



**Lincoln**  
Financial Group<sup>SM</sup>

FOR LIFE

# Product Reference Guide

*Lincoln LifeReserve*<sup>®</sup> UL (2009)

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Lincoln LifeReserve® UL (2009)  
Product Reference Guide  
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<b>Lincoln LifeReserve® UL (2009)</b>	
<b>Policy Form Number:</b> UL 5051	New York: UL5051N
<b>Issue Ages/Underwriting Classes (Fully Underwritten):</b> Preferred Plus (20-80) Preferred Non-Tobacco (20-80) Standard Non-Tobacco (0-85; NY: 16-85) Preferred Tobacco (20-80) Standard Tobacco (16-85)	
<b>Simplified Issue:</b> Standard Non-Tobacco: 19-65 Standard Tobacco: 19-65	
<b>Guaranteed Issue:</b> Standard Non-Tobacco: 19-65 Standard Tobacco: 19-65	
<b>Unisex:</b> Available for Qualified Plans only or in Montana for all plans.	
<b>Policy Premium Load:</b> Years 1-15: 6.0% all premium Years 16+: 3.0% all premium (6.0% guaranteed in all years; New York guarantees 3.0%)	
<b>Monthly Asset Based Charge:</b> 0.0483% of net policy value (0.60% annually) all years	
<b>Per Policy Expense Charge:</b> \$4/mo all years (\$48 annually)	
<b>Monthly Administrative Charge:</b> Years 1-2: 3% x Load Basis Amount* Years 3-5: 2% x Load Basis Amount *Basis Amount is a separate set of per 1000 rates which vary by issue age, gender and class.	
<b>Guaranteed Interest Rate:</b> 3.5% all years	
<b>Policy Loan Charged Rate:</b> 5% years 1-10, 3.5% years 11+	
<b>Interest Credited on Borrowed Funds:</b> 3.5% in all years	
<b>Interest Bonus:</b> Non-guaranteed duration bonus of 0.50% is credited in policy years 16+ on unborrowed funds. Asset-based bonus: .25% of unborrowed funds in excess of a bonus threshold starting in year 1.	
<b>Surrender Charge Period:</b> 9 Years	
<b>Surrender Charges for Face Amount Decreases:</b> Per \$1000 charge times the number of 1000's in the decrease during the surrender period. Varies by sex, class and issue age.	
<b>Guaranteed Cost of Insurance Charges:</b> Based on 2001 Ultimate Tables.	

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<b>Lincoln LifeReserve® UL (2009)</b>
<p><b>Extended Maturity:</b> As long as the policy is in force at the insured's Age 121, the face amount and Death Benefit Option remain the same and all monthly deductions cease. Account value, if any, will continue to earn interest and interest on any loan would continue to accrue, and the policy will continue in-force for the life of the insured. Supplemental Coverage Rider will not extend beyond age 100.</p>
<p><b>Coverage Protection:</b> Minimum 5-year guarantee period if minimum no-lapse premium is paid. Will continue upon increase in coverage. Increases increase the minimum premium for the rest of the 5-year period.</p>
<p><b>Minimum Specified Amount:</b> Full Underwriting: \$25,000 up to issue age 70; \$100,000 for issue ages 71 and above; Simplified Issue and Guaranteed Issue: \$100,000.</p>
<p><b>Maximum Specified Amount:</b> Subject to underwriting and reinsurance</p>
<p><b>Death Benefit Options:</b> I, II and III</p>
<p><b>Withdrawals:</b> Minimum: \$50 Fee: \$0.00 Maximum: Cash Surrender Value minus \$50.00* *NY: Withdrawal may not exceed the surrender value.</p>
<p><b>Premium Deposit Fund:</b> Allows the policyholder to provide in advance for payment of future premiums. Minimum Deposit: \$250 Maximum Deposit: 10 times annual premium Guaranteed interest credited on deposit: 1%</p>
<p><b>Available Riders (fully underwritten only):</b></p> <ul style="list-style-type: none"> <li>- Accidental Death Benefit Rider<sup>1,4</sup></li> <li>- Children's Term Rider<sup>1,4</sup></li> <li>- Guaranteed Insurability Rider<sup>1</sup></li> <li>- Spouse Term Rider<sup>*, 1,4</sup></li> <li>- Disability Waiver of Monthly Deductions Benefit Rider<sup>1</sup></li> <li>- Disability Waiver of Specified Premium Benefit Rider<sup>1</sup></li> <li>- Accelerated Benefits Rider<sup>** 2, 4</sup></li> <li>- Accelerated Benefits Rider (with critical illness coverage)<sup>*, 2, 4</sup></li> <li>- Supplemental Coverage Rider<sup>1,3</sup></li> <li>- Change of Insured Rider<sup>4</sup></li> <li>- Exec Rider<sup>*,1</sup></li> <li>- Overloan Protection Endorsement<sup>2</sup></li> <li>- Assured Distribution Endorsement<sup>2</sup></li> </ul> <p>*Not available in New York **In New York, available for terminal illness only. <sup>1</sup>There is an additional charge for these riders. <sup>2</sup>There is no charge for this rider until exercised. <sup>3</sup>Available with Simplified Issue and Guaranteed Issue. <sup>4</sup>Available with Simplified Issue In some cases, NY versions of the riders have significantly different benefits, underwriting requirements and availability.</p>

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<b>Life Insurance Tax Qualification Test:</b> Guideline Premium Test or Cash Value Accumulation Test (CVAT). The policy owner decides which test is used and cannot change after issue. CVAT is allowed with DBO III.
<b>Loan Rollovers:</b> Loans are accepted as part of 1035 rollovers.
<b>Internal Replacements:</b> Load on internal replacement monies in year one will be 3.00%, except for NY, NV, TX and FL which are 6.0%.
<b>Compensation:</b> <ul style="list-style-type: none"><li>• Rolling target for 5 years, except in New York which has an enhanced renewal target.</li></ul>
<b>Compensation Chargeback on Requested Specified Amount Decreases:</b> <ul style="list-style-type: none"><li>• Policy months 1-6: 100% of impacted commissions</li><li>• Policy months 7-12: 75% of impacted commissions</li><li>• Policy months 13-24: 50% of impacted commissions</li></ul>
<b>Compensation Chargeback on Decrease due to Full Surrender/Withdrawal/Lapse:</b> <ul style="list-style-type: none"><li>• Policy months 1-6: 100% of impacted commissions</li><li>• Policy months 7-12: 50% of impacted commissions</li></ul>

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## Key Features

*Lincoln LifeReserve*® UL (2009) is a universal life product intended for long term cash surrender value accumulation. It has a Supplemental Coverage Rider that can help enhance account value accumulation or lower the cost of the death benefit coverage.

