

Lincoln TermAccel[®] Level Term

Product Reference Guide

Products issued by:
The Lincoln National Life Insurance Company

For agent or broker use only. Not for use with the public.

LCN: 1895883-091317
(Last update 09/18)



You're In Charge[®]

Table of Contents

Lincoln TermAccel[®] Level Term

Category	Page
General Information	
<ul style="list-style-type: none">• Billing Methods• Modal Factors• Automatic Face Amount Decreases• Reinstatement• Policy Changes• Conversion Provision	<ul style="list-style-type: none">333344-5
Agent Compensation	5
Product Specifications	
<ul style="list-style-type: none">• Underwriting Classes• Issue Ages• Rate Bands/Policy Fee• Requested Face Decrease• Automatic Face Decrease• Conversions• Supplemental Benefits	<ul style="list-style-type: none">6677777
Available Riders	
<ul style="list-style-type: none">• Waiver of Premium Benefit Rider• Children's Level Term Insurance Benefit Rider• Accelerated Benefit Rider	<ul style="list-style-type: none">8-9910
Glossary of Terms	10

General Information

Lincoln TermAccel[®] Level Term is term insurance with level premium periods of 10, 15, 20, or 30 years. Coverage is to age 95. This is a fully underwritten and automated offering, utilizing a streamlined, electronic process. Paper applications are not accepted. See the *Lincoln TermAccel*[®] Level Term Frequently Asked Questions document available on the producer websites for complete details of the process. Not available in New York.

Billing Methods

There are three methods of billing available for *Lincoln TermAccel*[®] Level Term as follows:

Direct Bill	Available for Annual and Semi-annual modes.
Electronic Funds Transfer (EFT)	Available for Annual, Semi-annual, Quarterly and Monthly modes.
List Bill	Available for Annual, Semi-annual, Quarterly and Monthly modes.

Modal Factors

The total yearly premium paid is higher if non-annual modal premium payments are made by the policyholder. The Modal Factor is the additional charge for paying premiums more frequently than annual.

Mode:	Modal Factors:
Annual	1.000
Semi-Annual	0.515
Quarterly	0.262
Monthly	0.0875

Automatic Face Amount Decreases

There will be an automatic face amount decrease at the end of the level term period. The gross premium payable in most cases will continue to be the same level premium for three years following the level term period (though the face amount will have reduced), after which premiums will increase annually to age 95. This feature is to assist in avoiding sticker-shock from a substantial increase in premiums that typically happens at the end of the level term period. It may give the policy owner the option of retaining a modest amount of insurance coverage rather than the choice between significantly higher payments or losing coverage entirely.

Reinstatement

A policy that has lapsed may be reinstated during the lifetime of the insured if reinstated within five years of the due date of the unpaid premium, subject to the following conditions:

- If within 15 days after the end of the grace period (46 days after the due date of the premium), the policy may be reinstated by payment of the overdue premium.
- If after 15 days after the end of the grace period, reinstatement is subject to:
 - a. Satisfactory evidence of insurability, and
 - b. Payment of all overdue premiums, and interest on all overdue premiums from the due date of each premium. Interest rate varies by the state of issue.

General Information (continued)

Policy Changes

Face amount (Death Benefit) increases are not allowed after issue. Face amount (Death Benefit) decreases are allowed once per year after the third policy year. If the remaining amount is in a different band, rates will be based on the new band. The face amount may **not** be reduced below the minimum face amount limit.

Conversion Provision

Conversion Period:

Level Term Period	Conversion Period
10- Year	Earlier of 10 years or before <i>attained age 70</i>
15-Year	Earlier of 15 years or before <i>attained age 70</i>
20-Year	Earlier of 20 years or before <i>attained age 70</i>
30-Year	Earlier of 30 years or before <i>attained age 70</i>

Attained Age is the insured's age as measured from the Policy Date plus the number of completed policy years. Attained Age changes on the policy anniversary.

