

Policy Number SPECIMEN

Insured JOHN DOE

Specified Amount \$200,000

Date of Issue AUGUST 1, 2005

## The Lincoln National Life Insurance Company

A Stock Company

Home Office Location: Fort Wayne, Indiana

Administrator Mailing Address: 350 Church Street, Hartford, CT 06103-1106

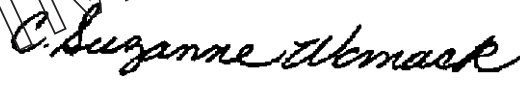
The Lincoln National Life Insurance Company agrees to pay the Death Benefit to the Beneficiary after receipt of Due Proof of the Insured's death while this policy is In Force and to provide the other rights and benefits in accordance with the terms of this Policy.

**Read This Policy Carefully.** This is a legal contract between you and us.

**30 Day Right to Return This Policy.** You may return this policy for any reason to the insurance agent through whom it was purchased or to us at the address listed above within 30 days after you receive it. If returned, this policy will be considered void from the Date of Issue and we will refund the premium paid less any prior loans, unpaid loan interest, and withdrawals.

This policy is issued and accepted subject to the terms set forth on the following pages, which are made a part of this policy. In consideration of the application and the payment of premiums as provided, this policy is executed by us as of the Date of Issue at the Administrator Mailing Address shown above.

  
President

  
Secretary

**FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY**  
Death Benefit payable if the Insured dies while this policy is In Force  
Non-participating -- Not eligible for annual dividends

**For information or assistance regarding this policy call: 800 962-1654**

*This specimen policy represents the generic language of the policy contract, including riders. Policy language, features, and availability may vary by state. Please be sure to check product and rider availability in the state you are soliciting.*

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# Policy Schedule

**Policy Number** SPECIMEN

<b>Insured:</b> JOHN DOE	<b>Date of Issue:</b> AUGUST 1, 2005
<b>Initial Specified Amount:</b> \$200,000	<b>Initial Premium:</b> \$107,462.58
<b>Minimum Specified Amount:</b> \$25,000	<b>Issue Age and Sex:</b> 35 Male
<b>Monthly Anniversary Day:</b> 01	<b>Premium Class:</b> Smoker

**Monthly Cost of Insurance:** See Policy Values Provisions, Cost of Insurance

**Guaranteed Minimum Interest Rate:** 4.0%

**Payment Mode:** Single Premium

**Planned Modal Premium:** Not Applicable

**Premium Expense Charge:**

Policy Year	Premium Expense Charge % of first \$12,122.00 of premium paid	Premium Expense Charge % of any premium paid in excess of \$12,122.00
1	60%	8.25%
2	20%	7%
3	15%	5%
4	15%	5%
5	10%	5%
6	10%	5%
7 and thereafter	9%	5%

# Policy Schedule

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## Optional Riders and Rider Charges

### Return of Premium Rider

Rider Charge: 16% of first \$12,122.00 of initial premium paid.  
2.40% of any initial premium paid in excess of \$12,122.00.

### Convalescent Care Benefits Rider ("CCBR")

Monthly Rider Charge: \$8.40  
CCBR Benefit Limit: \$200,000  
CCBR Duration: 2 Years  
Maximum Monthly CCBR Benefit: \$8,333.00

**Optional Inflation Protection:** Option 2: Compound Interest  
CCBR Monthly Inflation Charge: \$25.00

### Extension of Benefits Rider ("EOBR")

Monthly Rider Charge: \$12.40  
EOBR Benefit Limit: \$400,000  
EOBR Duration: 4 Years  
Maximum Monthly EOBR Benefit: \$8,333.00

**Optional Inflation Protection:** Option 2: Compound Interest  
EOBR Monthly Inflation Charge: \$78.20

To contact your Personal Long-Term Care Advisor, please call 800 444-2363, option 4.

# Policy Schedule

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## Table of Surrender Charges

For an explanation of surrenders and withdrawals (i.e., partial surrenders), see Surrender and Withdrawal Provisions. The surrender charge in Policy Year 21 and every year thereafter is zero.

<u>Policy Year</u>	<u>Surrender Charge</u>
1	\$1,312.00
2	1,266.00
3	1,220.00
4	1,172.00
5	1,122.00
6	1,070.00
7	1,016.00
8	962.00
9	904.00
10	844.00
11	782.00
12	718.00
13	650.00
14	580.00
15	508.00
16	432.00
17	354.00
18	272.00
19	186.00
20	94.00
21 and thereafter	0

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# Policy Schedule

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## Minimum Required Death Benefit Percentages Table

The percentage used to calculate the Minimum Required Death Benefit is determined based on the Insured's Attained Age as shown in the table below:

Insured's Attained Age	Percentage	Insured's Attained Age	Percentage	Insured's Attained Age	Percentage
35	413.0%	64	173.3%	93	107.0%
36	398.2%	65	169.6%	94	104.0%
37	384.1%	66	166.1%	95	100.0%
38	370.8%	67	162.7%	96	100.0%
39	358.0%	68	159.4%	97	100.0%
40	345.9%	69	156.2%	98	100.0%
41	334.3%	70	153.1%	99	100.0%
42	323.2%	71	150.1%	100 and over	100.0%
43	312.5%	72	147.2%		
44	302.4%	73	144.5%		
45	292.7%	74	141.9%		
46	283.5%	75	139.4%		
47	274.7%	76	137.0%		
48	266.4%	77	134.7%		
49	258.5%	78	132.5%		
50	250.8%	79	130.4%		
51	243.5%	80	128.5%		
52	236.5%	81	126.6%		
53	229.8%	82	124.9%		
54	223.4%	83	123.3%		
55	217.2%	84	121.7%		
56	211.4%	85	120.1%		
57	205.9%	86	118.6%		
58	200.5%	87	117.2%		
59	195.4%	88	115.8%		
60	190.4%	89	114.4%		
61	185.8%	90	112.9%		
62	181.4%	91	111.3%		
63	177.2%	92	109.4%		

# Policy Schedule

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## Table of Guaranteed Maximum Cost of Insurance Rates

### Attained Age Monthly Rates Per \$1,000 of Net Amount at Risk

The monthly Cost of Insurance rates are based on the Insured's sex, smoker status, and Attained Age using the 2001 CSO Tables, but will not exceed the rates shown in the table below.

If the Insured is in a rated premium class, the Guaranteed Maximum Cost of Insurance Rates will be equal to (1) multiplied by (2), plus (3), where:

(1) is the rate from the table below;

(2) is the Risk Factor, if any, shown on the Policy Schedule; and

(3) is the Flat Extra amount, if any, shown on the Policy Schedule.

Insured's Attained Age	Maximum Monthly Rate	Insured's Attained Age	Maximum Monthly Rate	Insured's Attained Age	Maximum Monthly Rate
35	0.07500	55	0.90833	75	4.97417
36	0.09500	56	0.99917	76	5.41583
37	0.11667	57	1.08083	77	5.92667
38	0.13750	58	1.15667	78	6.51250
39	0.15917	59	1.24000	79	7.15750
40	0.18083	60	1.42583	80	7.86250
41	0.20333	61	1.57750	81	8.61167
42	0.22833	62	1.75167	82	9.38250
43	0.25667	63	1.93833	83	10.20417
44	0.29000	64	2.12500	84	11.13333
45	0.32750	65	2.30750	85	12.18667
46	0.37250	66	2.48417	86	13.32917
47	0.42333	67	2.66250	87	14.54333
48	0.47667	68	2.84500	88	15.80917
49	0.51917	69	3.04583	89	17.11083
50	0.55833	70	3.27583	90	18.36833
51	0.60917	71	3.55833	91	19.56500
52	0.67083	72	3.88667	92	20.79333
53	0.74250	73	4.21750	93	22.06333
54	0.82083	74	4.57583	94	23.41833

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## Definitions

### **Administrator Mailing Address**

The Administrator Mailing Address for this policy is shown on the front cover.

### **Attained Age (Age)**

The Insured's age last birthday on any date after the Date of Issue.

### **Beneficiary**

The person(s) or entity(ies) named in the application, unless later changed as provided in this policy, to whom we will pay the Death Benefit upon the death of the Insured.

### **Cash Value**

The Cash Value reflects premiums received, interest credited under this policy, withdrawals, fees, charges, Indebtedness, Monthly Deductions, and repayments of loans or loan interest, as applicable. See Policy Values Provisions for a description of how Cash Value is calculated.

### **Cost of Insurance**

The monthly cost of providing life insurance under this policy.

### **Date of Issue**

The Date of Issue is shown on the Policy Schedule.

### **Death Benefit**

The amount payable upon death of the Insured as described in Death Benefit Provisions.

### **Due Proof of Death**

A certified copy of an official death certificate, a certified copy of a decree of a court of competent jurisdiction as to the finding of death, or any other proof of death satisfactory to us.

### **Entire Contract**

This policy, the application for this policy, and any amendment(s), endorsement(s), rider(s), or supplemental application(s) that may be attached.

### **Gross Cash Value**

The Cash Value without regard to loans and loan interest. The Gross Cash Value reflects premiums received, interest credited under this policy, withdrawals, fees, charges, and Monthly Deductions, as applicable. See Policy Values Provisions for a description of how Gross Cash Value is calculated.

### **In Force**

Not surrendered or terminated for any reason.

### **In Writing (Written Request, Written Notice)**

With respect to any notice or request to us, this term means a written form satisfactory to us signed by You and received at our Administrator Mailing Address. With respect to any notice from us to you or any other person, this term means a written notice by ordinary mail to such person at the most recent address in our records.

### **Indebtedness**

The amount of any outstanding loan against this policy, including loan interest accrued but not yet charged.

**Insured**

The person whose life is insured under this policy as shown on the Policy Schedule.

**Issue Age**

The Insured's age last birthday on the Date of Issue.

**Lapse**

Terminate without value.

**Minimum Required Death Benefit**

An amount equal to the Gross Cash Value multiplied by the applicable percentage shown on the Policy Schedule in the Minimum Required Death Benefit Percentages Table.

**Monthly Anniversary Day**

The day of the month shown on the Policy Schedule when we deduct the Monthly Deduction. If that day is not a business day, then we will deduct the Monthly Deduction on the business day immediately preceding the Monthly Anniversary Day.

**Monthly Deduction**

The amount deducted from the Gross Cash Value on each Monthly Anniversary Day until the Insured's Age 95. This amount is equal to the monthly Cost of Insurance plus the monthly charges for any additional benefits provided by rider.

**Net Amount at Risk**

An amount equal to the Death Benefit less the Cash Value.

**Owner**

The person(s) or entity(ies) named in the application, unless later changed as provided in this policy, who may exercise rights under this policy. If no Owner is designated, the Insured will be the Owner.

**Policy Anniversary**

The same date (month and day) each year as the Date of Issue.

**Policy Month**

The period from one Monthly Anniversary Day up to, but not including, the next Monthly Anniversary Day.

