

# MONEYGUARD®

**Prepared:** July 29, 2004  
**Prepared for:** Valued Client

**Initial Death Benefit:** \$108,000  
**Premium Class:** Age 65 Female Preferred (CA)

**Presented by:** CPS Agent  
License

9 Corporate Park  
Suite 100  
Irvine  
Ca

Tel: 949.863.0700

## Narrative Summary

### Universal Life Insurance

This is an illustration for a Flexible Premium Adjustable Life (Universal Life) Insurance policy with a rider that accelerates the death benefit to pay for long-term care expenses. The illustrated policy is intended for recognition as "qualified long-term care insurance." THIS ILLUSTRATION IS TO BE ACCOMPANIED BY AN OUTLINE OF COVERAGE.

**Premium Received:**  
**\$58,363.83**

This illustration assumes that the amount shown is received on the policy effective date.

**Initial Death Benefit:**  
**\$108,000**

The death benefit is payable to the beneficiary of the policy upon the death of the insured. Acceleration of the death benefit for long-term care reduces the death benefit by a like amount.

The initial death benefit is not guaranteed for life. Please see the Guaranteed Benefits section that follows.

THIS IS A LIFE INSURANCE POLICY ILLUSTRATION. AN ILLUSTRATION IS NOT INTENDED TO PREDICT ACTUAL PERFORMANCE. INTEREST RATES AND VALUES THAT ARE SET FORTH IN THE ILLUSTRATION ARE NOT GUARANTEED, EXCEPT FOR THOSE ITEMS CLEARLY LABELED AS GUARANTEED. POLICY LIMITATIONS AND EXCLUSIONS ARE DESCRIBED IN THE OUTLINE OF COVERAGE THAT ACCOMPANIES THIS ILLUSTRATION.

Policy Form LL-2020 series  
Rider Form LL-2800 series

The Lincoln National Life Insurance Company  
*a part of Lincoln National Corporation*

**This illustration is not  
complete without all pages.**

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

### Narrative Summary, Continued

#### Long-Term Care Benefits

Initial Long-Term Care Benefit:	\$108,000
Initial Long-Term Care Extension of Benefits:	\$108,000
Initial Total Long-Term Care Benefit:	\$216,000

The initial total long-term care benefit is the amount available to pay for covered long-term care services. It has two components. The first is an acceleration of the death benefit under the provisions of the Comprehensive Long-Term Care Benefits Rider. The second is provided by the Extension of Comprehensive Long-Term Care Benefits Rider. Benefit payments can begin after a 90 day deductible period. They will continue for as long as you remain eligible, until your entire long-term care benefit value is exhausted. If this happens, you will have received benefits for at least 48 months (4 years). The benefits described above are not guaranteed for life. Please see the Guaranteed Benefits section that follows.

This long-term care benefit includes expense reimbursement coverage under three levels of services: home health care, nursing home care and adult day care. The specific services covered are itemized in the Outline of Coverage and Table that accompany this illustration. The maximum monthly benefits for these services are shown below.

Monthly Home Health Care Benefits:	\$4,500
Monthly Nursing Home Benefit (includes Residential Care)	\$4,500
Monthly Adult Day Care Benefits:	\$4,500

Monthly benefits are the initial amounts available to pay for any one month of covered services.

#### Residual Death Benefit: \$10,800

Even if your entire death benefit and extended benefits have been used to pay for long-term care, MoneyGuard will pay your beneficiary a residual death benefit. At the time you purchase the policy, the benefit is equal to 10% of your initial death benefit; thereafter, the residual death benefit will always be equal to 10% of the death benefit. The death benefit will be adjusted for loans, withdrawals, policy loan repayments and reductions in the specified amount.

**The benefits described above are not guaranteed for life. Please see the Guaranteed Benefits section that follows for information about guaranteed minimum lifetime benefits.**

