- the first payment for any of the other options will be due on the date the option takes effect.

**Excess Interest.** We may, from time to time, pay or credit interest, in excess to the interest guaranteed under the Settlement Options. The amount of the excess interest, if any, will be determined by us.

**Proof Payee is Alive.** We shall have the right to require satisfactory proof that the Payee is alive prior to making any payment. In this case, the payment will not be due until we receive the required proof.

**Proof of Age.** We shall have the right to require satisfactory proof of the Payee's age prior to making any payment which is based upon the Payee's age.

**Death of Payee.** Unless otherwise provided in the election of the Settlement Option or by subsequent change, upon receipt of proof of the Payee's death, we shall pay to the Payee's estate, in one sum:

- the commuted value of any remaining unpaid payments under Options A or B. (The commuted value shall be based upon early interest of 4% compounded yearly); or
- any unpaid balance left with us under Options C or D, plus any unpaid interest.

**Conditions.** Under any of these conditions, our consent is needed for the Payee to choose or change an option:

- The Payee is not a natural person who will be paid in his or her own right;
- The Payee is an Assignee;
- The amount to be held for the Payee under Option C is less than $ 2,500; or
- Each payment to the Payee under the option would be less than $50.

## SETTLEMENT OPTIONS *(Continued)*
## FOR MALES
### Amount of Payment for Each $1,000 of Proceeds Applied

| Option A Table | | Option B Table | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Amount of Monthly Payments Payable for Lifetime with Guaranteed Minimum Payment | | | | | | | |
| Number of Years Payable | Amount of Monthly Payment | Payee's Age | 120 Months | 180 Months | 240 Months | Payee's Age | 120 Months | 180 Months | 240 Months |
| 1 | $84.84 | 10* | $3.58 | $3.58 | $3.58 | 50 | $5.05 | $4.94 | $4.81 |
| 2 | 43.25 | 11 | 3.60 | 3.59 | 3.59 | 51 | 5.12 | 5.01 | 4.86 |
| 3 | 29.40 | 12 | 3.61 | 3.61 | 3.60 | 52 | 5.21 | 5.08 | 4.92 |
| 4 | 22.47 | 13 | 3.62 | 3.62 | 3.62 | 53 | 5.29 | 5.16 | 4.98 |
| 5 | 18.32 | 14 | 3.64 | 3.64 | 3.63 | 54 | 5.38 | 5.23 | 5.03 |
| 6 | 15.56 | 15 | 3.65 | 3.65 | 3.65 | 55 | 5.48 | 5.31 | 5.09 |
| 7 | 13.59 | 16 | 3.67 | 3.67 | 3.66 | 56 | 5.58 | 5.39 | 5.15 |
| 8 | 12.12 | 17 | 3.69 | 3.68 | 3.68 | 57 | 5.68 | 5.47 | 5.21 |
| 9 | 10.97 | 18 | 3.71 | 3.70 | 3.70 | 58 | 5.79 | 5.56 | 5.27 |
| 10 | 10.06 | 19 | 3.72 | 3.72 | 3.71 | 59 | 5.90 | 5.64 | 5.33 |
| 11 | 9.31 | 20 | 3.74 | 3.74 | 3.73 | 60 | 6.02 | 5.73 | 5.39 |
| 12 | 8.69 | 21 | 3.76 | 3.76 | 3.75 | 61 | 6.14 | 5.83 | 5.45 |
| 13 | 8.17 | 22 | 3.78 | 3.78 | 3.77 | 62 | 6.27 | 5.92 | 5.50 |
| 14 | 7.72 | 23 | 3.81 | 3.80 | 3.79 | 63 | 6.41 | 6.01 | 5.56 |
| 15 | 7.34 | 24 | 3.83 | 3.82 | 3.82 | 64 | 6.55 | 6.11 | 5.61 |
| 16 | 7.00 | 25 | 3.85 | 3.85 | 3.84 | 65 | 6.70 | 6.21 | 5.66 |
| 17 | 6.71 | 26 | 3.88 | 3.87 | 3.86 | 66 | 6.85 | 6.30 | 5.71 |
| 18 | 6.44 | 27 | 3.91 | 3.90 | 3.89 | 67 | 7.01 | 6.40 | 5.75 |
| 19 | 6.21 | 28 | 3.93 | 3.93 | 3.91 | 68 | 7.17 | 6.49 | 5.79 |
| 20 | 6.00 | 29 | 3.96 | 3.96 | 3.94 | 69 | 7.34 | 6.58 | 5.83 |
| 21 | 5.81 | 30 | 3.99 | 3.99 | 3.97 | 70 | 7.51 | 6.67 | 5.87 |
| 22 | 5.64 | 31 | 4.03 | 4.02 | 4.00 | 71 | 7.69 | 6.76 | 5.89 |
| 23 | 5.49 | 32 | 4.06 | 4.05 | 4.03 | 72 | 7.87 | 6.84 | 5.92 |
| 24 | 5.35 | 33 | 4.10 | 4.08 | 4.06 | 73 | 8.05 | 6.91 | 5.94 |
| 25 | 5.22 | 34 | 4.13 | 4.12 | 4.10 | 74 | 8.23 | 6.98 | 5.96 |
| | | 35 | 4.17 | 4.16 | 4.13 | 75 | 8.41 | 7.05 | 5.97 |
| | | 36 | 4.22 | 4.20 | 4.17 | 76 | 8.58 | 7.11 | 5.98 |
| | | 37 | 4.26 | 4.24 | 4.20 | 77 | 8.76 | 7.16 | 5.99 |
| | | 38 | 4.31 | 4.28 | 4.24 | 78 | 8.92 | 7.20 | 5.99 |
| | | 39 | 4.35 | 4.33 | 4.28 | 79 | 9.08 | 7.23 | 6.00 |
| | | 40 | 4.40 | 4.37 | 4.32 | 80 | 9.23 | 7.26 | 6.00 |
| | | 41 | 4.46 | 4.42 | 4.37 | 81 | 9.37 | 7.28 | 6.00 |
| | | 42 | 4.51 | 4.47 | 4.41 | 82 | 9.50 | 7.30 | 6.00 |
| | | 43 | 4.57 | 4.52 | 4.46 | 83 | 9.62 | 7.31 | 6.00 |
| | | 44 | 4.63 | 4.58 | 4.50 | 84# | 9.72 | 7.32 | 6.00 |
| | | 45 | 4.69 | 4.63 | 4.55 | | | | |
| | | 46 | 4.76 | 4.69 | 4.60 | | | | |
| | | 47 | 4.83 | 4.75 | 4.65 | | | | |
| | | 48 | 4.90 | 4.81 | 4.70 | | | | |
| | | 49 | 4.97 | 4.88 | 4.75 | | | | |

* Ages 10 and Under

\# Ages 84 and over.