**Policy Schedule**

The page(s) of this policy which show your benefits, premium, and other information about your policy.

**Policy Year**

Twelve-month periods beginning on the Date of Issue (month and day) to the next Policy Anniversary.

**Premium Class**

The mortality classification for this policy as shown on the Policy Schedule.

**Specified Amount**

The amount you chose at issue which is used to determine the amount of Death Benefit and the amount of rider benefits, if any. The Specified Amount at issue ("Initial Specified Amount") and the minimum Specified Amount allowable under this policy are shown on the Policy Schedule.

**Surrender Value**

The Cash Value on the date of surrender or withdrawal less any applicable surrender charge shown on the Policy Schedule in the Table of Surrender Charges.

**“you” (“your”)**

The Owner.

**“we” (“our”, “us”, the Company)**

The Lincoln National Life Insurance Company.

## The Policy

**Entire Contract**

This policy, the application for this policy, and any amendment(s), endorsement(s), rider(s), and supplemental application(s) that may be attached are the entire contract between you and us.

All statements made in the application will, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this policy unless it is contained in the application and a copy of the application is attached to this policy when issued.

Only the President, a Vice President, an Assistant Vice President, a Secretary, a Director, or an Assistant Director of the Company may make or modify this policy.

**Date of Coverage**

The date of coverage will be the Date of Issue so long as the initial premium has been paid and you have accepted this policy:

- a. while the Insured is alive, and
- b. prior to any change in the Insured's health and insurability as represented in the original application.

**Non-Participating**

This policy is not entitled to share in surplus distribution.

**Incontestability**

Except for nonpayment of premium, this policy will be incontestable after it has been In Force for 2 years from the Date of Issue. This means that we will not use any misstatement in the application to challenge a claim or avoid liability after that time.

If this policy is reinstated, the basis for contesting after reinstatement will be:

- a. limited for a period of 2 years from the date of reinstatement; and
- b. limited to material misrepresentations made in the reinstatement application.

**Suicide**

If the Insured commits suicide, whether sane or insane, within 2 years from the Date of Issue, the Death Benefit will be limited to a refund of premiums paid less any Indebtedness and withdrawals.

### **Termination of Coverage**

All coverage under this policy terminates on the first of the following to occur:

- a. a full surrender of this policy;
- b. death of the Insured; or
- c. failure to pay the amount of premium necessary to avoid termination before the end of any applicable grace period.

No action by us after this policy has terminated, including any Monthly Deduction made after termination of coverage, will constitute a reinstatement of this policy or waiver of the termination. Any such deduction will be refunded.

### **Misstatement of Age or Sex**

If the Issue Age or sex of the Insured is misstated, the benefits available under this policy will be those which the premiums paid would have purchased at the correct Issue Age and sex.

## **Ownership, Assignment, and Beneficiary Provisions**

### **Rights of Owner**

While the Insured is alive, you may exercise all rights under this policy including the right to:

- a. return this policy under the 30 Day Right to Return provision;
- b. surrender this policy;
- c. agree with us to any change in or amendment to this policy;
- d. transfer all of your rights to another person or entity;
- e. change the Beneficiary (unless you specifically request not to reserve this right); and
- f. assign this policy.

You may exercise your rights under this policy only while the Insured is alive. You must have the consent of any assignee recorded with us to exercise your rights under this policy. However, you may exercise your rights:

- a. without the consent of any designated transferee; and
- b. without the consent of any Beneficiary, unless you have not reserved the right to change the Beneficiary.

Unless provided otherwise, if you are not the Insured and you die before the Insured, all of your rights under this policy will transfer and vest in your executors, administrators, or assigns.

### **Transfer of Ownership**

You may transfer all of your rights under this policy by submitting a Written Request. A transfer of ownership or a revocation of transfer will not take effect until recorded by us. Once we have recorded the transfer or revocation of transfer, the transfer or revocation of transfer will take effect as of the effective date you specify in your Written Request. Any payment made or any action taken or allowed by us before we record the transfer or revocation of transfer will be without prejudice to us.

On the effective date of transfer, the transferee will become the Owner and will have all the rights of Owner under this policy. You may revoke any transfer prior to its effective date. Unless provided otherwise, a transfer will not affect the interest of any Beneficiary designated prior to the effective date of transfer.

### **Assignment**

We will not be affected by any assignment of this policy until we receive the original assignment or a certified copy of the assignment at our Administrator Mailing Address. We do not assume responsibility for the validity or sufficiency of any assignment. An assignment of this policy will be effective so long as the assignment remains in effect.

To the extent provided under the terms of the assignment, an assignment will:

- a. transfer the interest of any designated transferee; and
- b. transfer the interest of any Beneficiary, unless you have not reserved the right to change the Beneficiary.

### **Beneficiary**

You may designate more than one Beneficiary. If you make such a designation, any Death Benefit payable will be paid in equal shares to the survivors in the appropriate Beneficiary class, unless you request otherwise In Writing. If no Beneficiary is alive when the Death Benefit becomes payable or in the absence of any Beneficiary designation, the Death Benefit will transfer and vest in you or in your executors, administrators, or assigns.

### **Change of Beneficiary**

You may change the Beneficiary by submitting a Written Request. The Written Request does not need to be signed by the Beneficiary unless you have not reserved the right to change the Beneficiary. A change of Beneficiary will not take effect until recorded by us. Once we have recorded the change of Beneficiary, the change will take effect as of the date you signed the request. Any payment made or any action taken or allowed by us before we record the change of Beneficiary will be without prejudice to us.

## **Premium, Grace Period, and Reinstatement Provisions**

### **Payment of Premiums**

All premiums are payable at our Administrator Mailing Address or to any of our authorized agents. The first premium is due on the Date of Issue and is payable in advance. Upon your request, we will furnish receipts for premiums paid.

### **Planned Premiums**

You may, from time to time, change the amount and frequency of premium payments. Any change in the planned premiums may impact the policy values and benefits. We will send premium reminder notices for the amounts and frequency of payments you establish. We reserve the right to stop sending reminder notices if no premium payment is made within 2 Policy Years.

### **Additional Premium**

In addition to any planned premium, you may make additional premium payments of no less than \$100.00. We reserve the right to limit the amount or frequency of any such additional premium payment.

If a payment of any additional premium would increase the Net Amount at Risk, we may reject the additional premium payment unless you submit satisfactory evidence of insurability and we agree to accept the risk. If a payment of additional premium would cause this policy to cease to qualify as life insurance for federal income tax purposes, we may reject all or such excess portion of the additional premium.

### **Grace Period**

This policy will enter the grace period described below if the Cash Value on any Monthly Anniversary Day is less than the required Monthly Deduction. We will allow a grace period of 61 days to pay a premium sufficient to prevent this policy from Lapsing. This premium will be an amount equal to the Monthly Deductions due and unpaid plus two additional Monthly Deductions.

At least 31 days before the end of the grace period, we will send a Written Notice to you and to any assignee of record that there is insufficient Cash Value under this policy. The notice will show the amount of premium required to prevent this policy from Lapsing. If you do not pay this billed premium within the grace period, all coverage under this policy will Lapse at the end of the grace period. If the Insured dies during the grace period, we will deduct any overdue Monthly Deductions from the Death Benefit.

### **Reinstatement**

If this policy has Lapsed as described in the Grace Period provision, you may reinstate this policy within 5 years from the date of Lapse so long as:

- a. you submit an application for reinstatement In Writing;
- b. you submit satisfactory evidence of insurability In Writing;
- c. you pay a premium equal to the Monthly Deductions due and unpaid during the grace period plus two additional Monthly Deductions; and
- d. any Indebtedness is either paid or reinstated.

The reinstated policy will be effective as of the Monthly Anniversary Day after the date on which we approve the application for reinstatement. We will reinstate the surrender charges shown on the Policy Schedule as of the Policy Year in which this policy Lapsed. Policies which have been surrendered cannot be reinstated.

## Death Benefit Provisions

### Death Benefit

If the Insured dies while this policy is In Force, we will pay a Death Benefit equal to the greater of:

- a. the Specified Amount on the date of death, less any Indebtedness; or
- b. the Minimum Required Death Benefit, less any Indebtedness.

Any Death Benefit payable will be paid in a lump sum unless an Optional Method of Settlement is elected. We may require return of this policy when settlement is made.

### Notice of Claim

You or someone on your behalf must provide us with Due Proof of Death In Writing within 30 days or as soon as reasonably possible after the death of the Insured.

### Interest on Death Benefit

We will pay interest on any Death Benefit payable as required by applicable law.

### Claims of Creditors

To the extent allowed by law, any Death Benefit payable will not be subject to claims of a Beneficiary's creditors.

## Policy Values Provisions

### Cash Value and Gross Cash Value

The Cash Value and Gross Cash Value will be calculated as follows:

- a. On the Date of Issue, the Cash Value and Gross Cash Value will be equal to the initial premium received less the premium expense charge shown on the Policy Schedule, less the Monthly Deduction for the first Policy Month;
- b. on each Monthly Anniversary Day, the Cash Value will be equal to (1) plus (3), minus (4), plus (5), minus (6), minus (7), plus (8);
- c. on each Monthly Anniversary Day, the Gross Cash Value will be equal to (2) plus (3), minus (4), minus (7), plus (8);
- d. on any day other than a Monthly Anniversary Day, the Cash Value will be equal to (1) plus (3), minus (4), plus (5), minus (6), plus (8); and
- e. on any day other than a Monthly Anniversary Day, the Gross Cash Value will be equal to (2) plus (3), minus (4), plus (8); where

(1) is the Cash Value on the preceding Monthly Anniversary Day;

(2) is the Gross Cash Value on the preceding Monthly Anniversary Day;

- (3) is all premiums received since the preceding Monthly Anniversary Day less the premium expense charge shown on the Policy Schedule;
- (4) is the amount of any withdrawals since the preceding Monthly Anniversary Day;
- (5) is the amount of any repayments of loans or loan interest since the preceding Monthly Anniversary Day;
- (6) is the amount of any Indebtedness since the preceding Monthly Anniversary Day;
- (7) is the Monthly Deduction for the month following the Monthly Anniversary Day; and
- (8) is interest as explained in the Interest Rates provision.

If we receive premium at any time other than the beginning of a Policy Month, the interest rate used to calculate item (8) above will be determined pro rata from the date of receipt.

#### **Interest Rate**

We will credit interest to the Cash Value of this policy daily. The interest rate applied to the Cash Value of this policy will be the greater of:

- a. 0.01074598% per day, compounded daily (4% annually); or
- b. a rate determined by us from time to time, established on a prospective basis.

Any interest rate credited will not be less than the Guaranteed Minimum Interest Rate shown on the Policy Schedule. We may credit interest at rates in excess of the Guaranteed Minimum Interest Rate at any time.

#### **Cost of Insurance**

The monthly Cost of Insurance under this policy will be equal to (1) multiplied by (2), divided by (3), where:

- (1) is the Net Amount at Risk at the beginning of the Policy Month;
- (2) is the monthly Cost of Insurance rate as described in the Cost of Insurance Rates provision; and
- (3) is equal to 1,000.