### **Five Year Minimum Premium**

There is a five year Minimum Premium Period. If, during the Minimum Premium Period, the surrender value is not sufficient to cover the monthly deduction, the policy will continue in force as long as the cumulative Minimum Premium requirement has been met. Otherwise, the policy will enter the Grace Period.

The cumulative Minimum Premium requirement is that the cumulative premiums paid must be at least as great as the cumulative Minimum Premium due. The cumulative premium paid is the sum of all premiums paid since issue, less any debt and withdrawals. The cumulative Minimum Premium due is the monthly Minimum Premium times the number of completed policy months.

Policy increases in the first five years will increase the Minimum Premium from the month of the increase through the end of the five year period.

### **Premiums**

*Lincoln LifeReserve*® UL (2009) has flexible premiums as well as an adjustable death benefit which gives the client control over the design of their policy. Premium payments are flexible but there are some requirements and limitations.

*Lincoln LifeReserve*® UL (2009) has a target premium which is the maximum premium that will receive the full commission rate. There is a "rolling target" for commissions which means that the initial commission rate is paid on all premiums received in the first 5 policy years until premiums received reach the target premium. **New York has an enhanced renewal target.**

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

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The modes of premium payment allowed are as follows:

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

There is no additional charge for modal billing, but be sure the illustration solve that is utilized assumes the appropriate, desired mode since the timing of the premium payments will impact the level of funding required due to the compounding of payments and interest over time.

**Premium Deposit Fund**

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

<b>Minimum Deposit:</b>	\$250
<b>Maximum Deposit:</b>	10 times annual premium

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

**Modified Endowment Contracts (MEC)**

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

**Life Insurance Tax Qualification Tests**

**Recapture Ceiling**

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

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

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

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

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

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

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

### **Guideline Premium Test**

In order to meet the IRS definition of life insurance, the contract must pass either the Guideline Premium/Corridor Test or the Cash Value Accumulation Test (see below). The flexible premium on universal life insurance allows the client to experiment with different funding levels. At times, you may encounter guideline premium limits which are set by the IRS to ensure that policies meet the definition of life insurance. The maximum total premium allowed in a policy is the greater of the guideline single premium or the sum of the guideline level premiums already paid. If the rule is violated, the policy is not acceptable to the IRS as life insurance and the earnings become taxable to the policyowner as income. Lincoln will not accept any premium that violates the guidelines and if the policy becomes out of compliance (due to policy changes) the excess premium will be refunded to the policyowner. The policyowner must choose at issue which test will be used to determine tax qualification and may not change after issue. Death Benefit Option III is now available with CVAT.

### **Cash Value Accumulation Test (CVAT)**

A contract meets the cash value accumulation test if the cash surrender value does not exceed the net single premium which would have to be paid at such time to fund future benefits under the contract.

The policyowner must choose at issue which test will be used to determine tax qualification and may not change after issue.

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**Death Benefits**

Lincoln LifeReserve® UL (2009) offers three death benefit options.

Option 1: Level

- The death benefit will be the greater of the Specified Amount or the IRS Corridor Benefit, less any policy indebtedness.

Option 2: Increasing by cash value

- The death benefit will be the greater of the Specified Amount plus the Account Value or the IRS corridor benefit, less any policy indebtedness.

Option 3:

- The death benefit will be the lesser of the DBO3 Limit or Specified Amount plus total premiums paid prior to age 100, less Partial Surrenders.

The death benefit option may be changed by the policyowner at any time after the first policy year. The Specified Amount will be increased or decreased appropriately to maintain the same death benefit before and after the change.

Increases due to a change in death benefit option will not incur a new monthly administrative charge, per policy expense charge or surrender charge and commissions will not be paid on the increase.

There will not be any surrender charge on a decrease in Specified Amount due to an option change.

**Charges, Fees and Deductions**

**Deductions from Premiums:** There is a premium load that is deducted from all premiums. The premium load for Lincoln LifeReserve® UL (2009) is 6.0% in years 1-15 and 3.0% in years 16+.

Rollover money on internal replacements in year one will be charged 3.00% except in NY, NV, TX and FL which will charge the full 6.0% load. Increases and decreases in the Specified Amount do not affect the premium load.

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

- **Per Policy Expense Charge:** A guaranteed charge will be deducted monthly as follows:  
\$4 per month in all years.  
Policy changes do not affect this charge.
- **Administrative Charge:** There is a monthly administrative charge for the first five policy years.

Year 1-2	3% of load basis amount
Year 3-5	2% of load basis amount

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The load basis amount is a separate set of per 1000 rates which vary by issue age, gender and underwriting class. Any decreases in the Specified Amount will not change this charge. Any increases in the Specified Rate will incur a new administrative charge for a two year period and will be based on the load basis amount for the increase at the higher issue age and class of the increase.

- **Monthly Asset Based Charge:** 0.0483% of net policy value (0.60% annually)
- **Surrender Charges:** The cash surrender value equals the account value minus the applicable surrender charges and any outstanding loan balance. The surrender charges decrease as the policy years increase up to and including the 9<sup>th</sup> year, and are zero thereafter.
- **Partial Surrender Charges:** There will be a partial surrender charge if there is a decrease in the Specified Amount. The partial surrender charge is prorated by face amount. These charges do apply to withdrawals that reduce the specified amount.
- **Withdrawal Charge:** There is no transaction fee for partial withdrawals. Partial withdrawals may be made at any time and may not exceed the cash surrender value less \$50.00, except in New York where the maximum is 100% of the cash surrender value. The minimum for a partial withdrawal is \$50.00. The Specified Amount remaining in force after a partial withdrawal may not be less than \$1,000. Any request for a partial surrender that would reduce the Specified Amount below this minimum will not be allowed. The allowable withdrawal will be limited to the amount that would result in the minimum face amount.
- **Monthly Cost of Insurance:** A charge per 1,000 of net amount at risk, and any rider costs, which vary by gender and underwriting class will be deducted from the cash value until the policy anniversary at attained age 121. The rates are based on the Ultimate 2001 CSO Tables.

### **Account Values and Loans**

**Interest Crediting:** The policy provides current interest crediting based on a portfolio methodology and not a new money rate. The current interest experience is applied to the policyowner's account value.