## SETTLEMENT OPTIONS *(Continued)*
### FOR FEMALES
### Amount of Payment for Each $1,000 of Proceeds Applied

| Option A Table | | Option B Table | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Amount of Monthly Payments Payable for Lifetime with Guaranteed Minimum Payment | | | | | | | |
| Number of Years Payable | Amount of Monthly Payment | Payee's Age | 120 Months | 180 Months | 240 Months | Payee's Age | 120 Months | 180 Months | 240 Months |
| 1 | $84.84 | 10* | $3.51 | $3.51 | $3.51 | 50 | $4.65 | $4.61 | $4.55 |
| 2 | 43.25 | 11 | 3.52 | 3.52 | 3.52 | 51 | 4.72 | 4.67 | 4.60 |
| 3 | 29.40 | 12 | 3.53 | 3.53 | 3.53 | 52 | 4.79 | 4.74 | 4.66 |
| 4 | 22.47 | 13 | 3.54 | 3.54 | 3.54 | 53 | 4.87 | 4.80 | 4.72 |
| 5 | 18.32 | 14 | 3.55 | 3.55 | 3.55 | 54 | 4.94 | 4.87 | 4.78 |
| 6 | 15.56 | 15 | 3.57 | 3.57 | 3.56 | 55 | 5.03 | 4.95 | 4.84 |
| 7 | 13.59 | 16 | 3.58 | 3.58 | 3.58 | 56 | 5.11 | 5.02 | 4.90 |
| 8 | 12.12 | 17 | 3.59 | 3.59 | 3.59 | 57 | 5.20 | 5.10 | 4.97 |
| 9 | 10.97 | 18 | 3.61 | 3.60 | 3.60 | 58 | 5.30 | 5.19 | 5.03 |
| 10 | 10.06 | 19 | 3.62 | 3.62 | 3.62 | 59 | 5.40 | 5.28 | 5.10 |
| 11 | 9.31 | 20 | 3.64 | 3.63 | 3.63 | 60 | 5.51 | 5.37 | 5.17 |
| 12 | 8.69 | 21 | 3.65 | 3.65 | 3.65 | 61 | 5.62 | 5.46 | 5.24 |
| 13 | 8.17 | 22 | 3.67 | 3.67 | 3.66 | 62 | 5.74 | 5.56 | 5.31 |
| 14 | 7.72 | 23 | 3.68 | 3.68 | 3.68 | 63 | 5.86 | 5.66 | 5.38 |
| 15 | 7.34 | 24 | 3.70 | 3.70 | 3.70 | 64 | 6.00 | 5.77 | 5.44 |
| 16 | 7.00 | 25 | 3.72 | 3.72 | 3.71 | 65 | 6.14 | 5.87 | 5.51 |
| 17 | 6.71 | 26 | 3.74 | 3.74 | 3.73 | 66 | 6.29 | 5.98 | 5.57 |
| 18 | 6.44 | 27 | 3.76 | 3.76 | 3.75 | 67 | 6.45 | 6.10 | 5.63 |
| 19 | 6.21 | 28 | 3.78 | 3.78 | 3.77 | 68 | 6.62 | 6.21 | 5.69 |
| 20 | 6.00 | 29 | 3.81 | 3.80 | 3.79 | 69 | 6.80 | 6.32 | 5.74 |
| 21 | 5.81 | 30 | 3.83 | 3.82 | 3.82 | 70 | 6.98 | 6.43 | 5.78 |
| 22 | 5.64 | 31 | 3.85 | 3.85 | 3.84 | 71 | 7.18 | 6.54 | 5.82 |
| 23 | 5.49 | 32 | 3.88 | 3.87 | 3.87 | 72 | 7.37 | 6.64 | 5.86 |
| 24 | 5.35 | 33 | 3.91 | 3.90 | 3.89 | 73 | 7.58 | 6.74 | 5.89 |
| 25 | 5.22 | 34 | 3.94 | 3.93 | 3.92 | 74 | 7.78 | 6.83 | 5.91 |
| | | 35 | 3.97 | 3.96 | 3.95 | 75 | 7.99 | 6.91 | 5.93 |
| | | 36 | 4.00 | 3.99 | 3.98 | 76 | 8.20 | 6.98 | 5.95 |
| | | 37 | 4.03 | 4.02 | 4.01 | 77 | 8.40 | 7.05 | 5.96 |
| | | 38 | 4.07 | 4.06 | 4.04 | 78 | 8.59 | 7.10 | 5.97 |
| | | 39 | 4.10 | 4.09 | 4.07 | 79 | 8.78 | 7.15 | 5.98 |
| | | 40 | 4.14 | 4.13 | 4.11 | 80 | 8.96 | 7.19 | 5.99 |
| | | 41 | 4.18 | 4.17 | 4.14 | 81 | 9.12 | 7.22 | 5.99 |
| | | 42 | 4.22 | 4.21 | 4.18 | 82 | 9.26 | 7.25 | 5.99 |
| | | 43 | 4.27 | 4.25 | 4.22 | 83 | 9.39 | 7.27 | 6.00 |
| | | 44 | 4.32 | 4.29 | 4.26 | 84# | 9.50 | 7.28 | 6.00 |
| | | 45 | 4.36 | 4.34 | 4.31 | | | | |
| | | 46 | 4.42 | 4.39 | 4.35 | | | | |
| | | 47 | 4.47 | 4.44 | 4.40 | | | | |
| | | 48 | 4.53 | 4.50 | 4.44 | | | | |
| | | 49 | 4.59 | 4.55 | 4.49 | | | | |

* Ages 10 and Under

# Ages 84 and over.

Lincoln Financial Group®
Lincoln Life

Benefits and Exclusions May Vary By State

The Lincoln National Life Insurance Company
Executive Office: 1300 South Clinton Street • Fort Wayne, Indiana 46801
Administrative Office: 10 North Martingale Road • Schaumburg, Illinois 60173-2268 • (847) 466-8100

# GUARANTEE ENHANCEMENT RIDER

*This rider guarantees that upon surrender of the policy, we will refund your entire Initial Premium or the Net Surrender Value, whichever is greater. This rider also adds a Guaranteed Minimum Benefit to the policy. These guarantees are subject all of the conditions stated in this rider.*

**Guarantee Enhancement Benefit.** We guarantee that the Specified Amount and the Convalescent Care Benefit Limit, if applicable, will never be less than the Guaranteed Minimum Benefit shown in the Policy Schedule. If, however, we pay any benefits under a Convalescent Care Benefits Rider, we will reduce the Guaranteed Minimum Benefit on a dollar-for-dollar basis. In making this reduction, we will not include that part of any Convalescent Care Benefit Rider payment that was the result of the optional inflation protection coverage.

We also guarantee that upon surrender of the policy, we will pay you an amount equal your entire Initial Premium, less any benefit amount previously paid, or if greater, the Net Surrender Value of the policy.

The above guarantees are subject to the conditions set forth below.

**Conditions for Receiving the Rider Benefit.** To qualify for the above described benefits, the following conditions must be met:

a. You must not have made any Policy Loans or Partial Withdrawals;

b. You must not have changed or added benefits, or changed the Death Benefit Option from Option 1 to Option 2, unless such change is made upon our written recommendation; and

c. You must have followed our written recommendations, if any, to reduce the total Convalescent Care Benefit Limit and Specified Amount. We will not make any recommendation to reduce your benefits below the Guaranteed Minimum Benefit.

**Consideration.** We issued this rider in consideration of the statements made in the application and the payment of the Initial Premium shown in the Policy Schedule. We will not charge a premium for this rider.

**Termination.** This rider terminates:

a. When any condition for receiving benefits under this rider is not met;

b. Upon termination of the policy; or

c. Upon your written request to terminate this rider.

**General Provisions.** This rider is a part of the policy to which it is attached. It takes effect on the effective date of the policy.

This rider is subject to all the terms and conditions of the policy which are not inconsistent herewith.



Signed for The Lincoln National Life Insurance Company at Schaumburg, Illinois.

Secretary

President

Lincoln Financial Group®
Lincoln Life

Benefits and Exclusions May Vary By State

The Lincoln National Life Insurance Company
Executive Office: 1300 South Clinton Street • Fort Wayne, Indiana 46801
Administrative Office: 10 North Martingale Road • Schaumburg, Illinois 60173-2268 • (847) 466-8100

# CONVALESCENT CARE BENEFITS RIDER

*This rider prepays the Death Benefit provided by the policy to cover Adult Day Care, Assisted Living Facility Care, Alternative Care, Bed Reservation, Caregiver Training, Home Health Care, Homemaker Services, Hospice Services, Nursing Home Care, Personal Care and Respite Care expenses. This prepayment will be made at your option and will be subject to all of the conditions stated in this rider.*

**TAXATION: This rider is intended to be a Qualified Long-Term Care Insurance contract under Section 7702B(b) of the Internal Revenue Code.**

**CAUTION: We issued this rider based on your and the Insured's answers to the questions on your application. A copy of your application is enclosed. If your answers or the Insured's answers are incorrect or untrue, we may deny benefits or rescind this rider. The best time to clear up any question is now, before a claim arises! If, for any reason, any of your answers or the Insured's answers are incorrect, contact us at the address shown above.**

**NOTICE TO OWNER: This rider may not cover all of the long-term care expense incurred by the Insured during the period of coverage. You are advised to carefully review all policy and rider limitations.**

**Right To Examine Rider For 30 Days.** If for any reason you are not satisfied, you may return it to us within 30 days after its receipt. It may be returned to us at the address of our Administrative Office listed above, or to our agent through whom it was purchased. If returned, we will refund the premiums you have paid and this rider will be void from its Issue Date.

If this rider was applied for after the effective date of the policy and if you return it to us within 30 days after its receipt, we will credit to the policy Account Value any premium which may have been deducted for this rider and this rider will be void from its Issue Date.

**WE PROMISE TO PAY** the benefits provided by this rider for *Qualified Long-Term Care Services* if the Insured becomes *Chronically Ill* while this rider is in force. Our payment will be subject to all of the terms and conditions of this rider.

**Who is Covered.** This rider covers the primary Insured under the policy. It does not cover any other person.

**Renewability.** This rider is guaranteed renewable. We may not cancel or reduce coverage provided by this rider. Unless you request termination of this rider, this rider will remain in force for as long as the policy remains in force.

**Consideration.** We have issued this rider in consideration of the payment of the first premium and the statements made in the application.