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

### Narrative Summary, Continued

<b>Surrender Charge</b>	The initial surrender charge of \$4,412 is level for ten years and then decreases annually to zero at the end of year 14. The initial surrender value takes into consideration the Guaranteed Lifetime Return of Premium which is explained elsewhere in this illustration.												
<b>Initial Account Values</b>	<table><tr><td>Initial Account Value:</td><td>\$56,321</td></tr><tr><td>Initial Surrender Value:</td><td>\$58,364</td></tr></table> <p>The account value at any time is the accumulated amount of cash in your policy after crediting monthly interest and net premium received and deducting monthly insurance charges.</p> <p>Long-term care benefit payments will reduce the account value by the same percentage amount as they reduce the death benefit.</p>	Initial Account Value:	\$56,321	Initial Surrender Value:	\$58,364								
Initial Account Value:	\$56,321												
Initial Surrender Value:	\$58,364												
<b>Monthly Insurance Charges</b>	Monthly insurance charges cover the cost of the death and long-term care benefits. The first monthly deduction for the long-term care benefit equals \$7.33. The deduction for subsequent months will equal 12.0% of the monthly cost for the death benefit, which changes annually. The monthly cost deducted for the long-term care extension of benefit is \$42.48 which is guaranteed for the life of the policy.												
<b>Guaranteed Benefits</b>	<p>The Guarantee Enhancement Rider provides the following benefits:</p> <table><tr><td>Guaranteed Return of Premium:</td><td>\$58,364</td></tr><tr><td>Guaranteed Minimum Death Benefit:</td><td>\$98,200</td></tr><tr><td>Guaranteed Long-Term Care Benefit:</td><td>\$196,400</td></tr><tr><td>    Monthly Minimum Home Health Care Benefit:</td><td>\$4,092</td></tr><tr><td>    Monthly Minimum Nursing Home Benefit:</td><td>\$4,092</td></tr><tr><td>    Monthly Minimum Adult Day Care Benefit:</td><td>\$4,092</td></tr></table> <p>At the current interest crediting rate and cost of insurance charges, your death and long-term care benefit values will continue in force for your lifetime. However, if the rate should fall significantly from its current level or insurance charges significantly increase, we will notify you and recommend that you elect lower benefit values. These recommended values will never be less than the minimum death and long-term care benefit values shown above. If you maintain the death benefit and long-term care benefit at our recommended levels, do not withdraw or borrow money from the policy and no policy changes are made, we guarantee that your coverage will continue in force for your lifetime.</p>	Guaranteed Return of Premium:	\$58,364	Guaranteed Minimum Death Benefit:	\$98,200	Guaranteed Long-Term Care Benefit:	\$196,400	Monthly Minimum Home Health Care Benefit:	\$4,092	Monthly Minimum Nursing Home Benefit:	\$4,092	Monthly Minimum Adult Day Care Benefit:	\$4,092
Guaranteed Return of Premium:	\$58,364												
Guaranteed Minimum Death Benefit:	\$98,200												
Guaranteed Long-Term Care Benefit:	\$196,400												
Monthly Minimum Home Health Care Benefit:	\$4,092												
Monthly Minimum Nursing Home Benefit:	\$4,092												
Monthly Minimum Adult Day Care Benefit:	\$4,092												
<b>Return of Premium</b>	In addition, provided the death benefit is maintained at recommended levels and money is not withdrawn or borrowed from the policy and no policy changes are made, we also guarantee that should you ever decide to cancel your policy, the amount you receive will never be less than your original premium minus any amounts paid for long-term care benefits.												

Prepared:

July 29, 2004

Prepared for:

Valued Client

Initial Death Benefit:

\$108,000

Premium Class:

Age 65 Female Preferred (CA)

Narrative Summary, Continued

Tax Status

The MoneyGuard death benefit is received by the beneficiary income tax-free under IRC Section 101(a)(1) and long-term care benefits paid are not taxed as income under IRC Section 104(a)(3). You pay no current income taxes on interest earnings credited to your account value.

The policy depicted in this illustration falls within the definition of a Modified Endowment Contract (MEC) as defined by Sec. 7702A of the Internal Revenue Code. Withdrawals or loans from a MEC will be subject to income tax and, until the policy owner reaches age 59 1/2, a 10% federal income tax penalty. Long-Term care rider charges represent a withdrawal from the policy, and if the policy is a MEC, will be a taxable event to the extent there is gain in the policy, subject to 1099 reporting.

You should consult your personal tax advisor regarding this and other applicable tax matters.

**Prepared:** July 29, 2004  
**Prepared for:** Valued Client

**Initial Death Benefit:** \$108,000  
**Premium Class:** Age 65 Female Preferred (CA)

### Understanding Your Illustration

---

<b>Illustration Overview</b>	This illustration assumes that the Initial Premium amount is received on the policy effective date.
<b>Year</b>	Year means the policy year beginning with the effective date of the policy.
<b>Age</b>	Age means your age at the end of the policy year shown.
<b>Premium Outlay</b>	Premium Outlay means the total amount paid into the policy for the year shown.
<b>Account Value</b>	Account Value is illustrated at policy year-end and includes the prior policy year-end account value, plus net premium received and interest credited during the policy year, less policy charges.
<b>Surrender Value</b>	Surrender Value is illustrated at policy year-end and includes the prior policy year-end account value, plus net premium received and interest credited during the policy year, less policy charges and any surrender charges.
<b>Death Benefit</b>	Death Benefit is illustrated at policy year-end and includes the total death benefit provided by the base policy.
<b>Long-Term Care Benefit</b>	Long-Term Care Benefit is the amount payable for covered long-term care expenses. It is equal to the death benefit, as provided by the Comprehensive Long-Term Care Benefits Rider, plus the benefits provided by the Extension of Comprehensive Long-Term Care Benefits Rider.

**Prepared:** July 29, 2004  
**Prepared for:** Valued Client

**Initial Death Benefit:** \$108,000  
**Premium Class:** Age 65 Female Preferred (CA)

### Understanding Your Illustration, Continued

#### Guaranteed Elements

Both Illustrations 1 and 2 show guaranteed values based on the 4.00% minimum interest rate and the maximum cost of insurance charges. However, the illustrations differ as follows:

Illustration 1 and the guaranteed values columns of the Numeric Summary assume you do not follow the recommendation to reduce benefits to the guaranteed minimum benefit levels. As a result, the original benefits remain in effect until the policy surrender value is no longer sufficient to cover cost of insurance charges.