On unborrowed money, interest is credited at a guaranteed minimum annual rate of 3.5% in all years. Interest charged on borrowed funds is 5% in years 1-10 and 3.5% in years 11+.

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

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**Cash Surrender:** The cash surrender value is the amount of money available to a client upon full surrender of the policy. In the first 9 policy years, the cash surrender value equals the account value minus applicable surrender charges and any outstanding loans and loan interest. After the 9<sup>th</sup> policy year, if there have been no increases in the specified amount, the cash surrender value equals the account value, minus outstanding loans and loan interest.

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

**Agent Compensation**

There is a rolling target for the first 5 policy years except in New York which has an enhanced renewal target. Please refer to your commission schedule for complete compensation details.

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

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

Compensation on internal replacements may or may not be available, depending on the circumstances of the individual case. Refer to company policies and procedures for details of internal replacement compensation.

**Please note: When the Exec Rider is attached, compensation is completely different. See the Exec Rider section for additional details.**

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**Available Riders – Generic (see list that follows for NY)**

**Supplemental Coverage Rider:**

The Supplemental Coverage Rider allows the policy owner to add a layer of cost-effective term insurance which expires at the insured's Attained Age 100.

<b>Issue Ages:</b>	Same as base policy.
<b>Minimum Issue Amount:</b>	\$25,000
<b>Maximum Issue Amount:</b>	Base specified amount must be at least 20% of the combined base specified amount and SCR, subject to underwriting limits
<b>Coverage Period:</b>	Age 100
<b>Rider Target:</b>	5% x the base policy Target Premium

This rider cannot be added after issue. The Supplemental Coverage Rider specified amount will not be included in the death benefit amount under the Accelerated Benefits Rider. Available with Full Underwriting, Simplified Issue or Guaranteed Issue. Will not be allowed with Full Underwriting or Simplified Issue if the total face amount (base plus SCR) is less than \$100,000.

**Disability Waiver of Specified Premium Rider:**

The Disability Waiver of Specified Premium Rider, available at an additional cost, will deposit the monthly specified premium into the policy if the insured becomes totally disabled, satisfies a six-month elimination period and remains totally disabled. The monthly specified premiums that were not deposited during the elimination period will be deposited once the elimination period is satisfied.

Total Disability is defined as either:

- 1) The inability of the insured, because of bodily injury or disease, to engage in an occupation or business:
  - a) During the first 24 months of total disability, "occupation or business" means the insured's regular occupation or business at the time the disability began.
  - b) After the first 24 months of total disability, "occupation or business" means any occupation or business for which the insured is or becomes reasonably suited by education, training or experience.
- 2) The total loss of sight of both eyes, or the use of both hands, or the use of both feet, or one hand and one foot.

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**Disability Waiver of Specified Premium Rider (continued):**

<b>Issue Ages:</b>	18-60
<b>Minimum Issue Amount (based on specified monthly premium):</b>	\$25
<b>Maximum Issue Amount:</b>	The lesser of 1. \$3000 or 2. 1/12 the 7702 guideline level premium for the contract.
<b>Amount of Deposit:</b> For disabilities commencing after age 5 but before age 56:	The monthly specified premium will be deposited into the policy as long as the insured remains disabled.
For disabilities commencing on or after age 56:	The monthly specified premium will be deposited into the policy as long as the insured remains disabled, up to a maximum period of 15 years.
<b>Target Premium:</b>	12 x first month rider Cost of Insurance
<b>Rider Termination:</b>	Insured's Age 65

The rider may be added after issue with underwriting. Increases are allowed after issue subject to additional underwriting. The rider is not available if the base policy is rated higher than Table D. Rates are based on attained age and are increasing. A policy may not have both the Waiver of Monthly Deduction and the Waiver of Specified Premium Rider. Not available with the Change of Insured Rider. The rider is commissionable. Available with full underwriting only.

**Disability Waiver of Monthly Deductions Benefit Rider:**

The Disability Waiver of Monthly Deductions Benefit Rider, available at an additional cost, waives the cost of insurance, monthly expense charges and rider charges if the insured becomes disabled, satisfies the six-month elimination period and remains totally disabled.

Total Disability is defined as:

- 1) The inability of the insured, because of bodily injury or disease, to engage in an occupation or business:
  - c) During the first 24 months of total disability, "occupation or business" means the insured's regular occupation or business at the time the disability began.
  - d) After the first 24 months of total disability, "occupation or business" means any occupation or business for which the insured is or becomes reasonably suited by education, training or experience.
- 2) The total loss of sight of both eyes, or the use of both hands, or the use of both feet, or one hand and one foot.

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**Disability Waiver of Monthly Deductions Benefit Rider (continued):**

<b>Issue Ages:</b>	0-60
<b>Maximum Issue Amount:</b>	Based on maximum \$5,000,000 base specified amount <b>and Supplemental Coverage Rider</b> . If an increase to the base brings it higher than \$5,000,000, the rider is no longer allowed.
<b>Benefit:</b> For disabilities commencing after age 5 but before age 56:	Benefits will continue as long as the insured remains disabled.
For disabilities commencing between ages 56-64:	Benefits will continue for 15 years, as long as the insured remains disabled.
<b>Target Premium:</b>	Rider target calculation is a percentage of the target premium for the base and other riders.

This rider may be added after issue with underwriting. The rider terminates at the earlier of age 65 or termination of the base policy. Rates are at attained age and are annually increasing. The rider is not available if the base policy is rated higher than Table D. A policy may not have both the Waiver of Monthly Deduction and the Waiver of Specified Premium Rider. Allowed with Change of Insured Rider but the charge for this rider may change. The rider is commissionable. Available with full underwriting only.

**Accelerated Benefits Rider (With Critical Illness Coverage):**

The Accelerated Benefits Rider with Critical Illness Coverage pays a portion of the death benefit if one or more of the following occurs:

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

This rider does not include acceleration of amounts under the Supplemental Coverage Rider. This benefit will be treated as a lien against the policy and as such, will accrue interest. In order to exercise the benefit, there must be sufficient surrender value to cover costs for five years.

<b>Issue Ages:</b>	Same as for base policy
<b>Issue Amount:</b>	Same as for base policy. Minimum policy amount is \$100,000.
<b>Maximum Benefit Amount:</b>	<ul style="list-style-type: none"> <li>• 50% for terminal illness</li> <li>• 40% for nursing home confinement</li> <li>• lesser of 5% or \$25,000 for critical illness</li> </ul> The maximum benefit available is \$250,000.