#### **Cost of Insurance Rates**

We will determine monthly Cost of Insurance rates based on our expectations as to future mortality, investment earnings, persistency, and expenses (including taxes). Any change in Cost of Insurance rates will apply to all individuals of the same class as the Insured.

If the Insured is in a rated premium class, the monthly Cost of Insurance rates will be calculated as (1) multiplied by (2), plus (3), where:

- (1) is the then current Cost of Insurance rate;
- (2) is the Risk Factor, if any, shown on the Policy Schedule; and
- (3) is the Flat Extra amount, if any, shown on the Policy Schedule.

We guarantee that the Cost of Insurance rates will never be greater than the rates as described on the Policy Schedule in the Table of Guaranteed Maximum Cost of Insurance Rates.

### **Basis of Computations**

The minimum Cash Values under this policy are guaranteed to be no less than those calculated based on the applicable Commissioners 2001 Standard Ordinary Mortality Table (Attained Age) with interest at 4% per year, compounded annually.

### **Minimum Policy Values**

All policy values are equal to or more than the minimums required on the Date of Issue by the jurisdiction in which this policy was delivered. We have filed a detailed statement of the method of computing values under this policy with the Insurance Department of that jurisdiction as may be required.

## **Surrender and Withdrawal Provisions**

### **Surrender**

You may surrender this policy for its Surrender Value during the lifetime of the Insured while this policy is In Force. Surrender of this policy is effective on the business day we receive both this policy and your Written Request for surrender. All coverage under this policy will terminate upon surrender for its Surrender Value.

The Surrender Value will be paid in a lump sum unless an Optional Method of Settlement is elected. We may require return of this policy when settlement is made. We reserve the right to defer payment of the Surrender Value for up to 6 months after receipt of the surrender request.

If surrender is requested within 30 days after a Policy Anniversary, the Surrender Value will not be less than the Surrender Value on that anniversary, less any policy loans and withdrawals made on or after such anniversary.

### **Withdrawals**

You may request a withdrawal (i.e., partial surrender) from this policy during the lifetime of the Insured while this policy is In Force by submitting a Written Request to us. We reserve the right to limit withdrawals to no more than one per Policy Year. The amount of the withdrawal requested:

- a. must be at least \$100.00; but
- b. may not exceed 90% of the then current Surrender Value.

We reserve the right to defer payment of the withdrawal for up to 6 months after we receive the withdrawal request. However, we will not defer payment of a withdrawal to be used to pay premiums on policies with us.

We will deduct the amount of the withdrawal from the Gross Cash Value. The Death Benefit payable will be reduced by the amount of the withdrawal. The Specified Amount remaining In Force after any withdrawal will be subject to the minimum Specified Amount shown on the Policy Schedule.

## Loan Provisions

### Policy Loans

If this policy has a Surrender Value available, we will grant a loan against the policy so long as:

- a. a loan agreement is properly executed; and
- b. you make a satisfactory assignment of this policy to us.

The total Indebtedness against this policy may not exceed an amount equal to 90% of the Surrender Value. We reserve the right to defer a loan for up to 6 months from the date of the loan request. However, we will not defer a loan to be used to pay premiums on policies with us.

### Loan Interest

Loans under this policy bear interest at an adjustable interest rate. We may adjust the rate on each Policy Anniversary. The new rate will apply to both new and outstanding loans. We will provide notice of the initial rate for cash loans when the loan is made. We will also provide reasonable advance notice prior to any change in interest rate while a loan is outstanding.

The interest rate charged during any Policy Year will not exceed the maximum rate for that year. The maximum rate will be the greater of:

- a. the "Published Monthly Average" (as defined below) for the calendar month which ends 2 months before the month in which the Policy Anniversary occurs; or
- b. the rate used to compute the Surrender Value of this policy during the applicable period plus 1% per year.

The term "Published Monthly Average" as used within this provision means the monthly average of the composite yield on seasoned corporate bonds as published by Moody's Investors Service, Inc., or its successors. If such average is no longer published, we will use the average established by law or regulation by the insurance supervisory official of the jurisdiction in which this policy was delivered. We guarantee that the interest rate charged will never exceed the maximum rate imposed by law or regulation in the jurisdiction in which this policy was delivered.

We will not increase the loan interest rate until the new maximum rate exceeds the rate then currently charged under this policy by at least .5% annually. We will reduce the rate being charged whenever such reduction results in a new annual maximum rate that is at least .5% lower than the rate then currently being charged under this policy.

### Interest Credited to Loaned Amounts

The interest rate applied to the portion of the Gross Cash Value which secures any outstanding policy loan when expressed as an equivalent annual rate will be equal to 0.01074598% per day, compounded daily (4% annually).

### Indebtedness

Any Indebtedness at time of settlement will reduce the amount payable upon surrender of this policy or death of the Insured, whichever is earlier. Indebtedness may be repaid in whole or in part at any time. However, if a premium is not paid within the grace period, any outstanding Indebtedness can be repaid only if this policy is reinstated.

## General Provisions

### Policy Changes – Applicable Law

This policy must qualify initially and continue to qualify as life insurance under the Internal Revenue Code in order for you to receive the tax treatment accorded to life insurance under Federal Law. Therefore, to maintain this qualification to the maximum extent permitted by law, we reserve the right to return any premium payments that would cause this policy to fail to qualify as life insurance under applicable tax law as interpreted by us. Further, we reserve the right to make changes in this policy or to make distributions from this policy to the extent we deem necessary, in our sole discretion, to continue to qualify this policy as life insurance. Any such changes will apply uniformly to all policies that are affected.

### Annual Report

We will send you a report every year on the Policy Anniversary without charge. This report will show:

- a. the current Death Benefit;
- b. the current Cash Value;
- c. any premiums paid and all deductions made since the last report; and
- d. any outstanding policy loans.

In addition, the report will indicate when this policy is projected to Lapse based on current and guaranteed factors.

### Projection of Benefits and Values

We will provide a projection of illustrative future Death Benefits and Cash Values at any time upon your Written Request and payment of a reasonable service fee. The fee payable will be the one then in effect for this service. The illustration will be based on:

- a. assumptions as to Specified Amount(s) and future planned premium payments; and
- b. such other assumptions (e.g., mortality and interest) as are necessary and specified.

## Optional Methods of Settlement

Upon Written Request, we will agree to pay in accordance with any one of the options shown below all or part of the net proceeds that may be payable under this policy.

While the Insured is alive, you may make this request, including the designation of the payee. Unless you have previously elected a settlement option, at the time a Death Benefit becomes payable under this policy, the Beneficiary may make this request, including the designation of the payee. Once income payments have begun, this policy cannot be surrendered and the payee cannot be changed, nor can the settlement option be changed.

### **Payment Dates**

The first income payment under the settlement option elected will become payable on the date proceeds are settled under that option. Subsequent payments will be made on the first day of each calendar month in accordance with the manner of payment selected.

### **Minimum Payment Amount**

The settlement option elected must result in an income payment at least equal to the minimum payment amount in accordance with our rules then in effect. If at any time payments are less than the minimum payment amount, we have the right to change the frequency to an interval that will provide the minimum payment amount. If any amount due is less than the minimum per year, we may make other arrangements that are equitable.

### **Income Payments**

Income payments will remain constant pursuant to the terms of the settlement option(s) selected. The amount of each income payment shall be determined in accordance with the terms of the settlement option and the table(s), as applicable. The mortality table used is the Annuity 2000 Table and 3% interest. In determining the settlement amount, the settlement age of the payee will be reduced by one year when the first installment is payable during 2010-2019, reduced by two years when the first installment is payable during the decade 2020-2029, and similarly for succeeding decades.

### **First Option: Life Annuity**

An annuity payable monthly to the payee during the lifetime of the payee, ceasing with the last payment due prior to the death of the payee.

### **Second Option: Life Annuity with Certain Period**

An annuity providing monthly income to the payee for a fixed period of 60, 120, 180, or 240 months (as selected), and for as long thereafter as the payee shall live.

### **Third Option: Annuity Certain**

An amount payable monthly for the number of years selected, which may be from 5 to 30 years.

### **Fourth Option: As a Deposit at Interest**

We will retain the proceeds while the payee is alive. We will pay interest annually on the proceeds at a rate of not less than 3% per year. Upon the payee's death, the amount on deposit will be paid.

### **Excess Interest**

At our sole discretion, we may pay or credit excess interest from time to time in addition to the payments guaranteed under any Optional Method of Settlement.

### **Additional Options**

Any proceeds payable under this policy may also be settled under any other method of settlement we offer at the time of the request.