Illustration 2 assumes that on the policy issue date a recommendation to reduce benefits to the guaranteed minimum benefit levels is made, that you comply with that recommendation and that you make no loans or withdrawals from the policy and no policy changes are made. By complying with those conditions, the guaranteed minimum death benefit and long-term care benefits remain in effect for your lifetime and the surrender value will never be less than the premium received minus any amounts paid to you as long-term care benefits.

#### Non-Guaranteed Elements

Illustration 3 is based on both non-guaranteed and guaranteed assumptions. Non-guaranteed assumptions include interest rates, cost of insurance charges and expense loads. This illustration assumes that the currently illustrated non-guaranteed elements will continue unchanged for all years shown. This is not likely to occur, and actual results may be more or less favorable than those shown. Factors that may affect future policy performance include the company's expectations for future mortality, investments, persistency, profits and expenses. The Guaranteed Lifetime Return of Premium is also assumed.

The current interest rate is 4.60%. It is subject to confirmation, and may be changed by the company. It will never be less than the guaranteed rate of 4.00%.

#### Midpoint Scale

Midpoint Scale columns, used in the Numeric Summary section, illustrate policy values based on an average of the elements used in the Guaranteed values and the Current (non-guaranteed) Scale values. The interest rate used each year is the average of the guaranteed rate and the rate underlying the Current Scale for the same year. Policy charges used are an average of guaranteed charges and charges underlying the Current Scale, and are assumed to continue throughout the life of the policy. This is not likely to occur, and actual results may be more or less favorable than those illustrated.

#### Policy Loan Interest

In the event that you take a loan against your policy, the gross policy loan interest rate is 7.00% in advance, charged annually.

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

## Numeric Summary

-----Guaranteed Values 4.00%----- From Illustration 1						-----Non-Guaranteed Values----- -----Midpoint Values 4.30%----- -----Current Values 4.60%----- From Illustration 3					
Year	Age	Annual Premium Outlay	Surrender Value	Death Benefit	Long-Term Care Benefit	Surrender Value	Death Benefit	Long-Term Care Benefit	Surrender Value	Death Benefit	Long-Term Care Benefit
1	66	58,364	52,807	108,796	216,796	52,973	109,112	217,112	58,364	109,428	217,428
5	70	0*	56,084	108,000	216,000	57,067	108,000	216,000	58,364	108,000	216,000
10	75	0*	58,457	108,000	216,000	62,004	108,000	216,000	65,510	108,000	216,000
15	80	0*	59,478	108,000	216,000	69,295	108,000	216,000	78,403	108,000	216,000
20	85	0*	38,934	108,000	216,000	65,450	108,000	216,000	87,131	108,730	216,730
35	100	0*	0	0	0	0	0	0	118,213	122,942	230,942

\*Denotes that policy charges continue to be deducted from the Account Value. Depending on actual non-guaranteed results, premiums may need to be continued or resumed.

Based on Guaranteed Values, this policy will lapse during policy year 24.

Based on Midpoint (Non-Guaranteed) Values, this policy will lapse during policy year 28.

Based on Current (Non-Guaranteed) Values, this policy will remain in effect for your lifetime.

**This illustration is neither a contract nor an offer to contract. A full description of policy provisions and limitations is included in the policy itself.**

I have received a copy of this illustration and understand that any non-guaranteed elements illustrated are subject to change and could be either higher or lower. The agent has told me they are not guaranteed.

I have been advised to consult with my own tax advisors regarding the tax effects of the illustrated policy and also with respect to its valuation.

**Applicant:** \_\_\_\_\_

**Date:** \_\_\_\_\_

I certify that this illustration has been presented to the applicant and that I have explained that any non-guaranteed elements illustrated are subject to change. I have made no statements that are inconsistent with the illustration.

**Authorized  
Representative:** \_\_\_\_\_

**Date:** \_\_\_\_\_

CPS Agent  
9 Corporate Park  
Suite 100  
Irvine  
Ca  
Tel: 949.863.0700

**The Lincoln National Life Insurance Company**  
*a part of Lincoln National Corporation*

**This illustration is not  
complete without all pages.**

Prepared: July 29, 2004  
 Prepared for: Valued Client

Initial Death Benefit: \$108,000  
 Premium Class: Age 65 Female Preferred (CA)

**Illustration 1: Values using 4.00% Guaranteed Interest Rate and Guaranteed Insurance Charges**

This illustration assumes the 4.00% minimum guaranteed interest rate and maximum cost of insurance charges. It also assumes that on the policy issue date, a recommendation to reduce benefits to the guaranteed minimum benefit level is made and that you decline to follow the recommendation. As a result, the full initial death benefit remains in effect until the policy surrender value is no longer sufficient to cover cost of insurance charges.