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**Accelerated Benefits Rider (With Critical Illness Coverage)(continued):**

This rider cannot be added after issue. It is not available if the base policy is rated greater than Table D. There is no charge for this rider but there is a \$300 charge at the time of claim which is deducted from the benefit payable.

Available with Full Underwriting or Simplified Issue. If the Change of Insured Rider is exercised, this rider will terminate.

**Accelerated Benefits Rider:**

The Accelerated Benefits Rider pays a portion of the death benefit if one of the following occurs:

1. the insured is permanently confined to a nursing home; or
2. the insured is diagnosed as terminally ill.

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

<b>Issue Ages:</b>	Same as for base policy
<b>Issue Amount:</b>	Same as for base policy. Minimum policy amount is \$100,000.
<b>Maximum Benefit Amount:</b>	50% for terminal illness 40% for nursing home confinement The maximum benefit available is \$250,000.

This rider does not include acceleration of amounts under the Supplemental Coverage Rider. This rider is available if covered insured is rated, however, the Accelerated Benefits Rider with Critical Illness is available for those rated Table D or below and may be more desirable. This rider can be added after issue. There is no charge for this rider but there is a \$300 charge at the time of claim which is deducted from the benefit payable. Available with Full Underwriting or Simplified Issue.

**Accidental Death Benefit Rider:**

The Accidental Death Benefit Rider, available at an additional cost, can help offset financial burden by offering an additional amount, up to \$250,000, in the case of an accidental death. The rider will only offer the additional amount if the accident occurs before the the insured's Attained Age 70.

<b>Minimum Issue Age:</b>	0
<b>Maximum Issue Age:</b>	65
<b>Minimum Issue Amount:</b>	\$1,000
<b>Maximum Issue Amount:</b>	Twice the face amount of base policy up to \$250,000.
<b>Target Premium:</b>	12 x the first month rider Cost of Insurance

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**Accidental Death Benefit Rider (continued):**

The rider may be added after issue. The rider benefit amount may be increased or decreased after issue subject to the limits listed above. Rates are based on attained age and are deducted monthly from the accumulated value of the base policy. The rider is commissionable. Available with Full Underwriting or Simplified Issue. Not allowed with Change of Insured Rider.

**Spouse Term Rider:**

The Spouse Term Rider, available at an additional cost, provides level term insurance on the spouse of the insured until the earlier of the base insured's Attained Age 100 or the spouse's Attained Age 95. The rider may be converted to any eligible permanent policy at the earlier of the spouse reaching age 70 or the death of the base insured.

<b>Spouse Issue Ages:</b>	16-70
<b>Minimum Issue Amount:</b>	\$25,000
<b>Maximum Issue Amount:</b>	Amount of base policy
<b>Target Premiums:</b>	Available in a target table

The rider will be allowed with a maximum Table F rating. Increases and decreases will be allowed after the rider has been in-force for 12 months. The rider has separate current COIs which vary by attained age, gender and tobacco status. This rider is commissionable. Available with Full Underwriting and Simplified Issue. If the Change of Insured Rider is exercised, this rider will terminate.

**Children's Term Rider:**

The Children's Term Rider, available at an additional cost, provides level term insurance for each child of the insured. The child would remain insured until the earlier of the policy anniversary nearest the child's 25<sup>th</sup> birthday or until the insured reaches age 65. The term rider may be converted to an available permanent policy of up to \$5000 per unit, but not less than the minimum on the new plan, up to the child's 25<sup>th</sup> birthday. If the insured dies, the rider coverage becomes a fully-paid up policy with an account value.

<b>Issue Ages:</b>	Base policy insured: 18-50 Each child: 0 (15 days old)-17
<b>Minimum:</b>	One unit (\$1000)
<b>Maximum:</b>	One unit per \$5000 of base, up to 10 units
<b>Target Premium:</b>	\$.50 per unit monthly

The rider may be added to the policy after issue as long as the child has not yet reached 17 years of age and the parent is between the ages of 18 and 50. If the Change of Insured Rider is exercised, this rider will terminate. The rider is commissionable. Available with Full Underwriting or Simplified Issue.

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**Guaranteed Insurability Rider:**

The Guaranteed Insurability Rider, available at an additional cost, allows the insured to purchase additional amounts of insurance during option periods, without medical evidence of insurability. The rider must be elected when the policy is purchased. The coverage will expire at the insured's age 40.

<b>Issue Ages:</b>	0-38
<b>Minimum Issue Amount:</b>	\$10,000
<b>Maximum Issue Amount:</b>	\$50,000 but not more than twice the specified amount for issue ages 0-30, or more than the specified amount for issue ages over 30
<b>Regular Option Dates (occurring after policy issue):</b>	Policy anniversary nearest the insured's 25 <sup>th</sup> , 28 <sup>th</sup> , 31 <sup>st</sup> , 34 <sup>th</sup> , 37 <sup>th</sup> and 40 <sup>th</sup> birthdays
<b>Alternate Option Dates (occurring after policy issue):</b>	If there is at least one uncanceled regular option date remaining, alternate option date is within 90 days of the following: <ul style="list-style-type: none"> <li>• First marriage of the insured</li> <li>• Birth or adoption of a child</li> </ul> The exercise of an alternate option date cancels the option on the next regular option date.
<b>Target Premium:</b>	12 times the first month rider Cost of Insurance

The rider may not be added after issue, nor may the benefit be increased or decreased. It is not available if the base policy has a table rating or an Aviation Exclusion Rider. Not available with the Change of Insured Rider. The cost of the rider is deducted monthly from the accumulated value of the base policy. Rates are level and are on an issue age basis. The rider is commissionable. Available with Full Underwriting only.

**Change of Insured Rider:**

The Change of Insured Rider allows the owner to transfer the basic policy on the life of the original insured for a policy on the life of a substitute insured. This is primarily used in business/pension situations.

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**Change of Insured Rider (continued):**

<b>Issue Ages:</b>	Same as base policy.
<b>Underwriting Requirements to exercise:</b>	<ul style="list-style-type: none"> <li>• LifeComp case</li> <li>• Lincoln approved third party administrator</li> <li>• Business is owner</li> <li>• Business is premium payor</li> <li>• Business accounts receivable arrangement</li> <li>• Owner must have insurable interest</li> <li>• New life must submit satisfactory evidence of insurability</li> <li>• Original policy must be in force</li> <li>• Can not be exercised until 3 years after original policy date</li> </ul>
<b>Fee:</b>	None

Available at issue only with Full Underwriting or Simplified Issue. Not allowed with Death Benefit Option 3.

