

# Lincoln LifeGuarantee<sup>®</sup> UL (2013)

## A life insurance projection

The Lincoln National Life Insurance Company

Flexible Premium Adjustable Life Insurance

Policy Form UL6000 and state variations thereof.

Prepared for:  
David Senior

Presented by:  
Alec Smith  
3015 Montford Ct  
Sugar Land, TX 77478  
Phone: (713) 557-5579

This product is issued on policy form UL6000 and state variations by The Lincoln National Life Insurance Company, Fort Wayne, IN. The Lincoln National Life Insurance Company is not authorized nor does it solicit business in the state of New York. **The contractual obligations are subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

Product and features are subject to state availability. Limitations and exclusions may apply.

This is a life insurance projection and not a contract. The terms of the policy constitute the actual agreement of coverage.

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# Lincoln LifeGuarantee® UL (2013)

A Life Insurance Projection  
Flexible Premium Adjustable Life Insurance



## Understanding Your Projection

Presented by: Alec Smith

For: David Senior  
Age: 67  
Sex: Male  
Class: Standard Non-Tobacco

Initial Death Benefit: \$500,000  
Initial Payment Mode: Annual  
Riders: ABR

### Product Overview

**Lincoln LifeGuarantee® UL (2013)** provides guaranteed life insurance protection through the Coverage Protection Guarantee (CPG). The CPG provides an alternate Coverage Protection Value (CPV) that, if positive, will ensure that the coverage will continue even if the cash surrender value is insufficient to cover charges. The impact of the CPG is reflected in the projection in years where the death benefit remains in force while the cash surrender value is zero.

Note that the length of time the Coverage Protection Guarantee can keep the policy in force may vary based on the following factors:

- Changes in premium frequency, timing or amount. This includes:
  - Premium payments paid more or less frequently than the Planned Premium mode;
  - Premium payments paid later than the month following the Planned Premium due date or earlier than a month before the Planned Premium due date; and
  - Premium payments in lesser or greater amounts than the Planned Premium.
- Policy changes such as loans, partial surrenders, increases or decreases in Specified Amount and the addition or removal of Riders.

You may make additional premium payments to extend the length of the CPG at any time while the policy is in force. However, if the policy lapses longer than 5 years (subject to state variation) and is then reinstated, the CPG will be permanently lost. The CPG includes a Premium Relief Feature such that any premium received during the current policy month is treated as though it was received at the beginning of the policy month for the purpose of calculating the CPG.

**The Guaranteed Values section shows guaranteed death benefit protection through month 12 of policy year 23; please see the Guaranteed Values section of this projection for further clarity.**

**Please refer to your Policy and any riders for more detailed information on your Coverage Protection Guarantee.**

If the policy is still in force at the insured's attained age 121, the CPG terminates, as it is no longer necessary since no further charges are due and the policy is guaranteed to continue in force to the death of the insured. If there is a loan, loan interest will continue to accrue.

### Initial Coverage Information

**Underwriting Class:** Male, Standard Non-Tobacco

This projection assumes an initial underwriting class as shown above. The actual underwriting class will be assigned after the underwriting process is complete. Should the actual underwriting class differ from what is assumed in this projection, including future changes, the premiums and/or values should vary from those contained herein, and a revised projection will be prepared.

### Premiums

#### Premium Timing

We do not credit premiums until received. **Please review the Transaction Summary for the timing of premiums used to create this projection.** If premiums are not received as assumed in this projection, the premium relief feature notwithstanding, this will impact cash surrender values and may impact the length of the Coverage Protection Guarantee. These assumptions are illustrative only and actual policy performance will vary to the extent these assumptions are met. Actual results may be more or less favorable than those shown. **This projection is assuming funds from an external replacement. Please be aware that Lincoln has no control over the timing of receipt of these funds. You should request a revised projection once the amount and timing of external replacement money is verified.**

#### Premium Outlay

You may vary the amount and timing of your planned premium provided the premium outlay is within guidelines set by the Internal Revenue Service (IRS). Please be aware that the timing of premium payments is critical to calculating and monitoring the policy's compliance with IRS guidelines. Premium limits and requirements may change after issue if unscheduled changes are made or if planned changes are made at different times than originally assumed. **Changes to premium mode are never automatic.** Please also note that changing to a more frequent mode (such as Quarterly to Monthly) will cause an increase in the annualized premium requirement in order to provide the same results. Any modal changes should be verified by requesting an inforce projection.