## Optional Methods of Settlement

### Life Annuity and Life Annuity with Certain Period Table for Each \$1,000 Applied – Male

Settlement age of payee nearest birthday		Number of installments certain				Settlement age of payee nearest birthday		Number of installments certain				Settlement age of payee nearest birthday		Number of installments certain			
		60	120	180	240			60	120	180	240			60	120	180	240
Age	Life Annuity					Age	Life Annuity					Age	Life Annuity				
10	2.84	2.84	2.84	2.84	2.84	35	3.35	3.35	3.34	3.34	3.33	60	4.98	4.95	4.88	4.75	4.56
11	2.85	2.85	2.85	2.85	2.85	36	3.38	3.38	3.38	3.37	3.36	61	5.10	5.07	4.99	4.84	4.62
12	2.87	2.87	2.86	2.86	2.86	37	3.42	3.42	3.41	3.40	3.39	62	5.23	5.20	5.11	4.93	4.69
13	2.88	2.88	2.88	2.88	2.87	38	3.46	3.46	3.45	3.44	3.42	63	5.37	5.34	5.23	5.03	4.75
14	2.89	2.89	2.89	2.89	2.89	39	3.50	3.49	3.49	3.48	3.46	64	5.53	5.48	5.35	5.13	4.82
15	2.91	2.91	2.91	2.90	2.90	40	3.54	3.54	3.53	3.52	3.50	65	5.69	5.64	5.49	5.23	4.88
16	2.92	2.92	2.92	2.92	2.91	41	3.58	3.58	3.57	3.56	3.53	66	5.86	5.80	5.62	5.33	4.94
17	2.94	2.94	2.93	2.93	2.93	42	3.63	3.62	3.62	3.60	3.57	67	6.04	5.98	5.77	5.43	5.00
18	2.95	2.95	2.95	2.95	2.94	43	3.68	3.67	3.66	3.64	3.62	68	6.24	6.16	5.92	5.53	5.06
19	2.97	2.97	2.97	2.96	2.96	44	3.73	3.72	3.71	3.69	3.66	69	6.45	6.35	6.07	5.63	5.11
20	2.99	2.99	2.98	2.98	2.98	45	3.78	3.77	3.76	3.74	3.70	70	6.67	6.56	6.23	5.73	5.16
21	3.00	3.00	3.00	3.00	2.99	46	3.83	3.83	3.81	3.79	3.75	71	6.91	6.78	6.39	5.83	5.21
22	3.02	3.02	3.02	3.02	3.01	47	3.89	3.88	3.87	3.84	3.80	72	7.16	7.00	6.56	5.93	5.25
23	3.04	3.04	3.04	3.04	3.03	48	3.95	3.94	3.93	3.89	3.85	73	7.43	7.25	6.73	6.02	5.29
24	3.06	3.06	3.06	3.06	3.05	49	4.01	4.01	3.99	3.95	3.90	74	7.72	7.50	6.90	6.11	5.33
25	3.08	3.08	3.08	3.08	3.07	50	4.08	4.07	4.05	4.01	3.95	75	8.02	7.77	7.08	6.20	5.36
26	3.10	3.10	3.10	3.10	3.09	51	4.15	4.14	4.11	4.07	4.00	76	8.35	8.05	7.26	6.28	5.39
27	3.13	3.13	3.12	3.12	3.11	52	4.22	4.21	4.18	4.13	4.06	77	8.70	8.34	7.43	6.36	5.41
28	3.15	3.15	3.15	3.14	3.14	53	4.30	4.29	4.26	4.20	4.12	78	9.08	8.65	7.61	6.43	5.43
29	3.17	3.17	3.17	3.17	3.16	54	4.38	4.37	4.33	4.27	4.18	79	9.48	8.98	7.78	6.49	5.45
30	3.20	3.20	3.20	3.19	3.19	55	4.46	4.45	4.41	4.34	4.24	80	9.91	9.31	7.95	6.55	5.46
31	3.23	3.23	3.22	3.22	3.21	56	4.55	4.54	4.50	4.42	4.30	81	10.38	9.66	8.11	6.60	5.47
32	3.26	3.25	3.25	3.25	3.24	57	4.65	4.63	4.58	4.50	4.36	82	10.87	10.02	8.27	6.65	5.48
33	3.28	3.28	3.28	3.28	3.27	58	4.75	4.73	4.68	4.58	4.43	83	11.39	10.40	8.42	6.69	5.49
34	3.32	3.31	3.31	3.31	3.30	59	4.86	4.84	4.78	4.66	4.49	84	11.95	10.78	8.56	6.72	5.50
												85	12.55	11.16	8.69	6.75	5.50

**Life Annuity and Life Annuity with Certain Period Table for Each \$1,000 Applied – Female**

Settlement age of payee nearest birthday		Number of installments certain				Settlement age of payee nearest birthday		Number of installments certain				Settlement age of payee nearest birthday		Number of installments certain			
		60	120	180	240			60	120	180	240			60	120	180	240
Age	Life Annuity					Age	Life Annuity					Age	Life Annuity				
10	2.78	2.78	2.78	2.78	2.78	35	3.22	3.22	3.22	3.21	3.21	60	4.59	4.58	4.54	4.46	4.35
11	2.79	2.79	2.79	2.79	2.79	36	3.25	3.25	3.24	3.24	3.23	61	4.69	4.68	4.63	4.56	4.42
12	2.81	2.81	2.81	2.80	2.80	37	3.28	3.28	3.27	3.27	3.26	62	4.80	4.79	4.73	4.64	4.49
13	2.82	2.82	2.82	2.82	2.81	38	3.31	3.31	3.30	3.30	3.29	63	4.92	4.90	4.84	4.73	4.57
14	2.83	2.83	2.83	2.83	2.83	39	3.34	3.34	3.34	3.33	3.32	64	5.04	5.02	4.95	4.83	4.84
15	2.84	2.84	2.84	2.84	2.84	40	3.38	3.37	3.37	3.36	3.35	65	5.18	5.15	5.07	4.93	4.71
16	2.85	2.85	2.85	2.85	2.85	41	3.41	3.41	3.41	3.40	3.39	66	5.32	5.29	5.20	5.03	4.78
17	2.87	2.87	2.87	2.87	2.86	42	3.45	3.45	3.44	3.44	3.42	67	5.48	5.44	5.33	5.14	4.85
18	2.88	2.88	2.88	2.88	2.88	43	3.49	3.49	3.48	3.47	3.46	68	5.64	5.60	5.47	5.25	4.92
19	2.90	2.90	2.89	2.89	2.89	44	3.53	3.53	3.52	3.51	3.50	69	5.82	5.77	5.62	5.36	4.99
20	2.91	2.91	2.91	2.91	2.91	45	3.57	3.57	3.57	3.55	3.54	70	6.01	5.95	5.78	5.47	5.05
21	2.93	2.93	2.92	2.92	2.92	46	3.62	3.62	3.61	3.60	3.58	71	6.21	6.15	5.94	5.58	5.11
22	2.94	2.94	2.94	2.94	2.94	47	3.67	3.67	3.66	3.64	3.62	72	6.44	6.36	6.11	5.70	5.17
23	2.96	2.96	2.96	2.96	2.95	48	3.72	3.72	3.71	3.69	3.67	73	6.68	6.59	6.29	5.81	5.22
24	2.98	2.97	2.97	2.97	2.97	49	3.77	3.77	3.76	3.74	3.71	74	6.94	6.83	6.48	5.92	5.27
25	2.99	2.99	2.99	2.99	2.99	50	3.83	3.82	3.81	3.79	3.76	75	7.22	7.09	6.67	6.03	5.31
26	3.01	3.01	3.01	3.01	3.01	51	3.89	3.88	3.87	3.85	3.81	76	7.53	7.36	6.86	6.13	5.35
27	3.03	3.03	3.03	3.03	3.02	52	3.95	3.94	3.93	3.90	3.86	77	7.86	7.65	7.06	6.22	5.38
28	3.05	3.05	3.05	3.05	3.04	53	4.01	4.01	3.99	3.96	3.92	78	8.21	7.97	7.26	6.31	5.40
29	3.07	3.07	3.07	3.07	3.06	54	4.08	4.08	4.06	4.02	3.97	79	8.60	8.30	7.46	6.40	5.43
30	3.09	3.09	3.09	3.09	3.09	55	4.15	4.15	4.13	4.09	4.03	80	9.02	8.65	7.66	6.47	5.45
31	3.12	3.12	3.11	3.11	3.11	56	4.23	4.22	4.20	4.16	4.09	81	9.48	9.02	7.86	6.54	5.46
32	3.14	3.14	3.14	3.14	3.13	57	4.31	4.30	4.28	4.23	4.15	82	9.97	9.41	8.05	6.59	5.48
33	3.17	3.17	3.16	3.16	3.16	58	4.40	4.39	4.36	4.30	4.22	83	10.50	9.82	8.23	6.64	5.49
34	3.19	3.19	3.19	3.19	3.18	59	4.49	4.48	4.45	4.38	4.29	84	11.08	10.24	8.40	6.69	5.49
												85	11.70	10.67	8.55	6.73	5.50

**Annuity Certain Table for Each \$1,000 Applied**

Number of years during which installments will be paid	Amount of each installment		Number of years during which installments will be paid	Amount of each installment		Number of years during which installments will be paid	Amount of each installment	
	Annual	Monthly		Annual	Monthly		Annual	Monthly
5	\$211.99	\$17.91	12	\$97.54	\$8.24	19	\$67.78	\$5.73
6	179.22	15.14	13	91.29	7.71	20	65.26	5.51
7	155.83	13.16	14	85.95	7.26	25	55.76	4.71
8	138.31	11.68	15	81.33	6.87	30	49.53	4.18
9	124.69	10.53	16	77.29	6.53			
10	113.82	9.61	17	73.74	6.23			
11	104.93	8.86	18	70.59	5.96			

SPECIMEN

## Return of Premium Rider

This rider is made part of the policy to which it is attached. Except as stated below, this rider is subject to all the terms and conditions of the policy.

### Return of Premium Benefit

In lieu of the Surrender Value described in the policy, upon full surrender of the policy we will pay an amount equal to the greater of:

- a. the Surrender Value; or
- b. the initial premium shown on the Policy Schedule, less any Indebtedness and withdrawals, less any benefits paid under the Convalescent Care Benefits Rider, if applicable.

### Additional Premium

Any premium payments made in addition to the initial premium shown on the Policy Schedule will not be included in the Return of Premium benefit amount.

### Effect of Rider on Minimum Required Death Benefit

While this rider is In Force, the Minimum Required Death Benefit payable upon death will equal (1) multiplied by (2), where:

- (1) equals the greatest of:
  - a. the Gross Cash Value;
  - b. an amount equal to the initial premium shown on the Policy Schedule, less any Indebtedness and withdrawals, less any benefits paid under the Convalescent Care Benefits Rider, if applicable; or
  - c. the "cash surrender value" of the policy within the meaning of section 7702 of the Internal Revenue Code; and
- (2) equals the applicable percentage shown on the Policy Schedule in the Minimum Required Death Benefit Percentages Table.

### Rider Charge

There is a one-time charge for this rider. The rider charge is shown on the Policy Schedule. We will deduct the entire rider charge from the Gross Cash Value of the policy on the Date of Issue.

### Termination of Rider

This rider and all rights provided under it terminate automatically upon the earlier of:

- a. the date the policy terminates for any reason; or
- b. the date we receive your Written Request to terminate this rider.

### Effective Date

The effective date of this rider is the Date of Issue.

The Lincoln National Life Insurance Company



President

***This specimen policy represents the generic language of the policy contract, including riders. Policy language, features, and availability may vary by state. Please be sure to check product and rider availability in the state you are soliciting.***

## Convalescent Care Benefits Rider

This Convalescent Care Benefits Rider ("CCBR") is made part of the policy to which it is attached. Except as stated below, this rider is subject to all the terms and conditions of the policy.

We agree to provide the benefits described in this rider for Qualified Long-Term Care Services in accordance with all the terms and conditions of this rider. READ THIS RIDER CAREFULLY.

### NOTICE OF 30 DAY RIGHT TO RETURN THIS RIDER

You may return this rider for any reason to the insurance agent through whom it was purchased or to us at the Administrator Mailing Address shown on the front cover of your policy within 30 days after you receive it. If returned, this rider will be considered void from the beginning and we will refund all charges paid for this rider.

### TAXATION

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

### CAUTION

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

### NOTICE TO OWNER

This rider may not cover all of the costs associated with long-term care incurred by the Insured during the period of coverage. Carefully review all policy and rider limitations.

### Who is Covered

This rider covers the Insured named on the Policy Schedule. It does not cover any other person.

### Renewability

This rider is guaranteed renewable. Unless you request to terminate this rider, the rider will remain In Force for as long as the policy remains In Force. We cannot change any of the terms of this rider on our own and cannot change the monthly rider charge.

### Effective Date

This rider takes effect on the Date of Issue. Subject to the Termination of Rider provision, this rider will remain In Force for as long as the policy remains In Force.

### Consideration

We have issued this rider in consideration of the statements made in the application for this rider and payment of the first monthly rider charge and first monthly inflation charge, if applicable, shown on the Policy Schedule.

