Lincoln *MoneyGuard*® III

Frequently Asked Questions

QUESTION	ANSWER
Why is there a single rider design on *MoneyGuard* III?	The single rider design provides both simplicity and pricing consistency between the benefit period options. As a result, as the total LTC duration changes, the premium and face amounts adjust accordingly. This also offers smooth transitions to allow the client to consider the balance between the Monthly Maximum Benefit and the Benefit Period Duration.
How is the LTC Benefit pool spent down with *MoneyGuard* III?	For *MoneyGuard* III, the total LTC benefits pool is reduced dollar-for-dollar by any benefits paid, except for caregiver training. This is unlike *MoneyGuard* II where separate benefit pools existed for acceleration, extension and inflation.
How does inflation on the remaining benefit pool work?	The change from *MoneyGuard* II to *MoneyGuard* III is that only the remaining benefit pool could grow with inflation. For *MoneyGuard* II, the entire original LTC pool grew with inflation. The change was made with the one rider design and to be consistent with general industry approaches.
Could International Benefits on *MoneyGuard* III be used for more than 36 months?	No, International Benefits are limited to no more than a total of 36 months, regardless of how much was used in each of the 36 months. Unlike *MoneyGuard* II where the International Benefits were only available on the Acceleration Rider, this Benefit is available intermittently and at any time during the use of the LTC Benefit Pool.
How does the Transitional Care Assistance (TCA) Covered Service work?	The purpose of TCA is to allow for flexibility in the claim as the insured transitions from independence to a care need. TCA is available when at least two days of home health care and/or adult day care services are used in a week. Depending on the care needs of the insured and based on the plan of care developed by the insured's licensed health care practitioner, up to $500 a week may be available to supplement the home-based care being provided. The TCA benefit is available for the first 12 months of a claim and up to 180 total days. Should the insured recover prior to using the full 180 days, the remaining days can be used during a subsequent claim. TCA claims do reduce the LTC pool and count towards the monthly maximum benefit used.

Is the TCA available on days when other Covered Services are used?	TCA is only available on days when home health care or adult day care is not being accessed during the first year of a claim. TCA benefits cannot be paid on days when other benefits are paid as this could create a tax situation where the total dollars paid for that day exceed the IRS daily limit. The use of alternative care services may be appropriate if the insured's plan of care details a more complex care need. An example of this would be a plan of care that states the need for adult day care and an Independent Care Provider in the evening.
Why is Transitional Care Assistance (TCA) not available/eligible for care received by the insured's spouse?	The limitation on spouses within the TCA Covered Service is consistent with similar provisions within the industry. Spouses, even before a claim, are each other's primary caregivers and do not receive payment for such care. However, the TCA benefit may be used for other purposes that would assist the spouse to provide for the needs of the insured in the home. Note that the TCA benefit does not need to be used before Alternative Care Services or Non-Continual services, which may assist the family and the insured as well.
How does the new Terminal Illness Rider impact long-term care benefits?	The Terminal Illness Rider and long-term care benefits are mutually exclusive. If they use one, they lose access to the other—meaning an insured cannot receive benefits under the LTC Benefit Rider and then later submit a TIR claim. Nor can the Terminal Illness Rider pay a claim and then the insured receive benefits from the LTC Benefits Rider. The maximum amount that may be accelerated is $250,000 and may not be less than 25% or more than 75% of the specified amount.
Does the Return of Premium (ROP) work the same for *MoneyGuard* III as it did for *MoneyGuard* II?	*MoneyGuard* III provides for a Return of Premium (ROP) benefit from the time the first premium is paid. This differs from *MoneyGuard* II in which there was a need to meet a threshold (Total Planned Premiums) before ROP could be activated. The ROP options for *MoneyGuard* III are Basic and Vested. Basic provides a 70% ROP in all years. Vested provides a ROP percentage that starts at 70% and grades up 3% each year until it becomes 100% ROP in years 11 and up.
Why is the Maximum Monthly Benefit lower on *MoneyGuard* III than *MoneyGuard* II for a set Face Amount?	While the single rider design does not have a separate acceleration period, it was determined in pricing that the 26-month acceleration period was the optimal duration between *MoneyGuard* II's two options of 24 and 36 months. Therefore, since the initial face amount is accelerated over 26 months rather than 24, the Maximum Monthly Benefit amounts are lower to cover the additional two months of acceleration. If you would like to keep the same initial Maximum Monthly Benefit as before, you can multiply the desired amount by 26 to get to the face amount.

What interest rate is used to determine flex pay options?	The interest rate used to determine flex pay is 6.5%.
Do premiums need to be paid when the death benefit is completely spent down?	When the policy is identified as being fully accelerated—meaning it no longer has any specified amount, return of premium, or cash value—no more premiums need to be paid due to no more charges being taken out on the policy. Also, there is not a waiver of premium or a waiver of rider charge provision.

Lincoln *MoneyGuard*® III is a universal life insurance policy with a Long-Term Care Benefits Rider (LTCBR) that accelerates the specified amount of death benefit to pay for covered long-term care expenses and continues long-term care benefit payments after the entire specified amount of death benefit has been paid. The return of premium options are offered through the Value Protection Endorsement (VPE) available at issue; Base option (1) and Graded option (2) are included in the policy cost. Any additional surrender benefit provided will be adjusted by any loans/loan interest/loan repayments, withdrawals taken, and claim payments made. The cost of riders will be deducted monthly from the policy cash value. The insurance policy and riders have limitations, exclusions and reductions. Long-term care benefit riders may not cover all costs associated with long-term care costs incurred by the insured during the coverage period. All contract provisions, including limitations and exclusions, should be carefully reviewed by the owner. For costs and complete coverage details, contact your Financial Professional.

Issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, on Policy Form ICC19-MG890/19-MG890 with the following riders: Value Protection Endorsement (VPE) on form ICC19END-10534/END-10534; Terminal Illness Acceleration of Death Benefit Rider (TIR) on form ICC19TIR-891/TIR-891; Long-Term Care Benefits Rider (LTCBR) on form ICC19LTCBR-890/LTCBR-890. The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Product not available in New York.