**Cost of Insurance.** The monthly Cost of Insurance for this rider is a specified percent of the monthly charge for the *"Basic Life Insurance"* and, if the Optional Inflation Protection coverage was not rejected, an additional flat dollar amount. The *Basic Life Insurance* is the amount of life insurance provided by the policy. The method of computing the monthly charge for the *Basic Life Insurance* is explained in the policy provision entitled "Cost of Insurance." The specified percent and the flat dollar amount, if any, are guaranteed not to increase

and are shown in the Policy Schedule. The first monthly Cost of Insurance deduction is also shown in the Policy Schedule.

On each Monthly Anniversary Day, we will deduct the Cost of Insurance for this rider from the policy Account Value. This will be done at the same time that we deduct the monthly charge for life insurance and other monthly charges under the policy.

**Effective Date.** If this rider is applied for in the application for the policy, the effective date of this rider will be the Issue Date of the policy. If it is added to the policy after the Issue Date, the effective date of this rider will be the date we approve the supplemental application.

## PART 1: DEFINITIONS

***This part explains the meaning of special words and phrases that are used in this rider. In addition, special words and phrases that are used only in specific parts of this rider are defined in those parts.***

**Account Value** refers to the Account Value of the policy to which this rider is attached. This term is defined in the policy. In some contracts, this term is referred to as the Policy Account Value.

**Benefit Period** means a period which begins with the first day that the Benefit Conditions are met. (The Benefit Conditions are explained in Part 2 of this rider.) A Benefit Period ends when a period of 180 consecutive days elapses during which no benefits are payable. We will not count, as part of that 180 days, any days the Insured is confined in a legally operated hospital.

**Chronically Ill or Chronic Illness** means that the Insured has been certified, within the preceding 12 months, by a *Physician* as:

a. Being unable to perform (without *Substantial Assistance* from another individual) at least 2 "*Activities of Daily Living"*, as defined below, for a period of at least 90 days due to loss of functional capacity; or

b. Requiring "*Substantial Supervision"* to protect the Insured from threats to health and safety due to "*Severe Cognitive Impairment"* as defined below.

In this definition:

"*Activities of Daily Living"* mean 6 basic functional abilities which relate to the Insured's ability to live independently. They are:

a. *Bathing:* The Insured's ability to wash himself or herself in the tub or shower, or by sponge bath from a basin, with or without the aid of equipment.

b. *Continence:* The Insured's ability to maintain a reasonable level of personal hygiene in the control of bowel and bladder functions, either voluntarily or by effective use of special appliances or protective undergarments designed to collect body waste.

c. *Dressing:* The Insured's ability to put on or take off the garments he or she usually wears, as well as any medically necessary braces or artificial limbs, and to fasten and unfasten them.

d. *Eating:* The Insured's ability to get nourishment into his or her body by any means once it has been prepared and made available.

e. *Toileting:* The Insured's ability to maintain a reasonable level of personal hygiene by using a toilet, getting to and from the toilet, and getting on and off the toilet, with or without the aid of equipment.

f. *Transferring*: The Insured's ability to move in and out of a chair or bed with or without the aid of equipment (including support and other mechanical devices).

*"Severe Cognitive Impairment"* means deterioration or loss in the Insured's intellectual capacity as measured and confirmed by clinical evidence and standardized tests which reliably measure impairment in the following areas:

a. The Insured's short or long term memory;

b. The Insured's orientation as to person (such as who they are), place (such as their location), and time (such as day, date and year); and

c. The Insured's deductive or abstract reasoning.

Such loss in intellectual capacity can result from Alzheimer's disease or similar forms of irreversible loss of mental capacity.

*"Substantial Assistance"* means hands-on assistance or the presence of another person within arm's reach that is necessary to prevent, by

physical intervention, injury to the individual while the individual is performing the "*Activities of Daily Living".*

*"Substantial Supervision"* means continual supervision (which may include verbal cueing, prompting, gestures, or other demonstrations) by another person that is necessary to protect the severely cognitively impaired individual from threats to his or her health or safety (such as may result from wandering).

**Death Benefit** means the Death Benefit of the policy. The Death Benefit is described in the policy.

**Immediate Family** means the Insured's spouse and the children, brothers, sisters and parents of either the Insured or the Insured's spouse.

**Insured** means the person who is the primary Insured under the policy. It does not include other persons covered by rider.

**Medicare** means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended.

**Net Account Value** refers to the policy Account Value less any indebtedness on the policy. In some contracts, this term is sometimes referred to as the Net Policy Account Value.

**Net Death Benefit** means the policy Death Benefit, less any indebtedness. In some contracts, indebtedness is referred to as the Loan Account value.

**Physician** means any physician as defined in Section 1861(r)(1) of the Social Security Act, as then constituted or later amended.

**Plan of Care** is a written document which was prepared and signed by the attending *Physician* which outlines the individualized medical treatment (including medication and therapy) and non-medical assistance and services, which are prescribed because the Insured suffers from loss of functional capacity or from a *"Severe Cognitive Impairment"*. The plan must specify the agency or facility where the care is to be provided, the type, frequency and duration of all medication, therapy and services required, and the title of the provider who is to perform each service. It must also describe the likelihood of improvement or deterioration of the Insured's condition within the next 12 months from the date the *Plan of Care* was prepared and must also describe the supporting evidence upon which the *Physician* has based his/her conclusions and prognosis. Such supporting evidence may include an assessment of loss of functional capacity and/or *"Severe Cognitive Impairment"* which was prepared by a *Physician*, nurse, social worker or any other licensed or certified professional who is qualified to perform such assessment by virtue of their licensure.

**Primary Caregiver** means the person or persons, often members of the Insured's Immediate Family, who provide ongoing daily care to the Insured while the Insured resides outside of a hospital or a Nursing Home.

**Qualified Long-Term Care Services** means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services, and *"Maintenance or Personal Care Services,"* as defined below, which are:

a. Required by the Insured because he or she is *Chronically Ill*; and

b. Provided pursuant to a *Plan of Care* prescribed by the attending *Physician*.

In this definition, *"Maintenance or Personal Care Services"* means any care the primary purpose of which is to provide needed assistance with any of the disabilities as a result of which the Insured is *Chronically Ill* or in need of protection from threats to health and safety due to *Severe Cognitive Impairment*.

**Surrender Value** means the Net Account Value less any Surrender Charges.

**You and Your** means the Owner of the policy.

**We, Our and Us** means The Lincoln National Life Insurance Company.

## PART 2: LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

***This part explains how the Insured becomes eligible for benefits and the benefit limitations.***

**Benefit Conditions.** The following conditions must be met to qualify for benefits under this rider:

a. The Insured must be unable to perform at least 2 *Activities of Daily Living* (without *Substantial Assistance* from another individual) for a period of 90 days due to loss of functional capacity or suffer from *Severe Cognitive Impairment. Activities of Daily Living, Substantial Assistance* and *Severe Cognitive Impairment* are defined in the definition of *Chronically Ill*.

b. The attending *Physician* must certify that the Insured is *Chronically Ill.* If the Insured's *Chronic Illness* is due to loss of functional capacity, the *Physician* must certify that the Insured's *Chronic Illness* is expected to continue for at least 90 days.

c. The *Physician* must also approve a *Plan of Care* in writing. The Insured must incur expense for *Qualified Long-Term Care Services* prescribed under the approved *Plan of Care*. The expense must be covered by this rider and must begin while the policy and this rider are in force. No portion of the policy Death Benefit can have been advanced under any other rider attached to the policy.

d. At least once every 12 months thereafter, and for as long as the Insured continues to be *Chronically Ill,* the *Physician* must again:

    1. Certify that the Insured is *Chronically Ill*. If the Insured's *Chronic Illness* is due to loss of functional capacity, the *Physician* must again certify that the Insured's *Chronic Illness* is expected to continue for at least 90 days; and

    2. Approve a *Plan of Care*, either a new plan, or reconfirm the existing plan in writing.

**Deductible Period.** This rider has a Deductible Period during which time this rider does not provide certain benefits. This Deductible Period applies to all benefits, except for the Care Planning Benefit, Caregiver Training Benefit and the Respite Care Benefits. This Deductible Period must be satisfied before other benefits become payable.

The Deductible Period may be satisfied only by days during which benefits, other than Care Planning Benefit, Caregiver Training Benefit and the Respite Care Benefits, would otherwise be payable under this rider. The Deductible Period is shown in the Policy Schedule.

Long-term care is often received on an intermittent basis. For this reason, we do not require that a Deductible Period be consecutive days. We do require, however, that a Deductible Period be satisfied within a specified time span. This time span is equal to 3 times the length of the Deductible Period. For example, a Deductible Period of 90 days is satisfied by 90 days of care occurring within a 270 day period.

**Reinstatement of Deductible Periods.** Because care is frequently received on an intermittent basis, it is not necessary to satisfy a new Deductible Period each time care stops and begins again. A new Deductible Period is required only when a period of 180 consecutive days expires during which no benefits are payable. We will not count, as part of that 180 days, any days the Insured is confined in a legally operated hospital.