***This specimen policy represents the generic language of the policy contract, including riders. Policy language, features, and availability may vary by state. Please be sure to check product and rider availability in the state you are soliciting.***

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SPECIMEN

## DEFINITIONS

### Activities of Daily Living

The 6 basic functional abilities that relate to the Insured's ability to live independently. They are:

- a. **Bathing:** The Insured's ability to wash himself or herself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower.
- b. **Continence:** The Insured's ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
- c. **Dressing:** The Insured's ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- d. **Eating:** The Insured's ability to feed himself or herself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.
- e. **Toileting:** The Insured's ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene.
- f. **Transferring:** The Insured's ability to move into or out of a bed, chair, or wheelchair.

### Assisted Living Facility

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

- a. it must provide room, board, 3 meals a day, housekeeping, linens, laundry, and all the personal services required by a Chronically Ill individual, as well as protective oversight, in private rooms to residents who require personal assistance to perform activities of daily living;
- b. it must provide personal care and substantial hands-on assistance to prevent, by physical intervention, injury to the individual while the individual is performing Activities of Daily Living. Such assistance may also include transportation, help in dispensing medication, providing assistance with baths or showers, as well as other individual needs which may be required; and
- c. it must have staff available to provide such assistance 24 hours a day and 7 days a week and have a staff Physician available on call.

### CCBR Base Benefit Limit

At issue, an amount equal to the policy's Specified Amount. The CCBR Base Benefit Limit may change as provided in this rider. The CCBR Base Benefit Limit is used to calculate the monthly rider charge, the CCBR Benefit Limit, and the CCBR Base Maximum Monthly Benefit. If Optional Inflation Protection is elected, the CCBR Base Benefit Limit is also used to calculate the monthly inflation charge and the CCBR Inflation Benefit Limit.

### CCBR Base Maximum Monthly Benefit

An amount equal to the CCBR Base Benefit Limit divided by the number of months in the CCBR Duration. The CCBR Base Maximum Monthly Benefit may change as provided in this rider.

**CCBR Benefit Limit**

The maximum benefit amount available under this rider to reimburse the costs incurred by the Insured for Covered Services. The CCBR Benefit Limit equals the CCBR Base Benefit Limit plus the CCBR Inflation Benefit Limit, if any. At issue, the CCBR Benefit Limit equals the policy's Specified Amount. The CCBR Benefit Limit as of the Date of Issue is shown on the Policy Schedule, and may change as provided in this rider.

**CCBR Duration**

The period of coverage under this rider. The CCBR Duration was selected on the application for this rider, and is shown on the Policy Schedule.

**CCBR Inflation Benefit Limit**

The amount of any additional CCBR Benefit Limit generated by Optional Inflation Protection, if elected, as described in the Optional Inflation Protection provision.

**CCBR Inflation Maximum Monthly Benefit**

The amount of any additional monthly CCBR benefit generated by Optional Inflation Protection, if elected. The CCBR Inflation Maximum Monthly Benefit is equal to the CCBR Inflation Benefit Limit divided by the number of months in the CCBR Duration.

**Care Planning Agency**

An agency or organization which is primarily engaged in providing care planning on behalf of its clients. The agency or organization must be licensed by the appropriate state licensing agency as a Care Planning Agency, if the state licenses such agencies. If the state does not license Care Planning Agencies, then the agency must meet all of the following criteria:

- a. it must operate at least 5 days per week for a minimum of 8 hours per day and have someone on call to provide emergency coverage during non-operating hours;
- b. it must have at least one full-time nurse and one full-time social worker on staff; and
- c. it must maintain a written record for each client of all Covered Services provided.

**Chronically Ill (Chronic Illness)**

The Insured has been certified, within the preceding 12 months, by a Physician as:

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

**Covered Services**

The Qualified Long-Term Care Services covered by this rider. These services are listed in the Covered Services provision. To qualify for benefits under this rider, the Insured must receive Covered Services prescribed under an approved Plan of Care while this rider is In Force.

**Death Benefit**

The policy's Death Benefit. This rider does not have a death benefit. However, while this rider is In Force, the Death Benefit will be as described in this rider's Residual Death Benefit provision.

**Deductible Period**

The period of time during which this rider does not provide certain benefits, as described in the Deductible Period provision. The Deductible Period must be satisfied before certain benefits become payable.

**Home Health Care Agency**

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

- a. it must be licensed by the appropriate state licensing agency as a Home Health Care Agency, if the state licenses such agencies; or
- b. it must be accredited as a Home Health Care Agency or as a provider of Home Health Care Services by the National League of Nursing, American Public Health Association, or Joint Commission on Accreditation of Health Care Organizations or their successor organization; or
- c. is certified by Medicare as a Home Health Care Agency.

**Immediate Family**

The Insured's spouse and the children, brothers, sisters, and parents of either the Insured or the Insured's spouse.

**Insured**

The person named on the Policy Schedule who is entitled to benefits under this rider.

**Maintenance or Personal Care Services**

Any care for which the primary purpose is to provide needed assistance with any of the disabilities as a result of which the Insured is Chronically Ill or in need of protection from threats to health and safety caused by Severe Cognitive Impairment.

**Maximum Monthly CCBR Benefit**

The maximum amount that we will pay each month to reimburse the costs incurred by the Insured for Covered Services under this rider. The Maximum Monthly CCBR Benefit equals the CCBR Base Maximum Monthly Benefit plus the CCBR Inflation Maximum Monthly Benefit, if any. The Maximum Monthly CCBR Benefit as of the Date of Issue is shown on the Policy Schedule, and may change as provided in this rider.

**Medicare**

Title XVIII of the Social Security Act, as amended.

**Mental or Nervous Disorders**

Neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder.

**Nursing Home**

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

- a. it must provide 24 hour a day nursing service under a planned program of policies and procedures which were developed with the advice of, and is periodically reviewed and executed by a professional group of at least one Physician and one nurse;
- b. it must have a Physician available to furnish medical care in case of emergency;
- c. it must have at least one nurse who is employed there full time (or at least 24 hours per week if the facility has less than 10 beds);
- d. it must have a nurse on duty or on call at all times;
- e. it must maintain clinical records for all patients; and
- f. it must have appropriate methods and procedures for handling and administering drugs and biologicals.

### **Physician**

Any physician as defined in Section 1861(r)(1) of the Social Security Act, as amended.

### **Plan of Care**

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

### **Pre-Existing Condition**

A condition of the Insured for which medical advice or treatment was recommended by, or received from, a provider of health care services within 6 months preceding the Date of Issue.

### **Primary Caregiver**

The person or persons, including members of the Insured's Immediate Family, who provide(s) ongoing daily care to the Insured while the Insured resides outside of a hospital or Nursing Home.

### **Qualified Long-Term Care Services**

Necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services, and Maintenance or Personal Care Services, which are:

- a. required by the Insured because he or she is Chronically Ill; and
- b. provided pursuant to a Plan of Care prescribed by the attending Physician.

**Severe Cognitive Impairment**

Deterioration or loss in the Insured's intellectual capacity that is:

- a. comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and
- b. measured and confirmed by clinical evidence and standardized tests that reliably measure impairment in the following areas:
  1. the Insured's short- or long-term memory;
  2. the Insured's orientation as to person (such as who they are), place (such as their location), and time (such as day, date, and year); and
  3. the Insured's deductive or abstract reasoning or judgment as it relates to safety awareness.

**Substantial Assistance**

Hands-on assistance or the presence of another person within arm's reach that is necessary to prevent, by physical intervention, injury to the Insured while the Insured is performing the Activities of Daily Living.

**Substantial Supervision**

Continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect the Severely Cognitively Impaired Insured from threats to his or her health or safety (such as may result from wandering).

## RIDER CHARGES

**Monthly Rider Charge**

We will deduct a charge for this rider from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Date of Issue until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to zero solely as a result of payments for Covered Services under this rider.

The monthly rider charge as of the Date of Issue is shown on the Policy Schedule.

The monthly rider charge at issue is calculated based on the Insured's Issue Age as shown on the Policy Schedule, the CCBR Duration selected, and the CCBR Base Benefit Limit.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly rider charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly rider charge proportionately.

**Monthly Inflation Charge**

If Optional Inflation Protection is elected, we will deduct an inflation charge from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Date of Issue until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to zero solely as a result of payments for Covered Services under this rider.

The monthly inflation charge as of the Date of Issue is shown on the Policy Schedule.

The monthly inflation charge at issue is calculated based on the Insured's Issue Age as shown on the Policy Schedule, the CCBR Duration selected, the CCBR Base Benefit Limit, and the Optional Inflation Protection option selected.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly inflation charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly inflation charge proportionately.

## LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

### Benefit Conditions

The following conditions must be met to qualify for benefits under this rider:

- a. The total benefits paid to date under this rider must not have reached the CCBR Benefit Limit.
- b. The Insured must either:
  - 1. be unable to perform (without Substantial Assistance from another individual) at least 2 Activities of Daily Living for a period of 90 days as a result of loss of functional capacity; or
  - 2. require Substantial Supervision to protect the Insured from threats to health and safety caused by Severe Cognitive Impairment.
- c. The attending Physician must certify that the Insured is Chronically Ill and that the illness is expected to continue for at least 90 days.
- d. The Physician must approve a Plan of Care In Writing prescribing services, including Covered Services, that are to be provided to the Insured. The Insured must receive the Covered Services prescribed under the approved Plan of Care while this rider is In Force.
- e. At least once every 12 months thereafter, and for as long as the Insured continues to be Chronically Ill, the Physician must again:
  - 1. certify that the Insured is Chronically Ill. If the Insured's Chronic Illness is caused by loss of functional capacity, the Physician must again certify that the Insured's Chronic Illness is expected to continue for at least 90 days; and
  - 2. either approve a new Plan of Care, or reconfirm the existing Plan of Care In Writing.

Benefits will be paid under this rider for as long as:

- a. the benefit conditions of this rider are met; and
- b. this rider remains In Force.

### **Deductible Period**

This rider has a 90 day Deductible Period during which time this rider does not provide certain benefits. This 90 day Deductible Period applies to all Covered Services except for Bed Reservation, Respite Care Services, Non-Continual Alternative Care Services, Caregiver Training, and Care Planning Services. The Deductible Period must be satisfied before other benefits become payable.

The 90 day Deductible Period may be satisfied only by days during which benefits, other than Bed Reservation, Respite Care Services, Non-Continual Alternative Care Services, Caregiver Training, and Care Planning Services, would otherwise be covered under this rider. Long-term care is often received on an intermittent basis, therefore we do not require that the 90 day Deductible Period be consecutive days.

## **LONG-TERM CARE BENEFITS**

### **Benefits Available**

We will pay an amount not to exceed the Maximum Monthly CCBR Benefit each calendar month until the end of the CCBR Duration to reimburse costs incurred by the Insured for Covered Services, subject to the terms and conditions of this rider. Benefits under this rider will continue beyond the CCBR Duration shown on the Policy Schedule as long as the remaining CCBR Benefit Limit is greater than zero.