<u>Year</u>	<u>Age</u>	<u>Annual Premium Outlay</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Death Benefit</u>	<u>Long-Term Care Benefit</u>	<u>Maximum Monthly Benefit</u>
1	66	58,364	57,219	52,807	108,796	216,796	4,533
2	67	0*	58,087	53,675	108,000	216,000	4,500
3	68	0*	58,924	54,512	108,000	216,000	4,500
4	69	0*	59,731	55,319	108,000	216,000	4,500
5	70	0*	60,496	56,084	108,000	216,000	4,500
6	71	0*	61,199	56,787	108,000	216,000	4,500
7	72	0*	61,820	57,408	108,000	216,000	4,500
8	73	0*	62,332	57,921	108,000	216,000	4,500
9	74	0*	62,693	58,281	108,000	216,000	4,500
10	75	0*	62,869	58,457	108,000	216,000	4,500
11	76	0*	62,827	59,298	108,000	216,000	4,500
12	77	0*	62,523	59,876	108,000	216,000	4,500
13	78	0*	61,911	60,146	108,000	216,000	4,500
14	79	0*	60,924	60,042	108,000	216,000	4,500
15	80	0*	59,478	59,478	108,000	216,000	4,500
16	81	0*	57,449	57,449	108,000	216,000	4,500
17	82	0*	54,665	54,665	108,000	216,000	4,500
18	83	0*	50,882	50,882	108,000	216,000	4,500
19	84	0*	45,784	45,784	108,000	216,000	4,500
20	85	0*	38,934	38,934	108,000	216,000	4,500
21	86	0*	29,741	29,741	108,000	216,000	4,500
22	87	0*	17,377	17,377	108,000	216,000	4,500
23	88	0*	641	641	108,000	216,000	4,500
24	89	0*	0	0	0	0	0

\*Denotes that policy charges continue to be deducted from the Account Value.

Insufficient guaranteed account value in year 24.

The illustration assumes that premiums are received at the beginning of the premium payment period; values are shown as of the end of the year.

Under the Internal Revenue Code, the minimum death benefit for a life insurance policy must be equal to or exceed a percentage of the account value. This percentage varies by age. The actual factors used to meet this requirement are disclosed in the Percentage of Account Value Table included in your policy. When the illustrated death benefit is greater than the initial specified amount, it means we have applied these factors.



Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

### Illustration 2: Guarantee Enhancement Rider Values

This illustration assumes the 4.00% minimum guaranteed interest rate and maximum cost of insurance charges. It also assumes that on the policy issue date, a recommendation to reduce benefits to the guaranteed minimum benefit level is made, that you comply with the recommendation, and make no loans or withdrawals from the policy.

The Guarantee Enhancement Rider remains in effect for the full duration of the policy, resulting in guaranteed minimum death and long-term care benefits in effect for your lifetime. The surrender value will never be less than the premium received.

<u>Year</u>	<u>Age</u>	<u>Annual Premium Outlay</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Death Benefit</u>	<u>Long-Term Care Benefit</u>	<u>Maximum Monthly Benefit</u>
1	66	58,364	57,270	58,364	108,894	207,094	4,537
2	67	0*	58,212	58,364	107,715	205,915	4,488
3	68	0*	59,151	58,364	106,566	204,766	4,440
4	69	0*	60,094	58,364	105,446	203,646	4,394
5	70	0*	61,036	58,364	104,340	202,540	4,348
6	71	0*	61,967	58,364	103,237	201,437	4,302
7	72	0*	62,880	58,468	102,130	200,330	4,255
8	73	0*	63,765	59,353	101,016	199,216	4,209
9	74	0*	64,603	60,191	99,889	198,089	4,162
10	75	0*	65,381	60,969	98,744	196,944	4,114
11	76	0*	66,059	62,530	98,200	196,400	4,092
12	77	0*	66,616	63,969	98,200	196,400	4,092
13	78	0*	67,032	65,267	98,200	196,400	4,092
14	79	0*	67,282	66,399	98,200	196,400	4,092
15	80	0*	67,329	67,329	98,200	196,400	4,092
16	81	0*	67,122	67,122	98,200	196,400	4,092
17	82	0*	66,584	66,584	98,200	196,400	4,092
18	83	0*	65,611	65,611	98,200	196,400	4,092
19	84	0*	64,071	64,071	98,200	196,400	4,092
20	85	0*	61,781	61,781	98,200	196,400	4,092
21	86	0*	58,501	58,501	98,200	196,400	4,092
22	87	0*	53,893	58,364	98,200	196,400	4,092
23	88	0*	47,466	58,364	98,200	196,400	4,092
24	89	0*	38,501	58,364	98,200	196,400	4,092
25	90	0*	25,918	58,364	98,200	196,400	4,092

\*Denotes that policy charges continue to be deducted from the Account Value.

The illustration assumes that premiums are received at the beginning of the premium payment period; values are shown as of the end of the year.

Under the Internal Revenue Code, the minimum death benefit for a life insurance policy must be equal to or exceed a percentage of the account value. This percentage varies by age. The actual factors used to meet this requirement are disclosed in the Percentage of Account Value Table included in your policy. When the illustrated death benefit is greater than the initial specified amount, it means we have applied these factors.