Conversion Conditions: May be converted during the conversion period without proof of insurability if:

- No premium is in default.
- Amount of insurance on the new policy is not increased.
- Same rate class (or equivalent rate class if not available on new product), including substandard or flat extra rating

Proof of insurability and company approval will be required if the new policy:

- a) Involves insurance on another life.
- b) Includes an increase in the amount of insurance.
- c) Includes any benefits or rider, even if it was on the term policy unless the rider's terms provide that it will continue on any conversion policy

Refer to the current Term Conversion Guidelines for additional information.

Compensation Paid Upon Conversion: Refer to the current Term Conversion Guidelines.

Conversion Products:

Subject to state availability, all new policies issued and effective on or after 9/12/16 will automatically include, at no additional cost, with a **Conversion Products Amendment** that contractually guarantees the right to convert to the full product portfolio¹ for the first seven policy years of the conversion period. That means that product access will not be changed during this timeframe. Conversion is guaranteed to a limited product portfolio² in policy years eight through the end of the conversion period.

Policies without the **Conversion Products Amendment** would follow the current Term Conversion Guidelines.

¹ **Full Product Portfolio:** Includes any single universal life and variable universal life policies available for new sales at the time of conversion except policies:

- Without surrender charges or with riders and/or benefits that waive surrender charges or enhance surrender values (i.e. *Lincoln AssetEdge*[®] Exec VUL, *Lincoln LifeReserve*[®] UL with the Exec Rider, *Lincoln VULONE*, *Lincoln AssetEdge*[®] VUL with the Enhanced Surrender Value Rider).
- Sold within the *Guaranteed Issue* or *Simplified Issue* underwriting classification
- That include riders and/or benefits that provide optional long-term care coverage (i.e. *Lincoln MoneyGuard*[®] product suite)

² **Limited Product Portfolio:** Includes at least one single life individual permanent life insurance policy made available for the purpose of conversion at the time of conversion.

Agent Compensation

See your appropriate commission schedule for details of compensation.

Compensation is paid in the first year only.

Entire premium is eligible for compensation except for the policy fee or as stated below.

Policy fee	Not commissionable
Substandard table ratings	Commissionable
Flat-extra ratings for a period of five years or less	Not commissionable
Flat-extra ratings for six years or more	Commissionable

Lincoln TermAccel® Level Term Product Specifications

Description:	Term life insurance with level premium periods of 10, 15, 20 and 30 years. Coverage is to age 95. This is a fully underwritten and automated offering, utilizing a streamlined, electronic process. Paper applications are not accepted.
Policy Form Number: Data Pages:	Nationwide: TRM5065/ICC14TRM5065 10-Year Term: TA5165-10 15-Year Term: TA5165-15 20-Year Term: TA5165-20 30-Year Term: TA5165-30 Optional Face Amount Decrease Endorsement: END-7013
Underwriting Classes:	Preferred Plus Non-Tobacco Preferred Non-Tobacco Standard Non-Tobacco Preferred Tobacco Standard Tobacco
Issue Ages:	10-Year: Non-Tobacco and Tobacco Classes: 18-60 15-Year: Non-Tobacco and Tobacco Classes: 18-60 20-Year: Non-Tobacco and Tobacco Classes: 18-60 30-Year: Non-Tobacco Classes: 18-55 and Tobacco Classes: 18-50 Available up to a Table D rating all issue ages. Flat Extra Rating up to \$5/1000 of face amount.
Level Premium Guarantee Period:	The premium scale will be guaranteed for the entire level premium period: 10, 15, 20 or 30 years.
Minimum Face Amount:	\$100,000
Maximum Face Amount:	\$1,000,000
Premium Payment Frequency/Method:	Direct Bill: Annual and Semi-annual Electronic Funds Transfer (EFT): Annual, Semi-annual, Quarterly and Monthly List Bill: Annual, Semi-annual, Quarterly and Monthly
Modal Factors:	Annual: 1.000 Semi-annual: 0.515 Quarterly: 0.262 Monthly: 0.0875

Lincoln TermAccel[®] Level Term Product Specifications (continued)