**Exec Rider:**

The Exec Rider was designed to allow for higher early cash surrender values in the first 10 policy years. This is important when a business is using current assets to purchase insurance which may cause the balance sheet to temporarily appear to lose value. The contract reads:

**The surrender value upon Full Surrender of the policy to which this rider is attached will be increased to an “Enhanced” level so that it will be at least as large as a stated percentage of the summed premium contributions to date less Debt.**

The cumulative premium multiplied by the designated percentage minus Debt will be called the “Enhanced Cash Surrender Value (CSV).” The designated percentage is based on “Tier” and duration.

During the first 10 policy years, the “Enhanced Cash Surrender Value” will be equal to a “Tier Percentage” of cumulative paid premiums minus Debt. If a minimum cumulative funding requirement has been met on each and every policy month, the client will receive a higher Tier 1 percentage. If the test is not met, Tier 1 will be lost permanently and will from that point on equal a lower Tier 2 percentage.

During years 11-14, the benefit is a combination of a cumulative premium factor multiplied by the premiums paid and a natural (unenhanced) surrender value factor times the natural surrender value minus Debt.

Premium from exchanges will be eligible for a higher benefit as long as the cumulative premium test is met. This does not apply to exchange premiums in FL or TX.

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**Exec Rider (continued):**

The table below shows the premium (both out of pocket and exchange premiums) and cash value factors available for Tier 1 and Tier 2 over the 14 year rider period.

Policy Year	PREMIUM FACTOR		EXCHANGE FACTOR		CV FACTOR
	Test Met (Tier 1)	Test Failed (Tier 2)	Test Met (Tier 1)	Test Failed (Tier 2)	
(t)					
1	96.0%	70.0%	98.0%	70.0%	0.0%
2	96.4%	70.0%	98.2%	70.0%	0.0%
3	96.8%	70.0%	98.4%	70.0%	0.0%
4	97.2%	70.0%	98.6%	70.0%	0.0%
5	97.6%	70.0%	98.8%	70.0%	0.0%
6	98.0%	70.0%	99.0%	70.0%	0.0%
7	98.4%	70.0%	99.2%	70.0%	0.0%
8	98.8%	70.0%	99.4%	70.0%	0.0%
9	99.2%	70.0%	99.6%	70.0%	0.0%
10	99.6%	70.0%	99.8%	70.0%	0.0%
11	80.0%	56.0%	80.0%	56.0%	20.0%
12	60.0%	42.0%	60.0%	42.0%	40.0%
13	40.0%	28.0%	40.0%	28.0%	60.0%
14	20.0%	14.0%	20.0%	14.0%	80.0%

This cash value enhancement does not apply for the following:

- Loans
- Surrender value for internal or external exchanges out of the product (except in FL and TX)
- Lapse testing – lapse will still be based on a positive natural (unenhanced) surrender value

**Rider Issue Requirements**

- Minimum age 19
- Not available with Death Benefit Option 3
- Available at policy issue only (cannot be added to an existing policy)
- Not available with CVAT

The Exec Rider will be broadly available on Simplified Issue/Guaranteed Issue basis. It will NOT be available for term conversions. For individual, fully underwritten cases, the rider will only be available if one of the following apply:

- LifeComp case
- Lincoln Approved third party administrator
- Business is owner
- Business is premium payor
- Business accounts receivable arrangement (will need account receivable acknowledgement submitted to underwriting).
- Premium Financing

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## Exec Rider (continued):

### Tier 1 Premium Test

“Tier 1” enhanced values will only be available as long as cumulative paid premiums exceed the premium requirement every month (this will NOT include internal rollover money except in FL and TX). If at any point this test is not met, then, following a 60 day grace period, only “Tier 2” will be achieved from that point on.

M = Month anniversary number

U = Number of Units

P = Monthly premium per unit

Example: Policy month 27 and the premium per unit is .75 and face is \$500,000.  
 $27 \times .75 \times 500 = \$13,875$ . As long as premiums received so far were \$13,875 or more (and the test had not previously failed) then Tier 1 applies. If there is a loan, then the premiums received would have to be more than the calculation plus the outstanding loan.

Significant increases to the face amount could make the Tier 1 premium test unachievable, so these are not advised. The policy should be placed at a face amount large enough to anticipate any future significant growth.

### Rider Charge

There will be a charge for the Rider equal to \$0.48 per unit of face amount charged monthly throughout the 14-year life of the rider or until the Rider terminates, whichever comes first. This amount will be charged against the highest face amount since issue (the number of units will increase on a face increase, but will not decrease if the face decreases).

There is unique treatment of this charge, since this rider is not a qualified additional benefit. If the policy is not a MEC, the charge reduces the cost basis of the policy each month. If the charge ever reduces the basis to zero, any additional charges will be taxable. If the policy is a MEC, the charge will be taxable up to the gain in the policy. If there is no gain, then the charge will reduce the cost basis.

### Rider Termination

The rider will terminate on the earliest of the following:

- The policy's 14<sup>th</sup> anniversary (Beginning of Year 15).
- The first month anniversary when the unenhanced Cash Surrender Value is greater than the Enhanced Cash Surrender Value. This event is called “Crossover” and is noted in the illustration when it happens.
- Execution of any policy change other than Increase, Decrease, Loan or Rider Adds/Deletions.
- Change in policy owner.

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**Exec Rider (continued):**

**Compensation Calculations**

When this rider is attached, an entirely new set of target premiums are used instead of the *Lincoln LifeReserve*® UL base policy targets.

While this rider is in effect, it completely replaces the normal compensation rules with its own unique compensation schedule. Each segment contributing to total policy Target Premium (including all riders) is used to define 8 “buckets”. For example, if Target Premium for the whole policy is \$10,000, the buckets would be as follows:

Bucket 1	\$0.00 thru \$10,000.00
Bucket 2	\$10,000.01 thru \$20,000.00
Bucket 3	\$20,000.01 thru \$30,000.00
Bucket 4	\$30,000.01 thru \$40,000.00
Bucket 5	\$40,000.01 thru \$50,000.00
Bucket 6	\$50,000.01 thru \$60,000.00
Bucket 7	\$60,000.01 thru \$70,000.00
Bucket 8	\$70,000.01 thru \$80,000.00

Each bucket has an associated compensation rate, which depends on the schedule selected. The choice between the Levelized and Semi-Heaped schedules is made at issue and may not be changed after issue.

As premium is paid, it “fills” the buckets in order. Within each bucket, there are two criteria that need to be met for compensation to be paid.