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

### Illustration 2: Guarantee Enhancement Rider Values

This illustration assumes the 4.00% minimum guaranteed interest rate and maximum cost of insurance charges. It also assumes that on the policy issue date, a recommendation to reduce benefits to the guaranteed minimum benefit level is made, that you comply with the recommendation, and make no loans or withdrawals from the policy.

The Guarantee Enhancement Rider remains in effect for the full duration of the policy, resulting in guaranteed minimum death and long-term care benefits in effect for your lifetime. The surrender value will never be less than the premium received.

<u>Year</u>	<u>Age</u>	<u>Annual Premium Outlay</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Death Benefit</u>	<u>Long-Term Care Benefit</u>	<u>Maximum Monthly Benefit</u>
26	91	0*	8,078	58,364	98,200	196,400	4,092
27	92	0*	0	58,364	98,200	196,400	4,092
28	93	0*	0	58,364	98,200	196,400	4,092
29	94	0*	0	58,364	98,200	196,400	4,092
30	95	0*	0	58,364	98,200	196,400	4,092
31	96	0*	0	58,364	98,200	196,400	4,092
32	97	0*	0	58,364	98,200	196,400	4,092
33	98	0*	0	58,364	98,200	196,400	4,092
34	99	0*	0	58,364	98,200	196,400	4,092
35	100	0*	0	58,364	98,200	196,400	4,092

\*Denotes that policy charges continue to be deducted from the Account Value.

The illustration assumes that premiums are received at the beginning of the premium payment period; values are shown as of the end of the year.

Under the Internal Revenue Code, the minimum death benefit for a life insurance policy must be equal to or exceed a percentage of the account value. This percentage varies by age. The actual factors used to meet this requirement are disclosed in the Percentage of Account Value Table included in your policy. When the illustrated death benefit is greater than the initial specified amount, it means we have applied these factors.

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

**Illustration 3: Values using 4.60% Current Interest Rate and Current Insurance Charge Schedule**

This illustration assumes the current interest rate and current cost of insurance charges will continue unchanged for all years shown. It also assumes that the Guarantee Enhancement Rider remains in effect. The benefits and values shown below are not guaranteed. The assumptions on which they are based are subject to change, and actual results may be more or less favorable.

<u>Year</u>	<u>Age</u>	<u>Annual Premium Outlay</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Death Benefit</u>	<u>Long-Term Care Benefit</u>	<u>Maximum Monthly Benefit</u>
1	66	58,364	57,551	58,364	109,428	217,428	4,560
2	67	0*	58,781	58,364	108,768	216,768	4,532
3	68	0*	60,011	58,364	108,116	216,116	4,505
4	69	0*	61,244	58,364	108,000	216,000	4,500
5	70	0*	62,471	58,364	108,000	216,000	4,500
6	71	0*	63,692	59,280	108,000	216,000	4,500
7	72	0*	64,903	60,492	108,000	216,000	4,500
8	73	0*	66,568	62,157	108,000	216,000	4,500
9	74	0*	68,242	63,830	108,000	216,000	4,500
10	75	0*	69,922	65,510	108,000	216,000	4,500
11	76	0*	71,602	68,073	108,000	216,000	4,500
12	77	0*	73,290	70,643	108,000	216,000	4,500
13	78	0*	74,982	73,217	108,000	216,000	4,500
14	79	0*	76,687	75,805	108,000	216,000	4,500
15	80	0*	78,403	78,403	108,000	216,000	4,500
16	81	0*	80,131	80,131	108,000	216,000	4,500
17	82	0*	81,866	81,866	108,000	216,000	4,500
18	83	0*	83,607	83,607	108,000	216,000	4,500
19	84	0*	85,361	85,361	108,178	216,178	4,507
20	85	0*	87,131	87,131	108,730	216,730	4,530
21	86	0*	88,919	88,919	109,370	217,370	4,557
22	87	0*	90,718	90,718	110,078	218,078	4,587
23	88	0*	92,518	92,518	110,827	218,827	4,618
24	89	0*	94,322	94,322	111,620	219,620	4,651
25	90	0*	96,138	96,138	112,453	220,453	4,686

\*Denotes that policy charges continue to be deducted from the Account Value. Depending on actual non-guaranteed results, premiums may need to be continued or resumed.

The illustration assumes that premiums are received at the beginning of the premium payment period; values are shown as of the end of the year.

Under the Internal Revenue Code, the minimum death benefit for a life insurance policy must be equal to or exceed a percentage of the account value. This percentage varies by age. The actual factors used to meet this requirement are disclosed in the Percentage of Account Value Table included in your policy. When the illustrated death benefit is greater than the initial specified amount, it means we have applied these factors.

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

**Illustration 3: Values using 4.60% Current Interest Rate and Current Insurance Charge Schedule**

This illustration assumes the current interest rate and current cost of insurance charges will continue unchanged for all years shown. It also assumes that the Guarantee Enhancement Rider remains in effect. The benefits and values shown below are not guaranteed. The assumptions on which they are based are subject to change, and actual results may be more or less favorable.