### **Benefit Payments**

When making a payment for Covered Services under this rider, we will first pay an amount up to the CCBR Base Maximum Monthly Benefit or the remaining CCBR Base Benefit Limit, whichever is less. If the claim is for an amount greater than the CCBR Base Maximum Monthly Benefit or remaining CCBR Base Benefit Limit, we will pay an amount up to the CCBR Inflation Maximum Monthly Benefit or the remaining CCBR Inflation Benefit Limit, whichever is less.

### **Impact of Withdrawals, Indebtedness or Repayments on CCBR Base Benefit Limit and CCBR Base Maximum Monthly Benefit**

Withdrawals or Indebtedness will reduce the CCBR Base Benefit Limit on a dollar-for-dollar basis. Any reduction in the CCBR Base Benefit Limit will reduce the CCBR Base Maximum Monthly Benefit proportionately.

Any repayment of the loan or loan interest will increase the CCBR Base Benefit Limit by the amount of the repayment. Any increase in the CCBR Base Benefit Limit will increase the CCBR Base Maximum Monthly Benefit proportionately.

### **Optional Inflation Protection**

Unless you have rejected Optional Inflation Protection on the application for this rider, we will recalculate the CCBR Inflation Benefit Limit based on the Optional Inflation Protection option selected:

- a. on each Policy Anniversary; and
- b. any time you make a policy loan, withdrawal, or repayment of the loan or loan interest.

Any increase in the CCBR Inflation Benefit Limit will increase the CCBR Inflation Maximum Monthly Benefit proportionately. Any decrease in the CCBR Inflation Benefit Limit will decrease the CCBR Inflation Maximum Monthly Benefit proportionately.

The available options are as follows:

**Option 1: 3% Simple Increases**

If Option 1 is selected, the CCBR Inflation Benefit Limit will be equal to (1) multiplied by (2), multiplied by [(3) – (4)], where:

- (1) is the CCBR Base Benefit Limit on the date of calculation;
- (2) is equal to .03;
- (3) is the current Policy Year; and
- (4) is equal to 1.

**Option 2: 2% Compound Increases**

If Option 2 is selected, the CCBR Inflation Benefit Limit will be equal to (1) multiplied by  $[(2)^{(3)-(4)}]$  minus (4)], where:

- (1) is the CCBR Base Benefit Limit on the date of calculation;
- (2) is equal to 1.02;
- (3) is the current Policy Year; and
- (4) is equal to 1.

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

## COVERED SERVICES

We will reimburse expenses incurred by the Insured for the following Covered Services, to the extent that such services are Qualified Long Term Care Services:

**Adult Day Care Services**

A program for 6 or more individuals of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the home. These services are covered to the extent that they are Qualified Long-Term Care Services.

**Assisted Living Facility Services**

Services that are provided to the Insured while he or she is confined or living in an Assisted Living Facility. Such services are covered to the extent that they are Qualified Long-Term Care Services.

**Bed Reservation**

The expense incurred by the Insured to reserve the Insured's bed in a Nursing Home while he or she is temporarily absent during a stay in a Nursing Home and is charged to reserve accommodations. The temporary absence can be for any reason with the exception of discharge. This includes, but is not limited to, a hospital stay or spending holidays or other time with family. Bed Reservation is covered to the extent that it is a Qualified Long-Term Care Service.

This benefit is limited to no more than 30 days each calendar year. The amount payable for this benefit cannot exceed 1/30<sup>th</sup> of the Maximum Monthly CCBR Benefit for each day that the bed is reserved.

**Care Planning Services**

Services provided for the Insured by a Care Planning Agency under the direction of the attending Physician. These services are covered to the extent that they are Qualified Long-Term Care Services.

Care Planning Services may include:

- a. assessment of the circumstances in the Insured's home which relate to his or her ability to live independently;
- b. assessment of the Insured's Chronic Illness and the level of assistance needed for each Activity of Daily Living;
- c. preparation of a Plan of Care for the Insured in coordination with the attending Physician;
- d. coordination and monitoring of the Covered Services provided to the Insured; and
- e. monitoring any changes in the Insured's abilities and updating the Plan of Care accordingly.

### **Caregiver Training**

Training given to the Primary Caregiver to provide him or her with the knowledge and skills necessary to care for the Chronically Ill Insured. Such training must be provided by a properly accredited medical or instructional institution or by an individual, such as a licensed nurse, who is qualified to provide such training. Caregiver Training is covered to the extent that it is a Qualified Long-Term Care Service.

The amount payable for this benefit is limited to no more than \$500 for all Caregiver Training provided while the Insured is covered under this rider and under the Extension of Benefits Rider, if applicable.

Caregiver Training may include:

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

### **Home Health Care Services**

Skilled nursing or other professional care services provided by a Home Health Care Agency at the Insured's place of residence, outside of a hospital, Nursing Home or Assisted Living Facility. Such services include, but are not limited to, part-time and intermittent skilled nursing services, home health aide services, physical therapy, occupational therapy, chemotherapy, speech therapy, audiology services, and medical social services by a social worker. These services are covered to the extent that they are Qualified Long-Term Care Services.

### **Hospice Services**

Services given to provide palliative care to alleviate the physical, emotional, social, and spiritual discomforts of the Insured who is in the terminal phases of life. These services also include supportive care given to the Primary Caregiver and the Insured's Immediate Family. These services are covered to the extent that they are Qualified Long-Term Care Services.

### **Nursing Home Care Services**

Services that are provided to the Insured while he or she is confined to a Nursing Home. Such care or services are covered to the extent that they are Qualified Long-Term Care Services.

### **Personal Care Services**

Services provided at the Insured's place of residence, outside of a hospital, Nursing Home or Assisted Living Facility, to assist with Activities of Daily Living, including activities such as using a telephone, managing medications, moving about outside, shopping for essentials, preparing meals, laundry, and housekeeping or homemaking activities to allow the Insured to remain in his or her residence. These services may be provided by skilled or unskilled persons. These services are covered to the extent that they are Qualified Long-Term Care Services.

### **Respite Care Services**

Short-term care services provided for the Insured in an institution, in the home, or in a community-based program to provide temporary relief for the Primary Caregiver. Such services may be provided by skilled or unskilled persons. These services are covered to the extent that they are Qualified Long-Term Care Services.

This benefit is limited to no more than 21 days each calendar year. The amount payable for this benefit cannot exceed 1/30<sup>th</sup> of the Maximum Monthly CCBR Benefit for each day of Respite Care Services.

### **Alternative Care Services**

Qualified Long-Term Care Services that are not covered under any of the above paragraphs, but which the attending Physician and we mutually agree would be appropriate to meet the Insured's long-term care needs. We will not unreasonably withhold agreement. These services must be provided as an alternative to services covered under the above paragraphs that would otherwise be required by the Chronically Ill Insured. Alternative Care Services will be covered only to the extent that they are Qualified Long-Term Care Services.

Alternative Care Services may include, but are not limited to, forms of assistance provided in facilities, by organizations, or by persons other than the Insured's Immediate Family, that do not otherwise meet the definitions of this rider. They must meet or exceed the applicable professional standards and state legal requirements for the services that are performed.

### **Non-Continual Alternative Care Services**

Alternative Care Services which are received on a one-time basis, such as expenses for durable medical equipment or for modifications to the home to accommodate a wheelchair or other device. Non-Continual Alternative Care Services will be covered only to the extent that they are Qualified Long-Term Care Services.

This benefit is limited to no more than one claim per calendar year.

## **GENERAL EXCLUSIONS AND LIMITATIONS**

This rider will not provide benefits for:

- a. care provided in facilities operated primarily for the treatment of Mental or Nervous Disorders. **This exclusion does not apply to qualifying stays or care resulting from a clinical diagnosis of Alzheimer's Disease or similar forms of irreversible dementia;**

- b. treatment for alcoholism, drug addiction or chemical dependency (unless the drug addiction or chemical dependency is a result of medication taken in doses as prescribed by a Physician);
- c. treatment arising out of an attempt (while sane) at suicide or an intentionally self-inflicted injury;
- d. treatment provided in a Veteran's Administration or government facility, unless the Insured or the Insured's estate is charged for the confinement or services or unless otherwise required by law;
- e. loss to the extent that benefits are payable under any of the following: Medicare (including that which would have been payable but for the application of a deductible or a coinsurance amount), other governmental programs (except Medicaid), workers compensation laws, employer's liability laws, occupational disease laws, and motor vehicle no-fault laws;
- f. confinement or care received outside the United States;
- g. services provided by a facility or an agency that does not meet this rider definition for such facility or agency, except as provided in the Alternative Care Services provision above; and
- h. services provided by a member of the Insured's Immediate Family or for which no charge is normally made in the absence of insurance.

## **EFFECT OF RIDER ON POLICY**

### **Cash Value and Gross Cash Value**

While this rider is In Force, the Cash Value and Gross Cash Value will be calculated as follows:

- a. on each Monthly Anniversary Day, the Cash Value will be equal to (1) minus (3), plus (4), minus (5), plus (6), minus (7), minus (8), plus (9);
- b. on each Monthly Anniversary Day, the Gross Cash Value will be equal to (2) minus (3), plus (4), minus (5), minus (8), plus (9);
- c. on any day other than a Monthly Anniversary Day, the Cash Value will be equal to (1) minus (3), plus (4), minus (5), plus (6), minus (7), plus (9); and
- d. on any day other than a Monthly Anniversary Day, the Gross Cash Value will be equal to (2) minus (3), plus (4), minus (5), plus (9); where

(1) is the Cash Value on the preceding Monthly Anniversary Day;

(2) is the Gross Cash Value on the preceding Monthly Anniversary Day;

(3) is the reduction resulting from payments for Covered Services as explained in the Effect of Payments for Covered Services on Cash Value and Gross Cash Value provision;

(4) is all premiums received since the preceding Monthly Anniversary Day less the premium expense charge shown on the Policy Schedule;

(5) is the amount of any withdrawals since the preceding Monthly Anniversary Day;

- (6) is the amount of any repayments of loans or loan interest since the preceding Monthly Anniversary Day;
- (7) is the amount of any Indebtedness since the preceding Monthly Anniversary Day;
- (8) is the Monthly Deduction for the month following the Monthly Anniversary Day; and
- (9) is interest as explained in the Interest Rates provision.

If we receive premium at any time other than the beginning of a Policy Month, the interest rate used to calculate item (9) above will be determined pro rata from the date of receipt.

### **Monthly Deductions**

While this rider is In Force, Monthly Deductions will continue to be deducted from the policy's Gross Cash Value until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to zero solely as a result of payments for Covered Services under this rider.

### **Grace Period and Lapse**

The policy and this rider will enter the grace period and subsequently Lapse if the Cash Value on any Monthly Anniversary Day is less than the required Monthly Deduction and no additional premium is paid.