**Monthly Maximum.** The Monthly Maximum is the maximum amount we will pay for covered expense incurred during any one calendar month. There is a separate Monthly Maximum for Adult Day Care, for Home Health Care, and for Nursing Home Care. If the Insured should incur covered expenses for less than a full calendar month, the Monthly Maximum will be reduced proportionately for that month. If the Insured should incur more than one type of covered expense during any one month, we will pay for all of the covered expense incurred during that month, but not more than the Monthly Maximum that provides the largest benefit.

The Monthly Maximums, as of the Effective Date of this rider, are shown in the Policy Schedule.

These amounts may be changed as provided in Parts 9 and 10 of this rider.

The Monthly Maximum does not apply to the non-continual expense covered under the Care Planning Benefit, Caregiver Training Benefit nor the Alternative Care Services Benefit.

**Benefit Limit.** The Benefit Limit is the maximum amount of benefits that may be paid under this rider. The Benefit Limit, as of the Effective Date of this rider, equals the Death Benefit of the policy and is shown in the Policy Schedule. This amount may be changed as provided in Parts 9 and 10 of this rider.

## PART 3: PERSONAL CARE ADVISOR, CARE PLANNING, AND CAREGIVER TRAINING BENEFITS

***This part introduces the Personal Care Advisor. If you want to talk to a person who can explain this rider and answer your questions about benefits, call your Personal Care Advisor. This is an optional service which is available to you at no cost. Although you are not required to use this service, it may be to your advantage to do so. This part also describes the Care Planning and Caregiver Training Benefits.***

**Personal Care Advisor.** We will provide you with a Personal Long-Term Care Advisor. You may contact your Personal Long-Term Care Advisor at any time in order to:

a. Discuss which types of care may be covered under this rider; and

b. Know in advance if a particular provider of service, such as a Nursing Home or Home Health Care Agency, meets rider conditions.

To receive the services of your Personal Long-Term Care Advisor, you or the Insured's *Physician* should call the Personal Long-Term Care Advisor's Office. The toll-free number of the Personal Long-Term Care Advisor's Office is shown in the Policy Schedule.

**Care Planning Benefit.** We will pay the expense incurred for Care Planning provided by a Care Planning Agency to the extent that such services are covered as Qualified Long-Term Care Services, but not to exceed the Care Planning Benefit per calendar year. The Care Planning Benefit is shown in the Policy Schedule.

Neither the Deductible Period nor the Benefit Limit applies to this benefit; nor may this benefit be used to satisfy the Deductible Period. The benefit, however, is subject to all other conditions specified under Part 2 of this rider.

*"Care Planning"* means the following services provided for the Insured by a Care Planning Agency under the direction of the attending *Physician:*

a. The assessment of the circumstances in the Insured's home which relate to his or her ability to live independently;

b. The assessment of the degree of the *Chronic Illness* and the level of assistance needed for each Activity of Daily Living or because of the Severe Cognitive Impairment;

c. The preparation of a *Plan of Care* for the Insured in coordination with the attending *Physician*;

d. The coordination of the Insured's schedule of services and the monitoring of the delivery of such services; and

e. The monitoring of any changes in the Insured's abilities and the updating of the *Plan of Care* when appropriate.

*"Care Planning Agency"* means an agency or an organization which primarily engages in Care Planning on behalf of its clients. It is state licensed, if the state in which it operates licenses Care Planning Agencies, and it is operating within the scope of its license. If the state in which it is operating does not license Care Planning Agencies, the agency must meet the following criteria:

a. It must operate at least 5 days per week for a minimum of 8 hours per day and have someone on call to provide emergency coverage during non-operating hours;

b. It must have at least one full-time Nurse and one full-time social worker on staff; and

c. It must maintain a written record for each client which includes a record of all services provided.

**Caregiver Training Benefit.** We will pay the expense incurred for the Care Training of the *Primary Caregiver* provided by a properly accredited medical or instructional institution or by an individual, such as a licensed Nurse, who is qualified to provide such training. Such Care Training shall be covered to the extent that it is covered as Qualified Long-Term Care Services. We will not pay more than the Care Training Benefit shown in the Policy Schedule for all Care Training provided while the Insured is covered under this rider.

Neither the Deductible Period nor the Benefit Limit applies to this benefit; nor may this benefit be used to satisfy the Deductible Period. The benefit, however, is subject to all other conditions specified under Part 2 of this rider.

*"Care Training"* means training given to the *Primary Caregiver* to provide him or her with the knowledge and skills necessary to care for an individual who is *Chronically Ill*. Such training may include:

a. the proper use and care of a therapeutic device and/or of disposable medical aids, including but not limited to catheters, colostomy bags, or suctioning tubes;
b. the performance of an appropriate care giving procedure, such as changing of wound dressings or the repositioning in bed; or
c. other appropriate therapeutic or care giving procedures needed to enable a *Chronically Ill* individual to continue to reside in his or her place of residence.

## PART 4: HOME CARE AND COMMUNITY BASED BENEFITS

***This part explains the Adult Day Care, Home Health Care, Homemakers Services, Hospice, Personal Care and Respite Care Benefits provided by this rider to a Chronically Ill Insured.***

**Adult Day Care Benefits.** Subject to the Deductible Period, we will pay the expense incurred for Adult Day Care during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Adult Day Care, nor the Benefit Limit.

The Monthly Maximum per month for Adult Day Care and the Benefit Limit are shown in the Policy Schedule.

*"Adult Day Care"* means Qualified Long-Term Care Services provided by an Adult Day Care Center during any part of the day on less than a 24 hour basis.

*"Adult Day Care Center"* means an organization which is state licensed, if the state in which it is located licenses adult day care centers. If the state does not license Adult Day Care Centers, the center must meet all of the following criteria:

a. Be operated as an Adult Day Care Center;
b. Be operated at least 5 days a week for a minimum of 5 hours per day and is not an overnight facility;
c. Maintains a written record for each client which includes a *Plan of Care* prescribed by a *Physician* and a record of all services provided;
d. Have established procedures for obtaining appropriate aid in the event of a medical emergency;
e. Have formal arrangements for providing services of: a dietitian; a licensed physical therapist; a licensed speech therapist; and a licensed occupational therapist; and
f. Have on its staff all of the following: a full-time director; one or more nurses in attendance during operating hours for at least 4 hours a day; and enough full-time staff members to maintain a client-to-staff ratio of 8 or less to 1.

**Home Health Care Benefits.** Subject to the Deductible Period, we will pay the expense incurred for Home Health Care during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Home Health Care, nor the Benefit Limit.

The Monthly Maximum per month for Home Health Care and the Benefit Limit are shown in the Policy Schedule.

*"Home Health Care"* means skilled nursing or other professional care provided by a Home Health

Care Agency at the Insureds' place of residence, outside of a hospital or a Nursing Home, including but not limited to, part-time and intermittent skilled nursing services, home health aide services, physical therapy, occupational therapy, chemotherapy, speech therapy and audiology services, and medical social services by a social worker, to the extent that such services are Qualified Long-Term Care Services.

*"Home Health Care Agency"* means an entity which provides care and services at the Insured's home or other residence, is primarily engaged in providing residential health care services under policies and procedures established by a group of professionals, including at least one *Physician* and one nurse, and meets at least one of the following criteria:

a. Is licensed by the appropriate licensing agency as a Home Health Care Agency; or

b. Is accredited as a Home Health Care Agency or as a provider of Home Health Care Services by the National League of Nursing, American Public Health Association or Joint Commission on Accreditation of Health Care Organizations or their successor organization; or

c. Is certified by Medicare as a Home Health Care Agency.

**Homemaker Services Benefits.** Subject to the Deductible Period, we will pay the expense incurred for Homemaker Services during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Home Health Care, nor the Benefit Limit.

The Monthly Maximum per month for Home Health Care and the Benefit Limit are shown in the Policy Schedule.

*"Homemakers Services"* means assistance with activities necessary to, or consistent with, the Insured's ability to remain in his or her residence, to the extent that such services are Qualified Long-Term Care Services. Such services must be provided by skilled or unskilled persons under a *Plan of Care* developed by a *Physician.*

**Hospice Services Benefits.** Subject to the Deductible Period, we will pay the expense incurred for Hospice Services during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Home Health Care, nor the Benefit Limit.

The Monthly Maximum per month for Home Health Care and the Benefit Limit are shown in the Policy Schedule.