<u>Year</u>	<u>Age</u>	<u>Annual Premium Outlay</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Death Benefit</u>	<u>Long-Term Care Benefit</u>	<u>Maximum Monthly Benefit</u>
26	91	0*	97,978	97,978	113,331	221,331	4,722
27	92	0*	99,849	99,849	114,227	222,227	4,759
28	93	0*	101,764	101,764	115,135	223,135	4,797
29	94	0*	103,733	103,733	116,046	224,046	4,835
30	95	0*	105,758	105,758	116,926	224,926	4,872
31	96	0*	107,823	107,823	117,731	225,731	4,905
32	97	0*	109,876	109,876	118,424	226,424	4,934
33	98	0*	112,112	112,112	119,242	227,242	4,968
34	99	0*	114,917	114,917	120,697	228,697	5,029
35	100	0*	118,213	118,213	122,942	230,942	5,123

\*Denotes that policy charges continue to be deducted from the Account Value. Depending on actual non-guaranteed results, premiums may need to be continued or resumed.

The illustration assumes that premiums are received at the beginning of the premium payment period; values are shown as of the end of the year.

Under the Internal Revenue Code, the minimum death benefit for a life insurance policy must be equal to or exceed a percentage of the account value. This percentage varies by age. The actual factors used to meet this requirement are disclosed in the Percentage of Account Value Table included in your policy. When the illustrated death benefit is greater than the initial specified amount, it means we have applied these factors.

Prepared: July 29, 2004  
Prepared for: Valued Client

Initial Death Benefit: \$108,000  
Premium Class: Age 65 Female Preferred (CA)

### Important Information

#### Life Insurance Cost Indices at 5.00%

Life Insurance Cost Indices at 5.00%	Based on Guaranteed 4.00% Interest Rate and Guar. Charges		Based on Midpoint Interest Rate and Midpoint Charges		Based on Current 4.60% Interest Rate and Current Charges	
	10 Year	20 Year	10 Year	20 Year	10 Year	20 Year
Surrender Cost	25.64	30.90	23.15	23.82	20.67	18.03
Net Payment	66.59	41.28	66.56	41.26	66.48	41.22

These indices are computed using standards and assumptions prescribed by state regulatory agencies. Their purpose is to provide uniform methods to compare insurance policies. These cost disclosure indices are designed primarily for annual premium policies and have only limited use when the premium is received as a lump sum. They are most relevant when comparing policies that have similar benefits and premium payment schedules.

The indices measure average annual cost over the periods indicated using a 5% time value of money. The surrender cost index assumes that the policy is surrendered at the end of the period, with the surrender value received reducing cost. The net payment index assumes that the policy is not surrendered. In general, lower index numbers indicate better buys.

---

## Outline of Coverage Table

Prepared For:

Age & Sex:

Life Insurance Initial Death Benefit:

Presented By:

Valued Client

Age 65, Female

\$108,000

CPS Agent

### SCHEDULE INFORMATION

	Comprehensive Long-Term Care Benefits Rider	Extension of Comprehensive Long-Term Care Benefits Rider
MONTHLY MAXIMUMS -		
Adult Day Care .....	\$4,500.00	\$4,500.00
Home Health Care..... (Includes Homemaker Services, Hospice Services, Personal Care and Respite Care. Respite Care is limited to a maximum of 21 days per calendar year.)	\$4,500.00	\$4,500.00
Nursing Home Care..... (Includes Residential Care and Bed Reservation. Bed Reservation is limited to a maximum of 30 days per calendar year.)	\$4,500.00	\$4,500.00
ANNUAL BENEFIT -		
Care Planning Benefit.....	\$500.00	\$500.00
LIFETIME BENEFIT -		
Caregiver Training Benefit.....	\$500.00	
BENEFIT LIMIT -	\$108,000	\$108,000

\*\*\*\*\*

Comprehensive Long-Term Care Deductible Period	90 Days
Optional Annual Increase Benefit (Inflation Protection)	Not Elected
Comprehensive Long-Term Care Benefits Rider Initial Monthly Cost of Insurance (The monthly charge for subsequent months will be determined as provided under the rider and will be deducted from the Policy Account Value each month.)	\$7.33
Extension of Comprehensive Long-Term Care Benefits Rider Monthly Cost of Insurance (The monthly charge is guaranteed not to increase and will be deducted from the Policy Account Value each month.)	\$42.48

---

**New Business Data** *You MUST include the New Business Data when submitting the illustration to the Home Office.*

Product:	Lincoln Life MoneyGuard	Riders	
Name:	Valued Client		
State:	CA	CCBR	2 Years
Sex:	Female	EOB	2 Years
Age:	65	Inflation Protection	None
Premium Class:	Preferred	GER	Yes
Table Rating:	Table 0		
Flat Extra/1000:	\$0.00 For 0 Yrs		
Death Benefit Option:	Level		
Initial Death Benefit:	\$108,000		
Mode:	Single Premium		
7 Pay Premium:	\$9,639.08		
Solve Details:	Premium Solve		

Software Version: 2004.4.0  
Last Rate Version Change: 2004.4

<u>DUR</u>	<u>DEPOSITS</u>	<u>FACE AMOUNT</u>	<u>LOAN</u>	<u>WITHDRAWAL</u>	<u>OPTION</u>
1	58,363.83	108,000	0	0	Level
2	0.00	108,000	0	0	Level