- 1) Premium must have been paid and allocated to that bucket.
- 2) The associated policy anniversary must have been reached, as follows:

Bucket 1	Issue Date
Bucket 2	1 <sup>st</sup> Anniversary
Bucket 3	2 <sup>nd</sup> Anniversary
Bucket 4	3 <sup>rd</sup> Anniversary
Bucket 5	4 <sup>th</sup> Anniversary
Bucket 6	5 <sup>th</sup> Anniversary
Bucket 7	6 <sup>th</sup> Anniversary
Bucket 8	7 <sup>th</sup> Anniversary

For example, Bucket 3 can be filled, and therefore compensation earned, by premiums paid in the first policy year. However, such compensation will not be paid until the 2<sup>nd</sup> policy anniversary. There is no interest credited on compensation earned, but not payable until a future date.

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### **Exec Rider (continued):**

As an additional example, assume that Bucket 2 is not yet filled and it is past the 1<sup>st</sup> anniversary. Any premium paid would go first toward filling Bucket 2, immediately generating compensation payment. Once Bucket 2 is filled, remaining premium would go to Bucket 3, and either be held until the 2<sup>nd</sup> anniversary if that has not yet passed, or immediately generate compensation payment if it has.

### **Flat Rate**

In addition to bucket compensation, premiums paid will immediately earn flat rate compensation. This compensation is paid for all premiums collected while this rider is in force, even after policy year 8, up to a maximum of policy year 15.

### **Annualization**

We will NOT be offering annualization for the bucket/target compensation for year 1. Only the flat compensation will be eligible for annualization. Consequently, it is recommended to pay annually rather than on a more frequent mode.

### **Compensation Impacts Upon Rider Termination**

There are three possible impacts to compensation upon termination of the rider:

- When rider is Tier 1 and terminates because natural surrender value has exceeded enhanced surrender value, a special payout is received(see Crossover Payout section below).After termination and the special payout, compensation reverts to LifeReserve base compensation. Renewal compensation and compensation on increases will pay as noted under the LifeReserve UL section of the compensation schedule.
- Termination of the rider for reasons other than lapse/surrender or Crossover (withdrawal, owner change, etc). Compensation will continue as if the Exec Rider were still in force.
- A Lapse/Surrender will result in a chargeback of all compensation paid in the two years prior to the lapse/surrender. Any compensation being held by the company, while waiting for policy anniversary release date, is forfeited upon lapse/surrender. If the client decides to reinstate after a lapse, the compensation reverts to LifeReserve base compensation. Renewal compensation and compensation on increases will pay out as noted under the LifeReserve UL section of the compensation schedule.

### **Crossover Payout**

Should the natural surrender value equal or exceed the enhanced surrender value, the rider will terminate. If this occurs, and the policy has the Tier 1 enhancement, a special payout will occur for any buckets whose associated policy anniversary has not yet occurred. Thus, if termination of the rider occurs during policy year 5, payout will occur for Buckets 6, 7, and 8. If Tier 2 is in effect, the crossover payout does not apply - the buckets will payout only when those anniversaries are reached.

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**Exec Rider (continued):**

When this lump sum payout occurs, it will be calculated as if each future bucket was completely filled.

The payout will be the same regardless of whether the compensation choice was Levelized or Semi-Heaped.

This lump sum payout will also occur at policy anniversary 14, should an increase have happened in policy year 8 or later. The lump sum payout will be calculated based on the buckets associated with the increase. This is irregardless of whether it's Tier 1 or Tier 2.

**ChargeBacks**

Compensation will be charged back on a two-year rolling basis upon policy lapse or surrender. The most recent two years of compensation will be charged back upon any lapse at any point while the Exec Rider is in force.

There is no chargeback on specified amount decrease while the Exec Rider is in force.

**Internal Replacements**

- 1) Calculate Target as if this is any other issue. This establishes 8 Buckets, each size = Target. Target on the old policies is not used in any way.
- 2) Rollover Amount arrives and is immediately paid flat rate x Durational Factor (as noted in the Internal Replacement rules).
- 3) Rollover Amount is allocated, in total, to the Buckets by normal rules.
- 4) New Money, when received, is immediately paid flat rate (note: no Durational Factor)
- 5) New Money is allocated to the Buckets by normal rules.
- 6) Whenever Buckets pay out, the amount paid is adjusted by the Durational Factor. It does not matter if the Bucket was filled with Rollover or New Money... the Durational Factor always applies.
- 7) If an increase occurs, the commissions on the increase (which has its own Buckets) are never affected by the Durational Factor.
- 8) If the rider terminates, the Durational Factor will apply to any lump sum payment on the base segment. As per (7), there is no Durational Factor on any lump sum payment for increases.

**Internal Replacement with Loan**

If the internal replacement includes a loan rollover, then compensation applies only on the net amount.

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**Exec Rider (continued):**

**Death Claims**

Death claims will automatically pay out any future buckets with a discount for future value.

**Increases**

An increase will create a new set of 8 "buckets" starting the date of the increase. The bucket size for the new coverage will be equal to the increment in the Target. Premium received from that point forward will be prorated between the multiple sets of buckets based on the original Target (original buckets) and the increment in Target (new buckets) as compared to the total Target.

**Exec Rider (continued):**

**Decreases**

The size of the remaining buckets are recalibrated to reflect the resulting Target. If there is a bucket that has money in it that is scheduled to be paid, that bucket size remains the same. If there is money in future buckets that are NOT scheduled to be paid out yet, that bucket and any future buckets will be adjusted.



**Assured Distribution Endorsement:**

When invoked, this endorsement guarantees the client a specified stream of distributions from their Policy Value dependent upon the amount of money in the policy's account value.