However, if the Gross Cash Value has been reduced to zero solely as a result of payments for Covered Services under this rider, then the policy and this rider will not enter the grace period and Lapse if the Cash Value on any Monthly Anniversary Day is less than the Monthly Deduction.

### **Effect of Payments for Covered Services on Specified Amount**

Any CCBR Base Maximum Monthly Benefit amounts paid will reduce the policy's Specified Amount on a dollar-for-dollar basis. Any CCBR Inflation Maximum Monthly Benefit amounts paid will not reduce the policy's Specified Amount.

### **Effect of Payments for Covered Services on Cash Value and Gross Cash Value**

When a payment for Covered Services is made, the policy's Gross Cash Value and Cash Value will be reduced by an amount equal to (1) multiplied by (2), divided by (3), where:

- (1) is policy's Cash Value immediately prior to the payment for Covered Services;
- (2) is the amount of the CCBR Base Maximum Monthly Benefit paid; and
- (3) is the remaining CCBR Base Benefit Limit immediately prior to the payment for Covered Services.

### **Residual Death Benefit**

While this rider is In Force, the policy's Death Benefit will be the greatest of:

- a. the Specified Amount on the date of death, less any Indebtedness;
- b. the Minimum Required Death Benefit, less any Indebtedness; or
- c. the Residual Death Benefit as described below.

The Residual Death Benefit at issue is equal to 10% of the Initial Specified Amount shown on the Policy Schedule. Policy loans, unpaid loan interest, and withdrawals will decrease the Residual Death Benefit by an amount equal to 10% of the loan, loan interest, and withdrawal. Loan repayments, including loan interest paid, will increase the Residual Death Benefit by an amount equal to 10% of the loan repayment.

### **Suicide**

If the Insured commits suicide, whether sane or insane, within 2 years from the Date of Issue and while this rider is in force, the Death Benefit will be limited to a refund of premiums paid, less any Indebtedness and withdrawals, less the amount of any payments made for Covered Services under this rider.

### **Availability of Policy Death Benefit**

If the Insured dies while receiving benefits under this rider, we reserve the right to withhold a portion of any Death Benefit that would otherwise be payable until we have verified that we have received all remaining claims for Covered Services.

## **CLAIMS**

### **Personal Long-Term Care Advisor**

A Personal Long-Term Care Advisor is available to answer questions about rider benefits and to explain how to file a claim. You or the Insured's Physician may contact the Personal Long-Term Care Advisor at any time to:

- a. discuss which types of care may be covered under this rider;
- b. determine in advance if a particular provider of a Covered Service, such as a Nursing Home or a Home Health Care Agency, meets rider conditions; and
- c. discuss the process for filing a claim and obtain the necessary forms.

Your Personal Long-Term Care Advisor's toll-free number is shown on the Policy Schedule. There is no charge for this service.

### **Notice of Claim and Proof of Loss**

You must notify us In Writing when there is a claim for benefits. We must receive Written Notice within 60 days after the date the covered loss starts or, if later, as soon as reasonably possible. The Written Notice should include at least your name and the Insured's name, the policy number, and the address to which the claim form should be sent. If you are unable to file a claim, your legal representative may act on your behalf.

Upon receipt of Written Notice of the claim, we will send a claim form to be used to file proof of loss. The claim form has instructions on how to fill it out and where to send it. Please read the form carefully. Answer all questions and send all required information to the address on the form.

If a claim form has not been received within 15 days after the Written Notice of claim has been mailed, proof of loss can be filed without the claim form by providing us details of the claim In Writing, including the occurrence, and the character and the extent of the loss for which claim is made. Details should include the list of Covered Services for which benefits are being claimed; the names and addresses of the Insured's Physician(s); the places the Insured stayed; the Insured's diagnosis; and the periods for which benefits are being claimed. This notification must be sent to us within the time period stated in the next paragraph.

We must receive proof of loss In Writing within 90 days after the end of each month for which benefits may be paid. We will not reduce or deny a claim for being late if proof of loss is filed as soon as reasonably possible. Unless you are not legally capable, the required proof of loss must always be given to us no later than 1 year after the time specified.

### **Payment of Claims**

We will pay the benefits provided by this rider to you. Upon your Written Request, we may pay benefits elsewhere. This request should be submitted no later than the time the proof of loss is filed. Upon receipt of proof of loss In Writing acceptable to us, any benefits due will be paid:

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

We will send you a monthly statement showing the amount of benefits paid, the change, if any, to the policy's Death Benefit and Cash Value caused by the benefit payment, and the remaining CCBP Benefit Limit.

### **Physical Examinations**

We reserve the right to verify that all of the criteria for eligibility for benefits have been satisfied. Verification may include a review of the medical facts to determine the extent of the Insured's condition or an examination by a Physician of our choice to verify that the Insured does meet the criteria for benefits. Such examination would be performed at our expense.

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

### **Claim Review and Appeal**

We will inform you In Writing if a claim or any part of a claim is denied. The claim will be evaluated based on this rider and the information provided. If you do not agree with a claim decision, you may request a review. This request must be In Writing and include any information that may support the claim. No special form is needed. The Written Request should be sent to our Administrator Mailing Address within 3 years after the time the proof of loss was filed. Within 30 days after receiving your Written Request, we will give you or your legal representative Written Notice of the results of our review with our reasons stated clearly. If you are unable to participate in this review procedure, your legal representative may act on your behalf.

You cannot sue or bring legal action before 60 days after you have given us proof of loss In Writing as required by this rider. You cannot sue after the greater of:

- a. the expiration of the applicable statute of limitations for the jurisdiction in which this rider was delivered; or
- b. 3 years from the time proof of loss is required to be given In Writing.

## GENERAL RIDER INFORMATION

### Termination of Rider

This rider terminates upon the earliest of:

- a. the date we receive your Written Request to return the policy or this rider under the 30 Day Right To Return provision;
- b. the date we receive your Written Request to terminate this rider;
- c. the date we receive your Written Request to surrender the policy;
- d. the date the policy Lapses; or
- e. the date the Insured dies.

### Reinstatement of Rider

If the policy to which this rider is attached is reinstated, then this rider may also be reinstated. The reinstatement of this rider will be subject to satisfactory evidence of insurability. After reinstatement, this rider will only provide benefits for Covered Services which begin on or after the date of reinstatement, subject to the terms and conditions of this rider.

If, however, the Insured was Chronically Ill when this rider Lapsed and you request In Writing to reinstate this rider within 5 months after the date of Lapse, then in lieu of submitting evidence of insurability, you may reinstate this rider by submitting a statement In Writing from the attending Physician certifying that the Insured was Chronically Ill on the date of Lapse. After reinstatement, this rider will provide benefits for Covered Services which begin on or after the date of Lapse, subject to the terms and conditions of this rider.

### Misstatement of Age

If the Insured's age has been misstated, rider benefits will be those that the most recent monthly rider charge and monthly inflation charge, if applicable, would have purchased at the correct age. If coverage would not have been issued, we will refund all rider and inflation charges paid for this rider.

### Representations

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

### Incontestability

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

**Pre-existing Conditions Not Excluded**

We will not deny benefits for Pre-Existing Conditions. This provision does not preclude us from exercising other remedies available under this rider because of misrepresentation.

**Conformity With State and Federal Statutes**

If any provision of this rider is in conflict with the statutes of the jurisdiction in which the policy was delivered or with the Federal statutes which pertain to Qualified Long-Term Care Insurance contracts, such rider provision is automatically amended to meet the minimum requirements of the state or Federal statute.

**The Lincoln National Life Insurance Company**

*Dennis P. Glass*  
President  
SPECIMEN

## Extension of Benefits Rider

This Extension of Benefits Rider ("EOBR") is made part of the policy to which it is attached. Except as stated below, this rider is subject to all the terms and conditions of the policy and of the Convalescent Care Benefits Rider.

We agree to provide the benefits described in this rider for Qualified Long-Term Care Services in accordance with all the terms and conditions of this rider. READ THIS RIDER CAREFULLY.

This rider extends the benefits provided by the Convalescent Care Benefits Rider. The benefits of this rider become effective after payments for Covered Services under the Convalescent Care Benefits Rider have reached the CCBR Benefit Limit.

### NOTICE OF 30 DAY RIGHT TO RETURN THIS RIDER

You may return this rider for any reason to the insurance agent through whom it was purchased or to us at the Administrator Mailing Address shown on the front cover of your policy within 30 days after you receive it. If returned, this rider will be considered void from the beginning and we will refund all charges paid for this rider.

### TAXATION

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

### CAUTION

We issued this rider based on your and the Insured's answers to the questions on your application. A copy of your application is enclosed. If any answers are incorrect or untrue, we may deny benefits or rescind this rider. The best time to clear up any questions is now, before a claim arises. If, for any reason, any of your or the Insured's answers are incorrect, contact us at the Administrator Mailing Address shown on the front cover of your policy.

### NOTICE TO OWNER

This rider may not cover all of the costs associated with long-term care incurred by the Insured during the period of coverage. Carefully review all policy and rider limitations.

### Who is Covered

This rider covers the Insured named on the Policy Schedule. It does not cover any other person.

### Renewability

This rider is guaranteed renewable. Unless you request to terminate this rider, the rider will remain In Force for as long as the policy and Convalescent Care Benefits Rider remain In Force. We cannot change any of the terms of this rider on our own and cannot change the monthly rider charge.

### Effective Date

This rider takes effect on the Date of Issue. Subject to the Termination of Rider provision, this rider will remain In Force for as long as the policy and the Convalescent Care Benefits Rider remain In Force.

### Consideration

We have issued this rider in consideration of the statements made in the application for this rider and payment of the first monthly rider charge and first monthly inflation charge, if applicable, shown on the Policy Schedule.

***This specimen policy represents the generic language of the policy contract, including riders. Policy language, features, and availability may vary by state. Please be sure to check product and rider availability in the state you are soliciting.***

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SPECIMEN

## DEFINITIONS

### **Deductible Period**

The period of time during which the Guaranteed Benefit (Nonforfeiture) provision does not provide certain benefits, as described in that provision. The Deductible Period must be satisfied before certain benefits become payable.

### **EOBR Base Benefit Limit**

At issue, the EOBR Base Benefit Limit is equal to (1) multiplied by [(2) divided by (3)], where:

- (1) is the initial Specified Amount shown on the Policy Schedule;
- (2) is the EOBR Duration; and
- (3) is the CCBP Duration.

The EOBR Base Benefit Limit may change as provided in this rider. The EOBR Base Benefit Limit is used to calculate the monthly rider charge, the EOBR Benefit Limit, and the EOBR Base Maximum Monthly Benefit. If Optional Inflation Protection is elected, the EOBR Base Benefit Limit is also used to calculate the monthly inflation charge and the EOBR Inflation Benefit Limit.

### **EOBR Base Maximum Monthly Benefit**

An amount equal to the EOBR Base Benefit Limit divided by the number of months in the EOBR Duration. The EOBR Base Maximum Monthly Benefit may change as provided in this rider.