# MONEYGUARD®

A Summary for:  
Valued Client

Age:  
65  
Female, Preferred

Date:  
July 29, 2004

Prepared by:  
CPS Agent  
License Number:

## Premium Received:

**\$58,364**

### Death Benefit Value:

### GER Benefits:

### Current Benefits:

**\$98,200**

**\$108,000**

### Long-Term Care Benefit Value:

**\$196,400**

**\$216,000**

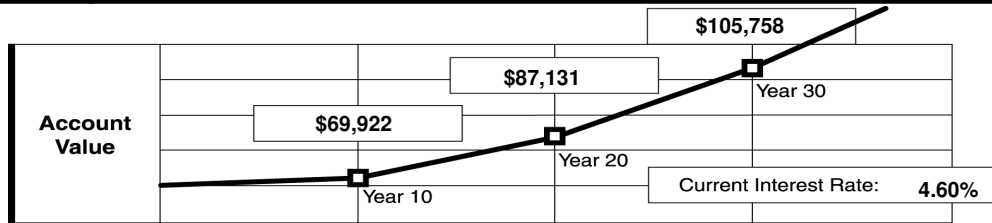
*Providing at least 4 years of coverage.*

### Monthly Benefit:

**Home Health Care**  
**Nursing Home Care**  
**Residential Care**  
**Adult Day Care**

**\$4,092**  
**\$4,092**  
**\$4,092**  
**\$4,092**

**\$4,500**  
**\$4,500**  
**\$4,500**  
**\$4,500**



The **MoneyGuard** universal life insurance policy has riders that prepay the death benefit and more for long-term care expenses. It is underwritten by The Lincoln National Life Insurance Company. This supplemental illustration is based on both guaranteed and non-guaranteed elements. For a complete description of the benefits, costs, exclusions, limitations and conditions of **MoneyGuard**, including guaranteed elements and other important information, please refer to the attached basic illustration and Outline of Coverage.

**Death Benefit Value:** Long-Term care benefit payments reduce the death benefit by a like amount.

**Premium:** Premiums are illustrated to include the cost for the death benefit, use of the death benefit for long-term care and the additional optional long-term care benefit.

**Outline of Coverage:** This supplemental illustration must be accompanied by an Outline of Coverage.

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

Policy Form LL-2020 series  
Rider Form LL-2800 series  
LM0312-0618

**Lincoln**  
Financial Group®  
www.lfg.com



PREPARED FOR

Valued Client

AGE

65

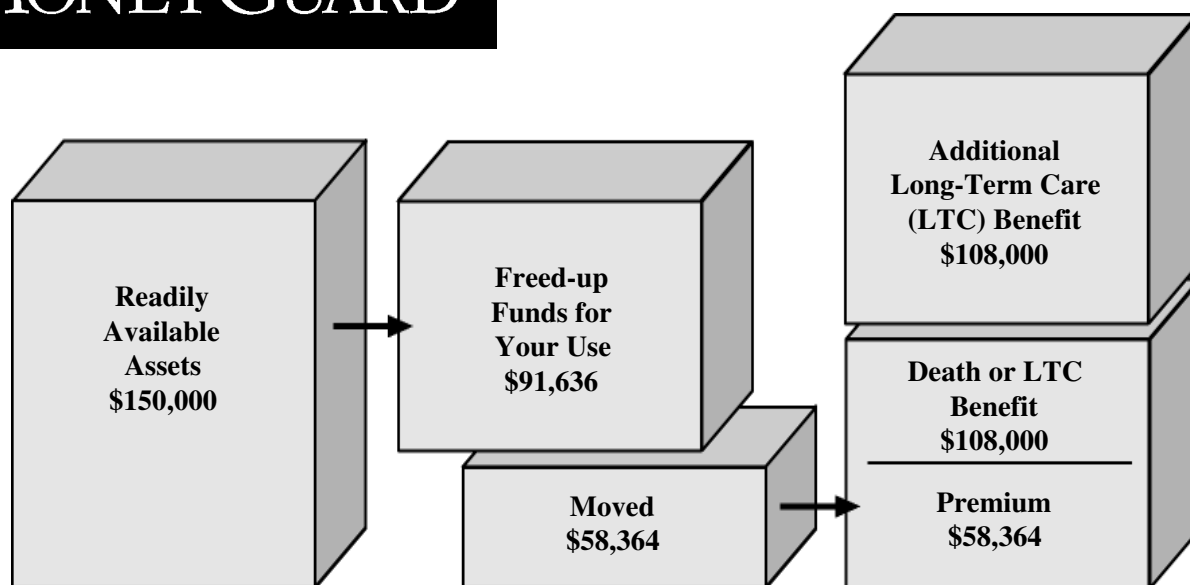
DATE

July 29, 2004

PREPARED BY

CPS Agent

License

**MONEYGUARD®***The Smart Way To Self-Insure®*

*MoneyGuard is an intelligent way to help protect your assets. By simply moving \$58,364 of your assets, MoneyGuard provides an immediate death or long-term care benefit of \$108,000 and, if needed, an additional benefit up to \$108,000 for long-term care. This now frees up \$91,636 of your assets for other uses. MoneyGuard, the smart way to self-insure.*

The MoneyGuard universal life insurance policy has riders that prepay the death benefit and more for long-term care expenses. It is underwritten by The Lincoln National Life Insurance Company. This supplemental illustration is based on non-guaranteed elements. Benefits and values shown are not guaranteed and are adjusted for loans and withdrawals. For a complete description of the benefits, costs, exclusions, limitations and conditions of MoneyGuard, including guaranteed elements and other important information, please refer to the attached basic illustration and Outline of Coverage.