<p><b>Availability at Issue (all must be met):</b></p>	<ul style="list-style-type: none"> <li>• Only available at issue</li> <li>• The insured is age 65 or less if Death Benefit Option 1 is chosen</li> <li>• The insured is age 70 or less if Death Benefit Option 2 is chosen</li> <li>• Not allowed with Death Benefit Option 3</li> <li>• The policy does not have CVAT</li> <li>• The Specified Amount (Base plus Supplemental Coverage Rider) is \$100,000 or greater</li> <li>• Allowed with Exec Rider</li> </ul>
<p><b>Requirements to Invoke the Endorsement (all must be met):</b></p>	<ul style="list-style-type: none"> <li>• The policy is not receiving either Waiver of Monthly Specified Premium or Waiver of Monthly Deduction benefits</li> <li>• The death benefit must not have been accelerated under the ADB Rider</li> <li>• The policy is not a Modified Endowment Contract</li> <li>• The insured is between ages 60 and 80</li> <li>• The policy has been in force at least 15 years or 10 years from last increase in Specified Amount if DBO-1</li> <li>• The policy has been in force at least 10 years or 10 years from last increase in Specified Amount if DBO-2</li> <li>• The policy has a positive Policy Value</li> <li>• The policy has no outstanding loans</li> <li>• The policy uses the Guideline Premium Test (not CVAT)</li> <li>• All riders have terminated except the Supplemental Coverage Rider</li> <li>• No increase has occurred in the last ten years</li> </ul>
<p><b>Distribution Periods:</b></p>	<p>Level Distribution Stream of:</p> <ul style="list-style-type: none"> <li>• 10 years</li> <li>• 20 years</li> <li>• to age 100</li> <li>• Lifetime</li> </ul>

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<b>Distribution Frequency:</b>	Choice of distribution streams: <ul style="list-style-type: none"> <li>• Monthly</li> <li>• Quarterly</li> <li>• Semi-annually</li> <li>• Annually</li> </ul>
<b>Distribution type:</b>	Choice of: <ul style="list-style-type: none"> <li>• Level</li> <li>• Increasing</li> </ul>

**Overloan Protection Endorsement:**

If the following conditions are all met and the Endorsement charge has been paid, any riders or benefits attached to the policy will terminate and any Indexed Account Value will be transferred to the Fixed Account.

1. The policy has been in force for at least 15 Policy Years;
2. The Insured's Attained Age is 75 or older;
3. The policyowner sends us a request in writing to exercise the Overloan Protection Endorsement;
4. The Cash Surrender Value is insufficient to cover the cost of 3 monthly deductions;
5. Debt is larger than the Specified Amount;
6. The policy must not be a Modified Endowment Contract; and
7. Death Benefit Option I must be in effect.

The Death Benefit provision of the policy will be modified so that the Death Benefit will be the larger of the following:

1. The Policy Value on the date of death multiplied by the corridor factor as shown in the Table of Corridor Factors in the policy specifications page; or
2. The Debt on the Insured's date of death plus \$10,000.

When the Overloan Protection feature takes effect, the following will not be allowed:

- Premium payments to be made;
- Partial surrenders;
- Policy loans;
- Increases or decreases in the Specified Amount;
- Death Benefit option changes;

When the Overloan Protection Feature is in effect, no further monthly deductions will taken and the policy will not enter the Grace Period. There is no charge for adding the endorsement to a policy, but if the benefit is elected, there will be a one-time charge not to exceed the Maximum Election Charge shown in the policy specifications page deducted from the policy value. The charge will be equal to 3% of the Policy Value. If sufficient funds are not available to cover the charge, a notice will be sent.

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**Available Riders – New York**

**Disability Waiver of Specified Premium Rider-NY:**

The Disability Waiver of Specified Premium Rider, available at an additional cost, will deposit the monthly specified premium into the policy if the insured becomes totally disabled, satisfies a six-month elimination period and remains totally disabled. The monthly specified premiums that were not deposited during the elimination period will be deposited once the elimination period is satisfied.

<b>Issue Ages:</b>	18-60
<b>Minimum Issue Amount (based on specified monthly premium):</b>	\$25
<b>Maximum Issue Amount:</b>	The lesser of 3. \$3000 or 4. the monthly equivalent of planned premium at issue.
<b>Amount of Deposit:</b> For disabilities commencing before age 56:	The monthly specified premium will be deposited into the policy as long as the insured remains disabled.
For disabilities commencing on or after age 56 but before age 65:	The monthly specified premium will be deposited into the policy as long as the insured remains disabled, up to a maximum period of 15 years.

The rider may be added after issue with underwriting. Increases are allowed after issue subject to additional underwriting. Rates are based on attained age and are increasing. Available with Full Underwriting only.

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**Disability Waiver of Monthly Deductions Benefit Rider-NY:**

The Disability Waiver of Monthly Deductions Benefit Rider, available at an additional cost, waives the cost of insurance, monthly expense charges and rider charges if the insured becomes disabled, satisfies the six-month elimination period and remains totally disabled.

<b>Issue Ages:</b>	18-60
<b>Maximum Issue Amount:</b>	Based on maximum \$5,000,000 base specified amount. If an increase to the base brings it higher than \$5,000,000, the rider is no longer allowed.
<b>Benefit:</b> For disabilities commencing before age 56:	Benefits will continue as long as the insured remains disabled.
For disabilities commencing between ages 56-64:	Benefits will continue for 15 years, as long as the insured remains disabled.

This rider may be added after issue with underwriting. The rider terminates at the earlier of age 65 or termination of the base policy. Rates are at attained age and are annually increasing. Available with Full Underwriting only.

**Accelerated Benefits Rider-NY:**

The Accelerated Benefits Rider pays a portion of the death benefit if the insured is diagnosed as terminally ill with a life expectancy of less than 12 months. The coverage is for terminal illness only and there is no coverage for nursing home or critical illness.

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

<b>Issue Ages:</b>	Same as for base policy
<b>Issue Amount:</b>	Same as for base policy. Minimum policy amount is \$100,000.
<b>Maximum Benefit Amount:</b>	50% for terminal illness The maximum benefit available on all policies is \$250,000.

This rider can be added after issue without underwriting. There is no charge for this rider but there is a \$300 charge at the time of claim which is deducted from the benefit payable. Available with Full Underwriting and Simplified Issue.

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**Accidental Death Benefit Rider -NY:**

The Accidental Death Benefit Rider, available at an additional cost, can help offset financial burden by offering an additional amount, up to \$150,000, in the case of an accidental death. The rider will only offer the additional amount if the accident occurs before the insured's Attained Age 70.

<b>Minimum Issue Age:</b>	16
<b>Maximum Issue Age:</b>	65
<b>Minimum Issue Amount:</b>	\$10,000
<b>Maximum Issue Amount:</b>	The lesser of 5-times the base amount or \$150,000.

The rider may be added after issue. The rider benefit amount may be increased or decreased after issue subject to the limits listed above. Rates are based on attained age and are deducted monthly from the accumulated value of the base policy. Available with Full Underwriting and Simplified Issue.