*"Hospice Services"* means the services that are given to provide palliative care, alleviate the physical, emotional, social, and spiritual discomforts of the Insured who is in the terminal phases of life, and the supportive care given to the *Primary Caregiver* and the Insured's Immediate Family, to the extent that such services are Qualified Long-Term Care Services. Such services must be provided by skilled or unskilled persons under a *Plan of Care* developed by a *Physician.*

**Personal Care Benefits.** Subject to the Deductible Period, we will pay the expense incurred for Personal Care during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Home Health Care, nor the Benefit Limit.

The Monthly Maximum per month for Home Health Care and the Benefit Limit are shown in the Policy Schedule.

*"Personal Care"* means assistance with activities of daily living, including *instrumental activities of daily living*, to the extent that such services are Qualified Long-Term Care Services.

*"Instrumental activities of daily living"* includes using a telephone, managing medications, moving about outside, shopping for essentials, preparing meals, laundry, and light housekeeping. Such services must be provided by skilled or unskilled persons under a *Plan of Care* developed by a *Physician*.

**Respite Care Benefits.** We will pay the expense incurred for Respite Care during a Benefit Period, but not to exceed 1/30th of the Monthly Maximum for Home Health Care per day, 21 days per calendar year, nor the Benefit Limit. This benefit is not subject to the Deductible Period and does not satisfy the Deductible Period requirement.

The Monthly Maximum per month for Home Health Care is shown in the Policy Schedule.

*"Respite Care"* means short term care provided in an institution, in the home, or in a community based program, that is designed to relieve the *Primary Caregiver*, to the extent that such services are Qualified Long-Term Care Services.

## PART 5: NURSING HOME, BED RESERVATION, ASSISTED LIVING AND ALTERNATIVE CARE BENEFITS

***This part explains the Nursing Home, Bed Reservation, Assisted Living Facility and Alternative Care Services Benefits provided by this rider to a Chronically Ill Insured.***

**Nursing Home Care Benefits.** Subject to the Deductible Period, we will pay the expense incurred by the Insured for Qualified Long-Term Care Services in a Nursing Home during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Nursing Home Care, nor the Benefit Limit.

The Monthly Maximum per month for Nursing Home Care and the Benefit Limit are shown in the Policy Schedule.

*"Nursing Home"* means a facility or distinctly separate part of a hospital or other institution which is licensed by the appropriate state licensing agency as a Nursing Home, if the state licenses such facilities. If the state does not license Nursing Homes, then the facility must meet all of the following criteria:

a. It must provide 24 hour a day nursing service under a planned program of policies and procedures which were developed with the advice of, and is periodically reviewed and executed by, a professional group of at least one *Physician* and one nurse;

b. It must have a *Physician* available to furnish medical care in case of emergency;

c. It must have at least one nurse who is employed there full time (or at least 24 hours per week if the facility has less than 10 beds);

d. It must have a nurse on duty or on call at all times;

e. It must maintain clinical records for all patients; and

f. It must have appropriate methods and procedures for handling and administering drugs and biologicals.

***NOTE*** ***These criteria are typically met by licensed skilled nursing facilities, comprehensive nursing care facilities and intermediate nursing care facilities as well as some specialized wards, wings and units of hospitals. They are generally NOT met by assisted living facilities, rest homes, homes for the aged, sheltered living accommodations, residence homes, or similar living arrangements.***

**Levels of Care.** This rider makes no distinction, either in the duration or amount of benefits you will be paid, for different levels of care (whether skilled, intermediate or custodial) as long as the Insured's stay in a Nursing Home meets the Nursing Home definition listed above.

**Bed Reservation Benefit**. We will pay the expense incurred by the Insured to reserve the Insured's bed in a Nursing Home while he or she is temporarily confined in the hospital. Our payment will be subject to the following conditions:

a. The Insured is receiving Nursing Home Care Benefits under this rider and requires the hospitalization while confined in the Nursing Home; and

b. The Insured incurs a charge to reserve the bed in the Nursing Home during the hospitalization.

We will not pay more than 1/30th of the Monthly Maximum for Nursing Home Care per day for each day that the bed is reserved, more than 30 days per calendar year, nor more than the Benefit Limit.

The Monthly Maximum per month for Nursing Home Care and the Benefit Limit are shown in the Policy Schedule.

**Assisted Living Facility Benefits.** Subject to the Deductible Period, we will pay the expense incurred by the Insured for Qualified Long-Term Care Services in an Assisted Living Facility during a Benefit Period, but not to exceed the Monthly Maximum per calendar month for Nursing Home Care, nor the Benefit Limit.

The Monthly Maximum per month for Nursing Home Care and the Benefit Limit are shown in the Policy Schedule.

*"Assisted Living Facility"* is a separate facility (or a specially dedicated wing of a facility) which is licensed as an Assisted Living Facility, if the state licenses such facilities. If the state does not license Assisted Living Facilities, then the facility must meet all of the following criteria:

a. It must provide room, board, 3 meals a day, housekeeping, linens, laundry and all the personal services required by a *Chronically Ill* individual, as well as protective oversight, in private rooms to residents who require personal assistance to perform activities of daily living;

b. It must provide personal care and substantial hands-on assistance to prevent, by physical intervention, injury to the individual while the individual is performing "*Activities of Daily Living."* Such assistance may also include transportation, help in dispensing medication, providing assistance with baths or showers as well as other individual needs which may be required; and

c. It must have a staff available to provide such assistance 24 hours a day and 7 days a week and have a staff *Physician* available on call.

**Alternative Care Services Benefits.** Subject to the Deductible Period, we will pay the expense incurred by the Insured for Alternative Care Services during a Benefit Period, but not to exceed the Benefit Limit, nor:

a. the Monthly Maximum per calendar month for Nursing Home Care for continual Alternative Care Services which are typically required on a daily or regular basis; and

b. 5% of the Benefit Limit during each calendar year for non-continual Alternative Care Services which are typically one-time expenses. Such services may include, but are not limited to, modifications to the home to accommodate a wheelchair or other device.

The Monthly Maximum per month for Nursing Home Care and the Benefit Limit are shown in the Policy Schedule.

*"Alternative Care Services"* means Qualified Long-Term Care Services prescribed under a *Plan of Care* that are not covered under any other part of this rider, but which your attending *Physician*, the Care Planning Agency, if any, and we mutually agree would be appropriate to meet the Insured's long-term care needs. We will not unreasonably withhold our agreement. These services must be provided as an alternative to services covered under other parts of this rider which would otherwise be required by the *Chronically Ill* Insured.

Except as provided below, Alternative Care Services may be provided in facilities or by organizations or 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 which are performed. The services may include, but are not limited to, forms of personal care assistance, additional safety equipment or devices and home delivered meals.

Alternative Care Services does not mean or include the services provided in an Adult Day Care Center, an Assisted Living Facility, a hospital, or a Nursing Home, nor the services provided by a Home Health Care Agency.

## PART 6: BENEFIT DURATION

***This part explains the conditions under which benefits may be available after this rider lapses.***

Benefits will be paid as long as the Benefit Conditions are met and the Benefit Limit has not been reached. The Benefit Conditions and the Benefit Limit are described in Part 2 of this rider.

If the policy and this rider should lapse without value after a Benefit Period begins, the Insured will continue to be eligible for benefits provided by this rider subject to the following conditions:

a. The Insured's eligibility for benefits will end if a period of 30 consecutive days elapses during which no benefits under this rider are payable. We will not count as part of that 30 days, any days the Insured is confined in a legally operated hospital; and

b. We will not pay benefits in excess of those we would have paid had this rider remained in force.

To be eligible for the full range of policy and rider benefits after a Benefit Period begins, you should keep the policy and this rider in force. The Grace Period provision of the policy explains the notice we will provide to you should additional premium be required to keep the policy and this rider in force.

## PART 7: ALZHEIMER'S DISEASE

This rider will cover Qualified Long-Term Care Services resulting from a clinical diagnosis of Alzheimer's Disease or similar forms of irreversible loss of mental capacity. Any exclusion contained in this rider for mental disorders does not apply to these conditions.

## PART 8: GENERAL EXCLUSIONS AND LIMITATIONS

***This part explains when benefits will not be paid, even if you are otherwise entitled to payment under another part of this rider.***

**Losses Not Covered.** This rider will not pay benefits for:

a. Treatment resulting from mental or nervous disorders which includes neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional diseases or disorders without demonstrable organic origin. This rider will, however, cover qualifying stays or care resulting from Alzheimer's Disease or similar forms of irreversible loss of mental capacity as explained in Part 7 above;

b. Treatment for alcoholism, drug addiction or chemical dependency (unless the drug addiction or chemical dependency is a result of medication taken in doses as prescribed by a *Physician*);

c. Treatment arising out of an attempt (while sane) at suicide or an intentionally self-inflicted injury;

d. Treatment provided in a Veteran's Administration or government facility, unless the Insured or the Insured's estate is charged for the confinement or services or unless otherwise required by law;

e. Loss to the extent that benefits are payable under any of the following: Medicare (including that which would have been payable but for the application of a deductible or a coinsurance amount), other governmental programs (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws;

f. Confinement or care received outside the United States;

g. Services provided by a facility or an agency that does not meet the rider definition for such facility or agency, except as provided under the "Alternative Care Services Benefits" provision found under Part 5; and

h. Services provided by a member of the Insured's Immediate Family or for which no charge is normally made in the absence of insurance.