Policy Form LL-2020 series  
Rider Form LL-2800 series  
LM0312-0620

**Lincoln**  
Financial Group®  
[www.lfg.com](http://www.lfg.com)

PREPARED FOR

Valued Client

AGE

65

DATE

July 29, 2004

PREPARED BY

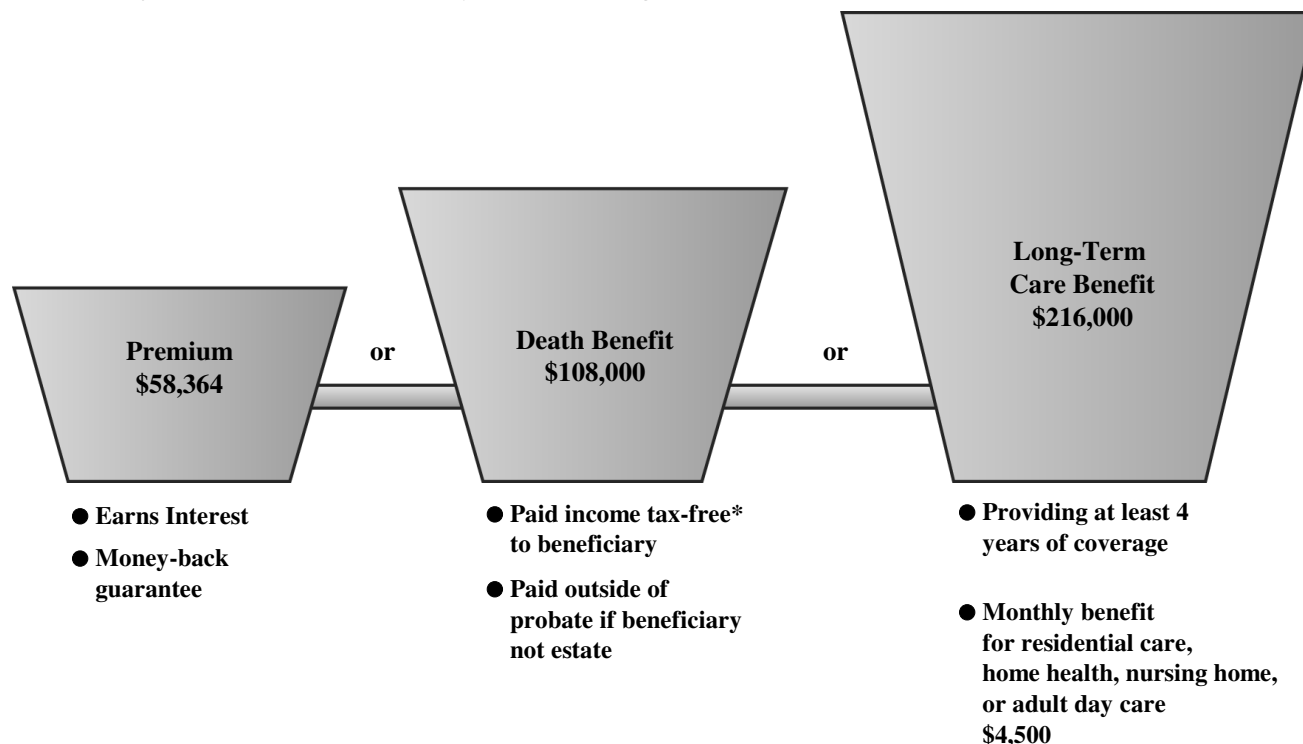
CPS Agent

License

# MONEYGUARD®

*Life Insurance for Living*®

*MoneyGuard links the benefits of life insurance and long-term care in a single policy. You can draw out of the bucket that meets your most urgent need.*



\*IRC Sec. 101(a)(1)

The MoneyGuard universal life insurance policy has riders that prepay the death benefit and more for long-term care expenses. It is underwritten by The Lincoln National Life Insurance Company. This supplemental illustration is based on non-guaranteed elements. Benefits and values shown are not guaranteed and are adjusted for loans and withdrawals. For a complete description of the benefits, costs, exclusions, limitations and conditions of MoneyGuard, including guaranteed elements and other important information, please refer to the attached basic illustration and Outline of Coverage.

Policy Form LL-2020 series  
Rider Form LL-2800 series  
LM0312-0621

**Lincoln**  
Financial Group®  
www.lfg.com