### **EOBR Benefit Limit**

The maximum benefit amount available under this rider to reimburse the costs incurred by the Insured for Covered Services. The EOBR Benefit Limit equals the EOBR Base Benefit Limit plus the EOBR Inflation Benefit Limit, if any. The EOBR Benefit Limit as of the Date of Issue is shown on the Policy Schedule, and may change as provided in this rider.

### **EOBR Duration**

The period of coverage under this rider. The EOBR Duration was selected on the application for this rider, and is shown on the Policy Schedule.

### **EOBR Inflation Benefit Limit**

The amount of any additional EOBR Benefit Limit generated by Optional Inflation Protection, if elected, as described in the Optional Inflation Protection provision.

### **EOBR Inflation Maximum Monthly Benefit**

The amount of any additional monthly EOBR benefit generated by Optional Inflation Protection, if elected. The EOBR Inflation Maximum Monthly Benefit is equal to the EOBR Inflation Benefit Limit divided by the number of months in the EOBR Duration.

### **Guaranteed Benefit Limit**

The total amount available under the Guaranteed Benefit (Nonforfeiture) provision to reimburse expenses for Covered Services incurred by the Insured.

### **Maximum Monthly EOBR Benefit**

The maximum amount that we will pay each month to reimburse the costs incurred by the Insured for Covered Services under this rider. The Maximum Monthly EOBR Benefit equals the EOBR Base Maximum Monthly Benefit plus the EOBR Inflation Maximum Monthly Benefit, if any. The Maximum Monthly EOBR Benefit as of the Date of Issue is shown on the Policy Schedule, and may change as provided in this rider.

**Maximum Monthly Guaranteed Benefit**

The maximum amount that we will pay each month under the Guaranteed Benefit (Nonforfeiture) provision to reimburse the costs incurred by the Insured for Covered Services.

## RIDER CHARGES

**Monthly Rider Charge**

We will deduct a charge for this rider from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Date of Issue until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to zero solely as a result of payments for Covered Services under the Convalescent Care Benefits Rider.

The monthly rider charge as of the Date of Issue is shown on the Policy Schedule.

The monthly rider charge at issue is calculated based on the Insured's Issue Age as shown on the Policy Schedule, the CCBR Duration selected, the EOBR Duration selected, and the CCBR Base Benefit Limit.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly rider charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly rider charge proportionately.

**Monthly Inflation Charge**

If Optional Inflation Protection is elected, we will deduct an inflation charge from the Gross Cash Value of the policy on each Monthly Anniversary Day beginning with the Date of Issue until the earlier of:

- a. the Insured's Age 95; or
- b. the Monthly Anniversary Day preceding the date the policy's Cash Value has been reduced to zero solely as a result of payments for Covered Services under the Convalescent Care Benefits Rider.

The monthly inflation charge as of the Date of Issue is shown on the Policy Schedule.

The monthly inflation charge at issue is calculated based on the Insured's Issue Age as shown on the Policy Schedule, the CCBR Duration selected, the EOBR Duration selected, the CCBR Base Benefit Limit, and the Optional Inflation Protection option selected.

Any decrease in the CCBR Base Benefit Limit caused by withdrawals or Indebtedness will reduce the monthly inflation charge proportionately. Any increase in the CCBR Base Benefit Limit caused by a repayment of the loan or loan interest will increase the monthly inflation charge proportionately.

## LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

**Benefit Conditions**

The benefit conditions for the Convalescent Care Benefits Rider apply to this rider except as follows:

- a. payments for Covered Services under the Convalescent Care Benefits Rider must have reached the CCBR Benefit Limit.

- b. the total benefits paid to date under the Extension of Benefits Rider must not have reached the EOBR Benefit Limit.

Benefits will be paid under this rider for as long as:

- a. the benefit conditions of this rider are met; and
- b. this rider remains In Force.

**Deductible Period**

Benefits payable under this rider while this rider is In Force are not subject to a Deductible Period.

## **LONG-TERM CARE BENEFITS**

**Benefits Available**

We will pay an amount not to exceed the Maximum Monthly EOBR Benefit each calendar month until the end of the EOBR Duration to reimburse costs incurred by the Insured for Covered Services, subject to the terms and conditions of this rider. Benefits under this rider will continue beyond the EOBR Duration shown on the Policy Schedule as long as the remaining EOBR Benefit Limit is greater than zero.

**Benefit Payments**

When making a payment for Covered Services under this rider, we will first pay an amount up to the EOBR Base Maximum Monthly Benefit or the remaining EOBR Base Benefit Limit, whichever is less. If the claim is for an amount greater than the EOBR Base Maximum Monthly Benefit or remaining EOBR Base Benefit Limit, we will pay an amount up to the EOBR Inflation Maximum Monthly Benefit or the remaining EOBR Inflation Benefit Limit, whichever is less.

**Impact of Withdrawals, Indebtedness or Repayments on EOBR Base Benefit Limit and EOBR Base Maximum Monthly Benefit**

Withdrawals or Indebtedness will reduce the EOBR Base Benefit Limit on a dollar-for-dollar basis. Any reduction in the EOBR Base Benefit Limit will reduce the EOBR Base Maximum Monthly Benefit proportionately.

Any repayment of the loan or loan interest will increase the EOBR Base Benefit Limit by the amount of the repayment. Any increase in the EOBR Base Benefit Limit will increase the EOBR Base Maximum Monthly Benefit proportionately.

**Optional Inflation Protection**

Unless you have rejected Optional Inflation Protection on the application for this rider, we will recalculate the EOBR Inflation Benefit Limit based on the Optional Inflation Protection option selected:

- a. on each Policy Anniversary; and
- b. any time you make a policy loan, withdrawal, or repayment of the loan or loan interest.

Any increase in the EOBR Inflation Benefit Limit will increase the EOBR Inflation Maximum Monthly Benefit proportionately. Any decrease in the EOBR Inflation Benefit Limit will decrease the EOBR Inflation Maximum Monthly Benefit proportionately.

The available options are as follows:

**Option 1: 3% Simple Increases**

If Option 1 is selected, the EOBR Inflation Benefit Limit will be equal to (1) multiplied by (2), multiplied by [(3) – (4)], where:

- (1) is the EOBR Base Benefit Limit on the date of calculation;
- (2) is equal to .03;
- (3) is the current Policy Year; and
- (4) is equal to 1.

**Option 2: 5% Compound Increases**

If Option 2 is selected, the EOBR Inflation Benefit Limit will be equal to (1) multiplied by  $[(2)^{(3)-(4)}]$  minus (4), where:

- (1) is the EOBR Base Benefit Limit on the date of calculation;
- (2) is equal to 1.05;
- (3) is the current Policy Year; and
- (4) is equal to 1.

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

**Guaranteed Benefit (Nonforfeiture)**

Subject to the limitations outlined below, this Guaranteed Benefit (Nonforfeiture) provision will cover eligible claims for Covered Services up to the Guaranteed Benefit Limit amount described below which begin at any time after this rider has terminated for any of the following reasons:

- a. the policy is surrendered;
- b. you request In Writing to terminate this rider (this does not include return of this rider under its 30 Day Right to Return provision); or
- c. you request In Writing to terminate the Convalescent Care Benefits Rider (this does not include return of the Convalescent Care Benefits Rider under that rider's 30 Day Right To Return provision).

This guaranteed benefit will be payable in lieu of the benefits described in this rider, subject to the terms and conditions of this rider. The Maximum Monthly Guaranteed Benefit under this provision will be an amount equal to the Maximum Monthly EOBR Benefit in effect as of the date this rider terminates, and will not change.

The Guaranteed Benefit Limit under this provision will be an amount equal to the greater of:

- a. one month's Maximum Monthly EOBR Benefit in effect as of the date this rider terminates; or
- b. an amount equal to the sum of all rider charges and inflation charges, if any, paid for this rider.

Any guaranteed benefit payable will be subject to a 90 day Deductible Period. The 90 day Deductible Period applies to all Covered Services, other than Bed Reservation, Respite Care Services, Non-Continual Alternative Care Services, Caregiver Training, and Care Planning Services, that are received after this rider has terminated for any of the reasons noted above. The Deductible Period must be satisfied before other benefits become payable.

The 90 day Deductible Period may be satisfied only by days during which Covered Services, other than Bed Reservation, Respite Care Services, Non-Continual Alternative Care Services, Caregiver Training, and Care Planning Services, would otherwise be eligible for reimbursement under this provision. Long-term care is often received on an intermittent basis, therefore we do not require that the 90 day Deductible Period be consecutive days.

This guaranteed benefit will continue as paid-up long-term care coverage, subject to the 90 day Deductible Period described above, until the earlier of the death of the Insured or the date the Guaranteed Benefit Limit under this provision has been reached.

## GENERAL RIDER INFORMATION

### Termination of Rider

This rider terminates upon the earliest of:

- a. the date we receive your Written Request to return this rider, the policy, or the Convalescent Care Benefits Rider under the 30 Day Right To Return provision;
- b. the date we receive your Written Request to terminate this rider or the Convalescent Care Benefits Rider;
- c. the date we receive your Written Request to surrender the policy;
- d. the date the policy Lapses;
- e. the date the Insured dies; or
- f. the date the EOBR Benefit Limit is reached.

### Reinstatement of Rider

If the policy to which this rider is attached is reinstated, then this rider may also be reinstated. The reinstatement of this rider will be subject to satisfactory evidence of insurability. After reinstatement, this rider will only provide benefits for Covered Services which begin on or after the date of reinstatement, subject to the terms and conditions of this rider.

If, however, the Insured was Chronically Ill when this rider Lapsed and you request In Writing to reinstate this rider within 5 months after the date of Lapse, then in lieu of submitting evidence of insurability, you may reinstate this rider by submitting a statement In Writing from the attending Physician certifying that the Insured was Chronically Ill on the date of Lapse. After reinstatement, this rider will provide benefits for Covered Services which begin on or after the date of Lapse, subject to the terms and conditions of this rider.

### Misstatement of Age

If the Insured's age has been misstated, rider benefits will be those that the most recent monthly rider charge and monthly inflation charge, if applicable, would have purchased at the correct age. If coverage would not have been issued, we will refund all rider and inflation charges paid for this rider.

**Representations**

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

**Incontestability**

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

**Conformity With State and Federal Statutes**

If any provision of this rider is in conflict with the statutes of the jurisdiction in which the Entire Contract was delivered or with the Federal statutes which pertain to Qualified Long-Term Care Insurance contracts, such rider provision is automatically amended to meet the minimum requirements of the state or Federal statute.

**The Lincoln National Life Insurance Company**

*SPECIMEN*  
*R. Dennis R. Glass*  
President

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## **The Lincoln National Life Insurance Company**

### **Flexible Premium Adjustable Life Insurance Policy**

Death Benefit payable if the Insured dies while this policy is In Force

Non-participating – Not eligible for annual dividends