### Glossary of Terms

#### Policy Value

The sum of premiums paid less a premium expense charge, monthly deductions, and withdrawals, plus interest. When prefaced by "net", the value is less loans.

#### Surrender Value

The policy value less surrender charges and loans.

#### Monthly Deductions

Deductions are made every month until the insured's attained age 121, regardless of whether or not premiums are paid. Monthly Deductions include cost of insurance, expense and administrative charges as well as the cost of any additional benefits or riders. Information on these charges can be found within your policy.

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## Guaranteed Values

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For: David Senior  
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Initial Death Benefit: \$500,000  
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Riders: ABR

### Guaranteed 2.00% Interest/Guaranteed Charges

End of Year	Age	Annual Premium Outlay	Key(1)	Net Policy Value	Surrender Value	Death Benefit
1	68	52,466	A	32,795	9,220	500,000
2	69	10,175	A	28,709	6,069	500,000
3	70	10,175	A	23,608	1,923	500,000
4	71	10,175	A	17,245	0	500,000
5	72	10,175	A	9,406	0	500,000
6	73	10,175	A	0	0	500,000
7	74	10,175	A	0	0	500,000
8	75	10,175	A	0	0	500,000
9	76	10,175	A	0	0	500,000
10	77	10,175	A	0	0	500,000
		144,041				
11	78	10,175	A	0	0	500,000
12	79	10,175	A	0	0	500,000
13	80	10,175	A	0	0	500,000
14	81	10,175	A	0	0	500,000
15	82	10,175	A	0	0	500,000
16	83	10,175	A	0	0	500,000
17	84	10,175	A	0	0	500,000
18	85	10,175	A	0	0	500,000
19	86	10,175	A	0	0	500,000
20	87	10,175	A	0	0	500,000
		245,791				
21	88	10,175	A	0	0	500,000
22	89	10,175	A	0	0	500,000
23	90	10,175	A	0	0	500,000
24	91	0		Lapsed	Lapsed	Lapsed
		276,316				

(1) Key: (A) Annual

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## Transaction Summary

Presented by: Alec Smith

For: David Senior  
Age: 67  
Sex: Male  
Class: Standard Non-Tobacco

Initial Death Benefit: \$500,000  
Initial Payment Mode: Annual  
Riders: ABR

This Transaction Summary is to help you understand the timing and amount of policy changes and premiums assumed in this projection. If the actual timing and/or amount of any transaction differs from what is projected, the ending values and benefit periods will most likely be different than currently shown in this projection. Note that most post-issue policy changes are not automatic and must be initiated by the Owner. Other changes such as specified amount increases require additional underwriting and approval. Please note that the requested transactions may have been modified automatically in an effort to comply with contract and regulatory limitations. Scheduled premiums are considered ongoing unless otherwise indicated.

Year	Month	Projected Transactions	Details
1	1	Specified Amount	\$500,000.00
1	1	Underwriting Class	Standard Non-Tobacco
1	1	External 1035 Funds	\$42,291.00
1	1	Scheduled Annual Premium	\$10,175.00
24	1	Scheduled Premium changed	\$0.00

### External Replacement Premium Information:

External replacement premium amounts are assumed to be received as projected in the Transaction Summary, by the first day of the month specified. We do not begin to credit interest on this amount until it is actually received, so if the premium comes in later or is less than projected, the policy will not perform as shown and a revised projection reflecting the actual amount and month received should be discussed with the client.