## PART 9: OPTIONAL ANNUAL INCREASE BENEFIT (Inflation Protection)

***This part explains how the Optional Annual Increase Benefit works. This optional benefit provides an automatic increase in benefits each year to help offset the affects of inflation. This benefit applies if you have NOT REJECTED the Optional Inflation Protection Coverage in the application and this rider was issued with this coverage. See the Policy Schedule to determine whether this coverage is provided.***

**Benefit.** If this rider was issued with Optional Inflation Protection Coverage, on each rider anniversary date while this rider is in force, we will automatically increase the Monthly Maximum and the Benefit Limit of this rider. The amount of the

annual increase will depend upon the Inflation Protection Coverage Option that is in effect as shown in the Policy Schedule. The Options are described below:

**Option 1. Simple Increases**: If Option 1 is in effect, on each rider anniversary date, the Monthly Maximums and the Benefit Limit shall be increased by an amount equal to 5% of the amounts that were in effect on the effective date of this rider.

**Option 2. Compound Increases**: If Option 2 is in effect, on each rider anniversary date, the Monthly Maximums and the Benefit Limit shall be increased by an amount equal to 5% of the amounts that were in effect immediately prior to the date of the increase. This annual increase shall not be affected by any changes to the Net Death Benefit such as those caused by loans, withdrawals or by the application of the Minimum Death Benefit provision of the policy. We will apply the annual increases to the Monthly Maximums and the Benefit Limit as though there have been no changes to the Death Benefit.

Option 2 is in effect unless you have selected Option 1 or rejected the Optional Inflation Protection Coverage in the application for this coverage.

## PART 10: EFFECT OF RIDER BENEFITS ON POLICY VALUES

***This part explains how the payment of the rider benefits affects the Death Benefit and the Policy Account Value of the policy.***

**Preliminary Policy Changes.** If this rider is attached to a policy that provides for Death Benefit Options, Death Benefit Option 1 will be in effect for the duration of any Benefit Period. If at the beginning of a Benefit Period, Death Benefit Option 2 is in effect, then we will change it to Death Benefit Option 1. The effective date of the change will be the date the Benefit Period begins. The Death Benefit Options, if available, are explained in the policy.

If this rider is attached to a Variable Life Insurance Policy, we will transfer any amount that is in the Variable Sub-Account(s) to the Fixed Account on the date that we approve the claim for benefits. You may not subsequently transfer any amount back from the Fixed Account to any Variable Sub-Account or allocate Net Premiums to any Variable Sub-Account during the Benefit Period.

**Death Benefit Reduction.** Each rider benefit payment is composed of two parts: the first part is generated by the prepayment of the policy Net Death Benefit, the second part is generated by the increases, if any, generated by the inflation protection coverage. Each rider benefit payment shall reduce the policy Net Death Benefit by that part of such payment that was generated by the prepayment of the policy Net Death Benefit. That part of any rider benefit payment that was generated by the inflation protection coverage will not reduce the policy Net Death Benefit.

**Account Value Reduction.** Each rider benefit payment will reduce the policy Account Value by an amount equal to (a) times (b) divided by (c), where:

(a) is the Net Account Value immediately prior to the benefit payment;

(b) is the amount of the Net Death Benefit Reduction; and,

(c) is the Net Death Benefit immediately prior to the benefit payment.

**Waiver of Surrender Charge.** Any policy surrender charge which would otherwise be applicable, will be waived during a Benefit Period and will not be reinstated at the end of the Benefit Period. Waiver of the policy surrender charge will make the Surrender Value equal to the Net Account Value.

**Changes to Monthly Maximums.** Reductions to the Net Death Benefit resulting directly from rider benefit payments will ***not*** cause a reduction in the Monthly Maximums. Reductions to the Net Death Benefit resulting from the exercise of your rights

under the policy, including your right to make policy loans and partial surrenders, will cause a reduction to that part of the Monthly Maximums that were generated by the policy Net Death Benefit. That part of the Monthly Maximums, if any, that were generated by the inflation protection coverage will not be affected by any change in policy Net Death Benefit.

The reduction in Monthly Maximums that were generated by the policy Net Death Benefit will be proportional to the reduction in the Net Death Benefit. For example, if you make a loan or a partial surrender which causes the Net Death Benefit to be reduced by 5%, then that part of the Monthly Maximums that were generated by the policy Net Death Benefit will concurrently be reduced by 5%.

Similarly, policy loan repayments and increases to the Net Death Benefit will cause that part of the Monthly Maximums that were generated by the policy Net Death Benefit to increase. The increase will be proportional to the increase in the Net Death Benefit. For example, if your repayment of a policy loan causes the Net Death Benefit to be increased by 10%, then that part of the Monthly Maximums that were generated by the policy Net Death Benefit will concurrently be increased by 10%.

The Monthly Maximums may also be increased under the Optional Annual Increase Benefit described in Part 9 of this rider. That part of the Monthly Maximums that are the result of an increase under Part 9 will not be affected by any changes in the Net Death Benefit.

A change to Monthly Maximums will apply to covered losses incurred on or following the date of the change. A change to Monthly Maximums will not apply to covered losses incurred prior to the date of the change.

**Changes to Benefit Limit.** Reductions to the Net Death Benefit resulting directly from rider benefit payments will ***not*** cause a reduction in the Benefit Limit. Reductions to the Net Death Benefit resulting from the exercise of your rights under the policy, including your right to make policy loans and partial surrenders, will cause a reduction to that part of the Benefit Limit that was generated by the policy Net Death Benefit. That part of the Benefit Limit, if any, that was generated by the inflation protection coverage will not be affected by any change in policy Net Death Benefit.

The reduction to that part of the Benefit Limit that was generated by the policy Net Death Benefit will equal the reduction in the Net Death Benefit. For example, if you make a loan or partial surrender which causes the Net Death Benefit to be reduced by $500, then that part of the Benefit Limit that was generated by the policy Net Death Benefit will concurrently be reduced by $500.

Similarly, policy loan repayments and increases to the Net Death Benefit will cause that part of the Benefit Limit that was generated by the policy Net Death Benefit to increase. The increase will equal the increase in the Net Death Benefit. For example, if your repayment of a policy loan causes the Net Death Benefit to be increased by $1000, then that part of the Benefit Limit that was generated by the policy Net Death Benefit will concurrently be increased by $1000.

The Benefit Limit may also be increased under the Optional Annual Increase Benefit provision described in Part 9 of this rider. That part of the Benefit Limit that is the result of an increase under Part 9 will not be affected by any changes in the Net Death Benefit.

A change to the Benefit Limit will apply to covered losses incurred on or following the date of the change. A change to the Benefit Limit will not apply to covered losses incurred prior to the date of the change.

## PART 11: CLAIMS

***This part explains the procedure for filing a claim. It also explains how we pay benefits; and other rights and obligations under this rider.***

**Notice of Claim.** You must tell us in writing when you have a claim for benefits. Notice should be given to us at our Administrative Office. We must receive the notice within 60 days of the date the covered loss starts or, if later, as soon as reasonably possible. The notice should include at least: your name, the Insured's name, your Policy Number and the address to which the Claim Form should be

sent. You may authorize someone else to act for you in filing a claim.

**Proof of Loss.** When we receive notice of your claim, we will send you a Claim Form to be used to file Proof of Loss.

The Claim Form has instructions on how to fill it out and where to send it. Please read the form carefully. Answer all questions and send all required information to the address on the form. You may contact your Personal Long- Term Care Advisor (see Part 3 of this rider) if you have questions.

If you or your representative do not receive the Claim Form within 15 days after you send your Notice of Claim, a claim can be filed without it by sending us a letter which describes the occurrence, the character and the extent of the loss for which claim is made. That letter must be sent to us within the time period stated in the next paragraph. At a minimum, the description should tell us such things as: your name and address; the type of benefits you are claiming; the names and addresses of the Insured's *Physician*s; the places the Insured stayed; the Insured's diagnosis; and the periods for which you are claiming benefits.

**Claim for Continuing Loss.** We must receive written Proof of Loss within 90 days after the end of each month for which benefits may be paid. If it was not reasonably possible to give us written Proof of Loss in the time required, we will not reduce or deny a claim for being late if Proof of Loss is filed as soon as reasonably possible. Unless the claimant is not legally capable, the required Proof of Loss must always be given to us no later than 1 year from the time specified.