**Children's Term Rider-NY:**

The Children's Term Rider, available at an additional cost, provides level term insurance for each child of the insured. The child would remain insured until the earlier of the policy anniversary nearest the child's 25<sup>th</sup> birthday or until the insured reaches age 65. The term rider may be converted to an available permanent policy up to the child's 25<sup>th</sup> birthday. If the insured dies, the rider coverage becomes a fully-paid up term policy.

<b>Issue Ages:</b>	Base policy insured: 18-60 Each child: 0 (15 days old)-17
<b>Minimum:</b>	One unit (\$1000)
<b>Maximum:</b>	One unit per \$5000 of base, up to 10 units

The rider may be added to the policy after issue as long as the child has not yet reached 17 years of age. The cost is \$0.50 per unit monthly deducted from the accumulated value of the base policy. Available with Full Underwriting and Simplified Issue.

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**Guaranteed Insurability Rider-NY:**

The Guaranteed Insurability Rider, available at an additional cost, allows the insured to purchase additional amounts of insurance during option periods, without medical evidence of insurability. The rider must be elected when the policy is purchased. The coverage will expire at the insured's age 40.

<b>Issue Ages:</b>	16-40
<b>Minimum Issue Amount:</b>	\$10,000
<b>Maximum Issue Amount:</b>	Lesser of \$50,000 or the specified amount
<b>Regular Option Dates:</b>	Within 60 days of
<b>Issue age:</b>	Insured's attained age:
<b>15-23</b>	24,28,32,36,40
<b>24-27</b>	28,32,36,40
<b>28-31</b>	32,36,40
<b>32-35</b>	36,40
<b>36</b>	40
<b>37</b>	41
<b>38</b>	42
<b>39</b>	43
<b>40</b>	44
<b>Alternate Option Dates (occurring after policy issue):</b>	If there is at least one uncanceled regular option date remaining, alternate option date is within 90 days of the following: <ul style="list-style-type: none"> <li>• First marriage of the insured</li> <li>• Birth or adoption of a child</li> </ul> The exercise of an alternate option date cancels the option on the next regular option date.

The rider may not be added after issue, nor may the benefit be increased or decreased. The cost of the rider is deducted monthly from the accumulated value of the base policy. Rates are level and are on an issue age basis. Available with Full Underwriting only.

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**Change of Insured Rider –NY:**

The Change of Insured Rider allows the owner to transfer the basic policy on the life of the original insured for a policy on the life of a substitute insured. This rider will only be allowed for COLI/Key person insurance.

<b>Issue Ages:</b>	Same as base policy.
<b>Underwriting Requirements to exercise:</b>	<ul style="list-style-type: none"> <li>• LifeComp case</li> <li>• Lincoln approved third party administrator</li> <li>• Business is owner</li> <li>• Business is premium payor</li> <li>• Business accounts receivable arrangement</li> <li>• Owner must have insurable interest</li> <li>• New life must submit satisfactory evidence of insurability</li> <li>• Original policy must be in force</li> <li>• Can not be exercised until 3 years after original policy date</li> </ul>
<b>Fee:</b>	None

Available at issue only with Full Underwriting or Simplified Issue. Not allowed with Death Benefit Option 3.

**Assured Distribution Endorsement:**

When invoked, this endorsement guarantees the client a specified stream of distributions from their Policy Value dependent upon the amount of money in the policy's fund.

<b>Availability at Issue (all must be met):</b>	<ul style="list-style-type: none"> <li>• The insured is under age 70</li> <li>• The policy does not have CVAT</li> <li>• The Specified Amount (Base plus Supplemental Coverage Rider) is \$100,000 or greater</li> <li>• The Death Benefit Option is 1 or 2</li> </ul>
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**Assured Distribution Endorsement (continued):**

<p><b>Requirements to Invoke the Endorsement (all must be met):</b></p>	<ul style="list-style-type: none"> <li>• The policy is not receiving either Waiver of Monthly Specified Premium or Waiver of Monthly Deduction benefits</li> <li>• The death benefit must not have been accelerated under the ADB Rider</li> <li>• The policy is not a Modified Endowment Contract</li> <li>• The insured is between ages 60 and 80</li> <li>• The policy has been in force at least 10 years</li> <li>• The policy has a positive Policy Value</li> <li>• The policy has no outstanding loans</li> <li>• The policy uses the Guideline Premium Test (not CVAT)</li> <li>• All riders have terminated except the Supplemental Coverage Rider</li> <li>• No increase has occurred in the last ten years</li> </ul>
<p><b>Distribution Periods:</b></p>	<p>Level Distribution Stream of:</p> <ul style="list-style-type: none"> <li>• 10 years</li> <li>• 20 years</li> <li>• to age 100</li> <li>• Lifetime</li> </ul>
<p><b>Distribution Frequency:</b></p>	<p>Choice of distribution streams:</p> <ul style="list-style-type: none"> <li>• Monthly</li> <li>• Quarterly</li> <li>• Semi-annually</li> <li>• Annually</li> </ul>
<p><b>Distribution type:</b></p>	<p>Choice of:</p> <ul style="list-style-type: none"> <li>• Level</li> <li>• Increasing</li> </ul>

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**Overloan Protection Endorsement:**

If the following conditions are all met and the Endorsement charge has been paid, any riders or benefits attached to the policy will terminate and any Indexed Account Value will be transferred to the Fixed Account.

8. The policy has been in force for at least 15 Policy Years;
9. The Insured's Attained Age is 75 or older;
10. The policyowner sends us a request in writing to exercise the Overloan Protection Benefit;
11. The Cash Surrender Value is insufficient to cover the cost of 3 monthly deductions;
12. Debt is larger than the Specified Amount;
13. The policy must not be a Modified Endowment Contract; and
14. Death Benefit Option I must be in effect.

The Death Benefit provision of the policy will be modified so that the Death Benefit will be the larger of the following:

3. The Policy Value on the date of death multiplied by the corridor factor as shown in the Table of Corridor Factors in the policy specifications page; or
4. The Debt on the Insured's date of death plus \$10,000.

When the Overloan Protection feature takes effect, the following will not be allowed:

- Premium payments to be made;
- Partial surrenders;
- Policy loans;
- Increases or decreases in the Specified Amount;
- Death Benefit option changes;

When the Overloan Protection Feature is in effect, no further monthly deductions will taken and the policy will not enter the Grace Period. There is no charge for adding the endorsement to a policy, but if the benefit is elected, there will be a one-time charge not to exceed the Maximum Election Charge shown in the policy specifications page deducted from the policy value. The charge will be equal to 3% of the Policy Value. If sufficient funds are not available to cover the charge, a notice will be sent.

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