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## Tax Information and Signature Page

For: David Senior  
Age: 67  
Sex: Male  
Class: Standard Non-Tobacco

Initial Death Benefit: \$500,000  
Initial Payment Mode: Annual  
Riders: ABR

### Tax Information

Assumed Tax Bracket: 28.00%

1035 Exchange: Gross Cash Value Amount - \$42,291.00 Cost Basis: \$0

This projection assumes a tax advantaged 1035 transaction. Please consult a professional tax advisor: e.g., attorney or accountant for further information.

#### Modified Endowment Contract Testing:

Initial TAMRA Seven-Pay Premium: \$41,015.82

This presentation under current tax code interpretation using the Guaranteed Values will not become a Modified Endowment Contract. Please consult a professional tax advisor: e.g., attorney or accountant for further information.

#### Definition of Life Insurance

The Cash Value Accumulation Test applies to this policy.

**Lincoln Financial Group® affiliates, their distributors, and their respective employees, representatives and/or insurance agents do not provide tax, accounting or legal advice. Clients should consult their own independent advisor as to any tax, accounting or legal statements made herein.**

If this projection provides for premium amount changes in future years, Lincoln offers a feature so that premium changes will be processed automatically. You will receive advance notification of these changes by letter approximately 60 days prior to the policy anniversary date in the year the change is projected. These premium changes do not provide any implied or guaranteed coverage or policy values and it is the responsibility of the owner to review annual statements to ensure the policy is funded as desired.

### Signature Section

I understand that this projection is not a contract and that the terms of the policy constitute the actual agreement of coverage. I have been advised to consult with my own tax advisors regarding the tax effects of the projected policy and also with respect to its valuation. It is my intention to replace existing coverage with the coverage represented by this projection. My insurance agent has explained the advantages and disadvantages of this exchange. I further understand that the guarantees provided by the Coverage Protection Guarantee are directly affected by the amount and timing of premiums paid.

I/We further agree and acknowledge the underwriting class set forth above.

\_\_\_\_\_  
Date      X \_\_\_\_\_  
Proposed Insured Signature

\_\_\_\_\_  
Date      X \_\_\_\_\_  
Proposed Owner/Applicant Signature

The information above is NOT intended as legal or tax advice. For such advice, the taxpayer should consult his or her attorney or tax advisor. I certify that this projection has been presented to the applicant/owner. I have made no statements that are inconsistent with the projection. I have advised the applicant/owner to consult with tax advisors regarding the tax effects of the projected policy.

\_\_\_\_\_  
Date      X \_\_\_\_\_  
Licensed Agent/Representative Signature

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## New Business Data

**You MUST include the New Business Data when submitting the projection to Home Office.  
 The following are initial values and do not reflect future changes.**

Product: Lincoln LifeGuarantee® UL (2013)  
 Unisex: No  
 State: TX  
 Underwriting: Full Underwriting  
**First Insured**  
 Name: David Senior  
 Gender: Male  
 Age: 67  
 Class: Standard Non-Tobacco  
 Table Rating: None  
 Flat Extra/1000: \$0 for 0

DEFRA Type: Cash Value Accumulation Test  
 7-Pay Premium: \$41,015.82  
 Is Exchanged  
 Contract a MEC: No  
 MEC Status: Not a MEC  
 Owner Type: Insured  
**Riders Selected**  
 Accelerated Death  
 Benefit (ABR): Yes

Death Benefit Option: Level  
 Face Amount: \$500,000  
 Initial Payment Mode: Annual  
 1035 External Rollover CV: \$42,291.00  
 1035 External Cost Basis: \$0  
 1035 External Loan Rollover: \$0  
 First Year Lump Sum Deposit: \$0  
 Monthly Minimum Prem. Amt.: \$1,157.96  
 Guaranteed Interest Rate: 2.00%  
 Year 1 Surrender Charge: \$23,575.00  
 CPG Initial Mo. Funding Prem: \$1157.96

Year	Total Premiums	Year 1 Total Premiums	
		Month	Premium
1	52,466.00	1	52,466.00
2	10,175.00	2	0
24	0	3	0
		4	0
		5	0
		6	0
		7	0
		8	0
		9	0
		10	0
		11	0
		12	0

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