**Time of Payment of Claim.** After we receive the proper written Proof of Loss, we will pay any benefits then due:

a. Monthly, when the loss is expected to result in on-going benefits; and
b. Immediately, or upon termination of our liability, when the loss is not expected to continue.

If a claim is not paid within 30 days after our receipt of the proper written Proof of Loss we will, in addition to the claim payment, pay interest at the rate required by the applicable laws of your state, if any, but not less than 6% per year.

If we do not pay a claim when due, you may bring an action to recover such benefits, and any other damages, as allowed by law.

**Payment of Claims.** If you are the Insured, we will pay the benefits to you, if living, otherwise to the policy Beneficiary. If you are not the Insured, we will pay the benefits to you, if living, otherwise to your estate. However, you may request in writing for payments to be made otherwise. You should make this request no later than the time you file Proof of Loss.

We will send you a monthly statement showing the amount of benefits we paid. This statement will also show the effect of such payment on the policy Death Benefit and policy Account Value as well as the remaining amount of rider benefits available.

**Claim Review, Recertification and Physical Examination.** We reserve the right to verify that all of the criteria for eligibility for benefits have been satisfied. Verification could include a review of the medical facts to determine the extent of the Insured's condition or an examination by a physician of our choice and at our expense to verify that the Insured does meet the criteria for benefits.

We will ask the attending *Physician*, who provided us with the initial assessment and certification, to provide us with a current written assessment and a recertification of the Insured's condition at least once every 12 months. The review, recertification and any physical examination will be requested solely for the purpose of determining whether the Insured's condition and treatment qualify for benefits under the terms of this rider.

**Claim Appeal.** We will inform you in writing if a claim or any part of a claim is denied.

We will evaluate your claim based on this rider and the information given to us. If you do not agree with a claim decision, you may then ask for a review. Your request must be in writing and include any information you think will help your claim. No special form is needed. Your request should be sent to our Administrative Office within

3 years after the time for filing the Proof of Loss. Within 30 days after receiving your request, we will send you or your representative our decision. Our decision will be in writing with our reasons stated clearly. You may authorize someone else to act for you under this review procedure.

**Misstatement of Age.** If the Insured's age has been misstated, rider benefits will be those that the most recent premium would have purchased at the correct age. If coverage would not have been issued, we will refund the premium paid for this rider.

**Legal Actions.** You cannot sue or bring legal action before 60 days after written Proof of Loss has been given to us, as required by this rider. You cannot sue after the greater of the expiration of the applicable statute of limitations for your state or 3 years from the time written Proof of Loss is required to be given.

## PART 12: THE CONTRACT

***This part explains other important rules and conditions which will affect this rider.***

**Termination of Rider.** This rider terminates:

a. Upon your written request;

b. When the Benefit Limit is reached;

c. Upon the payment or advance of any part of the Death Benefit as a benefit under any provision of the policy or any rider other than this rider; or

d. Upon termination of the policy.

However, if the policy and this rider lapse without value after a Benefit Period begins, we will continue the benefits provided by this rider subject to the conditions stated in Part 6.

**Grace Period Notice.** We shall give the *"designated third party"*, if any, a notice of any unpaid and due premium 30 days after such premium becomes due. The policy and this rider shall then continue in force for an additional 30 days after such notice has been given. Notice shall be considered to have been given to the *"designated third party"* 5 days after the date of our mailing via first class United States mail, postage prepaid. If the premium is not paid by the end of the additional 30 day period, this contract shall then terminate without any value.

As used in this provision, the *"designated third party"*, if any, is the person that you have named in a written designation to receive notices of impending lapses or terminations because of nonpayment of premium.

**Reinstatement.** If the policy to which this rider is attached is reinstated, then this rider may also be reinstated. The reinstatement of this rider shall be subject to evidence of good health and insurability satisfactory to us. The reinstated rider will only provide benefits for care or confinement which begins after the date of reinstatement and will be subject to all conditions in the rider.

If, however, the Insured was *Chronically Ill* when this rider lapsed and, if the reinstatement is requested within 5 months after the date of the lapse, then in lieu of submitting evidence of good health and insurability, this rider may be reinstated by submitting to us a statement from the attending *Physician* certifying that the Insured is *Chronically Ill* as defined by this rider. The reinstated rider will provide benefits for care or confinement which begins after the date of the lapse and will be subject to all conditions in the rider not inconsistent herewith.

**Representations.** In the absence of fraud, any statement made by you or the Insured will be deemed a representation and not a warranty. Such statement may not be used in defense of a claim, unless it is contained in a signed, written application.

**Incontestability Period.** A misstatement by the Insured in any application for the policy or this rider may be used to void or cancel this rider. During the first 6 months following the effective date of this rider, we may take this action only if the misstatement was material to the issuance of this rider. After the first 6 months, but before the end of the first 24 months, we may take this action only if the misstatement was material to both the issuance of this rider and the claim for which benefits are being sought. After this rider has been in force for 24 months, we can take this action only

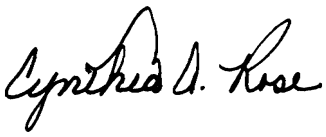
if we can show that the Insured knowingly and intentionally misrepresented relevant facts relating to his or her health. No benefits will be paid under this rider if it is voided or canceled.

**Pre-existing Conditions Not Excluded.** We will ***not*** deny benefits for Pre-existing Conditions. *"Pre-existing Conditions"* are physical or mental conditions which existed when you applied for this rider. This provision does not preclude us from exercising other remedies available to us under this rider because of misrepresentation.

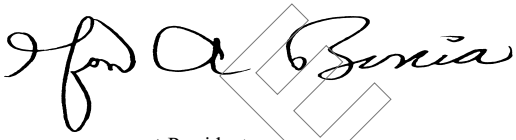
**Conformity With State and Federal Statutes.** If any provision of this rider is in conflict with the statutes of the state in which you reside on the rider Effective Date or with the Federal statutes which pertain to Qualified Long-Term Care Insurance contracts, the rider provision is automatically amended to meet the minimum requirements of the state or Federal statute.

**General Provision.** This rider shall be subject to all the terms and conditions of the policy which are not inconsistent herewith.

Signed for The Lincoln National Life Insurance Company at Schaumburg, Illinois.



Secretary



President

Lincoln Financial Group®
Lincoln Life

Benefits and Exclusions May Vary By State

The Lincoln National Life Insurance Company
Executive Office: 1300 South Clinton Street • Fort Wayne, Indiana 46801
Administrative Office: 10 North Martingale Road • Schaumburg, Illinois 60173-2268 • (847) 466-8100

# EXTENSION OF CONVALESCENT CARE BENEFITS RIDER

(Extending the Convalescent Care Benefits)

*This rider extends the benefits provided by the Convalescent Care Benefits Rider. The benefits of this rider become effective after the benefit payments under the Convalescent Care Benefits Rider end because the payments reduced the policy Death Benefit to zero.*

**TAXATION: This rider is intended to be a Qualified Long-Term Care Insurance contract under Section 7702B(b) of the Internal Revenue Code.**

**CAUTION: We issued this rider based on your and the Insured's answers to the questions on your application. A copy of your application is enclosed. If your answers or the Insured's answers are incorrect or untrue, we may deny benefits or rescind this rider. The best time to clear up any question is now, before a claim arises! If, for any reason, any of your answers or the Insured's answers are incorrect, contact us at the address shown above.**

**NOTICE TO OWNER: This rider may not cover all of the long-term care expense incurred by the Insured during the period of coverage. You are advised to carefully review all policy and rider limitations.**

**Right To Examine Rider For 30 Days.** If for any reason you are not satisfied, you may return it to us within 30 days after its receipt. It may be returned to us at the address of our Administrative Office listed above, or to our agent through whom it was purchased. If returned, we will refund the premiums you have paid and this rider will be void from its Issue Date.

If this rider was applied for after the effective date of the policy and if you return it to us within 30 days after its receipt, we will credit to the policy Account Value any premium which may have been deducted for this rider and this rider will be void from its Issue Date.

**WE PROMISE TO PAY** the benefits provided by this rider for *Qualified Long-Term Care Services* if the Insured becomes *Chronically Ill* while this rider is in force. Our payment will be subject to all of the terms and conditions of this rider.

**Who is Covered.** This rider covers the primary Insured under the policy. It does not cover any other person.

**Renewability.** This rider is guaranteed renewable. We may not cancel or reduce coverage provided by this rider. Renewal is subject to the *Termination of Rider* provision in Part 4 of this rider.

**Consideration.** We have issued this rider in consideration of the payment of the first premium and the statements made in the application, and in consideration of our issuing to you the Convalescent Care Benefits Rider as part of this policy.

**Cost of Insurance.** The monthly Cost of Insurance for this rider is shown in the Policy Schedule. Each month we will deduct the Cost of Insurance for this rider from the policy Account Value. This will be done at the same time that we deduct the monthly charge for life insurance and the other monthly charges under the policy.

We will continue this rider in force without any further monthly Cost of Insurance deductions after the Insured receives the full Benefit Limit under the Convalescent Care Benefits Rider.

The monthly Cost of Insurance for this rider is guaranteed not to change.

**Effective Date.** If this rider is applied for in the application for the policy, the effective date of this rider will be the Issue Date of the policy. If it is added to the policy after the Issue Date, the effective date of this rider will be the date we approve the supplemental application.

## PART 1: BENEFITS

***This part explains the rider benefits and explains when they become payable.***

**Benefits.** This rider increases the Benefit Limit of the Convalescent Care Benefits Rider by an additional Benefit Limit. The additional Benefit Limit becomes effective when the Benefit Limit of the Convalescent Care Benefits Rider is reached. The additional Benefit Limit and the corresponding Monthly Maximums as of the effective date of this rider are shown in the Policy Schedule.

The terms, exclusions and limitations of the Convalescent Care Benefits Rider governing the payment of benefits apply to this rider except as follows:

a. The additional Benefit Limit provided by this rider is not affected by changes to the policy Net Death Benefit or by changes to the Monthly Maximums or the Benefit Limit of the Convalescent Care Benefits Rider.

b. Benefits will be paid under this rider for as long as:
   1. The Benefit Conditions of the Convalescent Care Benefits Rider are met; and
   2. The additional Benefit Limit is not reached.

c. If the policy, the Convalescent Care Benefits Rider, or this rider lapse without value after a Benefit Period begins, the Insured will continue to be eligible for benefits provided by this rider subject to the following conditions:
   1. Benefits will end if a period of 30 consecutive days elapses during which benefits are not payable under this rider. We will not count as part of that 30 days, any days the Insured is confined in a legally operated hospital; and
   2. We will not pay benefits in excess of those that we would have paid had this rider remained in force.

   Termination of the policy as a result of reaching the Benefit Limit under the Convalescent Care Benefits Rider does not constitute a lapse without value as described above. In this event, this rider will continue in force as stated in the Cost of Insurance provision. The Grace Period provision of the policy provides an explanation of a lapse without value.

## PART 2: OPTIONAL ANNUAL INCREASE BENEFIT (Inflation Protection)

***This part explains how the Optional Annual Increase Benefit works. This optional benefit provides an automatic increase in benefits each year to help offset the affects of inflation. This benefit applies if you have NOT REJECTED the Optional Inflation Protection Coverage in the application and this rider was issued with this coverage. See the Policy Schedule to determine whether this coverage is provided.***

**Benefit.** If this rider was issued with Optional Inflation Protection Coverage, on each rider anniversary date while this rider is in force, we will automatically increase the Monthly Maximum and the additional Benefit Limit of this rider. The amount of the annual increase will depend upon the Inflation Protection Coverage Option that is in effect as shown in the Policy Schedule. The Options are described below:

**Option 1. Simple Increases**: If Option 1 is in effect, on each rider anniversary date, the Monthly Maximums and the additional Benefit Limit shall be increased by an amount

equal to 5% of the amounts that were in effect on the effective date of this rider.

**Option 2. Compound Increases**: If Option 2 is in effect, on each rider anniversary date, the Monthly Maximums and the additional Benefit Limit shall be increased by an amount equal to 5% of the amounts that were in effect immediately prior to the date of the increase.

Option 2 is in effect unless you have selected Option 1 or rejected the Optional Inflation Protection Coverage in the application for this coverage.

The Optional Inflation Protection Coverage described above is not affected by any change in the Monthly Maximums and the Benefit Limit for the Convalescent Care Benefits Rider.

## PART 3: BENEFITS AFTER LAPSE

***This part explains the benefits which may be payable for covered expense which begins after the policy and this rider are lapsed.***

**Guaranteed Benefit.** After the policy and this rider have been in force for 3 years, this rider shall cover qualifying claims which begin after the policy and this rider are lapsed. This guaranteed benefit shall be payable in lieu of the benefits described in Parts 1 and 2 of this rider.

The Monthly Maximums payable for covered expense shall remain unchanged and shall be the amount in effect as of the date of lapse. The additional Benefit Limit, however, shall be reduced to an amount equal to the greater of:

a. The Monthly Maximum for Nursing Home Care; or

b. An amount equal to the total premium paid for this rider, including the premium, if any, waived under any waiver of premium provision of the policy.

In no event shall the additional Benefit Limit provided under this part be greater than it would have been had the policy and this rider not lapsed and had remained in force.

The benefits provided under this part shall become effective on the same date that they would have become effective had the Convalescent Care Benefits Rider not lapsed. This would be on the date that the Convalescent Care Benefits Rider payments would have ended because the policy Death Benefit was reduced to zero.

## PART 4: THE CONTRACT

***This part explains other important rules and conditions which will affect this rider.***

**Termination of Rider.** This rider terminates:

a. Upon your written request;

b. Upon termination of the policy or the Convalescent Care Benefits Rider, unless termination of the policy or the Convalescent Care Benefit Rider was the result of reaching the Benefit Limit in that rider; or

c. When the additional Benefit Limit is reached.

However, even if the policy and the Convalescent Care Benefit Rider lapse without value, benefits may still be provided under Part 3 of this rider.

**Grace Period Notice.** We shall give you and the *"designated third party"*, if any, a notice of any unpaid and due premium 30 days after such premium becomes due. The policy and this rider shall then continue in force for an additional 30 days after such notice has been given. Notice shall be considered to have been given to you and the *"designated third party",* 5 days after the date of our mailing via first class United States mail, postage prepaid. If the premium is not paid by the end of the additional 30 day period, except as provided in Part 3 under the *Benefits After Lapse* provision, this rider shall then terminate without any value.

As used in this provision, the *"designated third party"*, if any, is the person that you have named in a written designation to receive notices of impending lapses or terminations because of nonpayment of premium.

**Reinstatement.** If the policy to which this rider is attached is reinstated, then this rider may also be

reinstated. The reinstatement of this rider shall be subject to evidence of good health and insurability satisfactory to us. The reinstated rider will only provide benefits for care or confinement which begins after the date of reinstatement and will be subject to all conditions in the rider.

If, however, the Insured was *Chronically Ill* when this rider lapsed and, if the reinstatement is requested within 5 months after the date of the lapse, then in lieu of submitting evidence of good health and insurability, this rider may be reinstated by submitting to us a statement from the attending *Physician* certifying that the Insured is *Chronically Ill*. The reinstated rider will provide benefits for care or confinement which begins after the date of the lapse and will be subject to all conditions in the rider not inconsistent herewith.

**Representations**. In the absence of fraud, any statement made by you or the Insured will be deemed a representation and not a warranty. Such statement may not be used in defense of a claim, unless it is contained in a signed, written application.

**Incontestability Period.** A misstatement by the Insured in any application for the policy or this rider may be used to void or cancel this rider. During the first 6 months following the effective date of this rider, we may take this action only if the misstatement was material to the issuance of this rider. After the first 6 months, but before the end of the first 24 months, we may take this action only if the misstatement was material to both the issuance of this rider and the claim for which benefits are being sought. After this rider has been in force for 24 months, we can take this action only if we can show that the Insured knowingly and intentionally misrepresented relevant facts relating to his or her health. No benefits will be paid under this rider if it is voided or canceled.

**Pre-existing Conditions Not Excluded.** We will ***not*** deny benefits for Pre-existing Conditions. *"Pre-existing Conditions"* are physical or mental conditions which existed when you applied for this rider. This provision does not preclude us from exercising other remedies available to us under this rider because of misrepresentation.

**Conformity With State and Federal Statutes.** If any provision of this rider is in conflict with the statutes of the state in which you reside on the rider Effective Date or with the Federal statutes which pertain to Qualified Long-Term Care Insurance contracts, the rider provision is automatically amended to meet the minimum requirements of the state or Federal statute.

**General Provision.** This rider shall be subject to all the terms and conditions of the policy which are not inconsistent herewith.



Signed for The Lincoln National Life Insurance Company at Schaumburg, Illinois.

Cynthia A. Rose

Secretary

Dennis R. Glass

President


# FLEXIBLE PREMUM ADJUSTABLE LIFE INSURANCE POLICY

**Adjustable Death Benefit**

Death Benefit payable at the death of the Insured.

Flexible premiums payable during the Insured's lifetime.

Nonparticipating – No Dividends