Rate Bands/Policy Fee:	<p>Band 1: Face amounts of \$100,000-\$249,999.99 Policy Fee: \$80</p> <p>Band 2: Face amounts of \$250,000-\$499,999.99 Policy Fee: \$90</p> <p>Band 3: Face amounts of \$500,000-\$1,000,000 Policy Fee: \$90</p>
Requested Face Decrease:	<p>Face amount decreases are permitted once per year after the 3rd policy year. If the remaining amount is in a different band, rates will be based on the new band. May not reduce below the minimum face amount limit. For the Nationwide version of the contract, this provision is available through policy endorsement.</p>
Automatic Face Decrease:	<p>There will be an automatic face decrease at the end of the level term period. The gross premium payable in most cases will continue to be the same level premium for three years following the level term period (though the face amount will have reduced), after which premiums will increase annually to age 95. This feature is to assist in avoiding sticker-shock from a substantial increase in premiums that typically happens at the end of the level term period. It may give the policy owner the option of retaining a modest amount of insurance coverage rather than the choice between significantly higher payments or losing coverage entirely.</p>
Loans:	N/A
Conversions:	<p>May be converted during the conversion period without proof of insurability if:</p> <ul style="list-style-type: none"> • No premium is in default. • Amount of insurance on the new policy is not increased. • Same rate class (or equivalent rate class if not available on new product), including substandard or flat extra rating <p>The conversion period is equal to the <u>earlier</u> of the level term period or before client's attained age 70.</p>
Supplemental Benefits:	<ul style="list-style-type: none"> ▪ Waiver of Premium Benefit Rider¹(WP-5765/NY: WP-5765.29NY) ▪ Children's Level Term Insurance Benefit Rider¹(CTR-5670/NY: CTR-5670.29NY) ▪ Accelerated Benefit Rider² (R879/NY: ABR-689U (07)) <p>¹There is an additional charge for this benefit</p> <p>²There is a one-time charge if this benefit is exercised</p>

Available Riders

Rider features are subject to state availability. Limitations and exclusions may apply. See State Availability Grid for more details.

Waiver of Premium Benefit Rider (Rider form: WP-5765/NY: WP-5765.29)

Available at an additional cost, the Waiver of Premium Benefit Rider will waive payment of premiums if the insured becomes totally disabled.

Issue Ages:	18-59
Maximum Issue Amount:	Not to exceed \$5,000,000
Coverage:	To attained age 65, termination of the base policy or upon request of the policy owner.
Date of Disability:	Must begin after insured's 5 th birthday and before policy anniversary nearest insured's 65 th birthday. If disability begins on or after the policy anniversary nearest the insured's 60 th birthday, Lincoln will waive only those premiums which become due while disabled and before the policy anniversary nearest the insured's 70 th birthday.
Definition of Disability:	The insured will be deemed totally disabled if all the following occur: <ul style="list-style-type: none"> • Disability lasts for 4 months • Disability is caused by disease or accidental bodily injury • The insured is unable to do any of the duties of his/her regular job and is not engaged in any other job. • After 60 months, the insured is totally disabled if unable to perform the duties of any job for which they are reasonably suited by education, training or experience.
Presumptive Disability:	The insured is presumed to be totally disabled if there is the total and irrecoverable loss of: <ul style="list-style-type: none"> • Sight of both eyes, or • Use of both hands or feet, or • Use of one hand and one foot. The 4-month elimination period does not apply to presumptive disabilities.
Exclusions:	<ul style="list-style-type: none"> • Loss resulting from attempted suicide, whether sane or insane. • Self-inflicted injuries, whether sane or insane.

(Continued)

Waiver of Premium Benefit Rider (Rider form: WP-5765/NY: WP-5765.29) (Continued)

Conversion:

- The waiver rider offered for term conversions and the issue guidelines will be based on current guidelines and are subject to change.
- The disability waiver benefit will be made available to the insured without regard to the disability status at the time of conversion. If the insured is on disability claim at the time of conversion, has an approved claim under this rider and has met the issue guidelines, premiums or monthly deductions for the new policy will be waived according to the specifications of the waiver rider offered for term conversions as if the Rider had been in force at the start of disability.

Issue Guidelines:

- This rider cannot be added after issue.
- May be rated differently than the base policy.
- Only allowed if insured is rated Table D or better.
- The rider is commissionable.

Children's Level Term Insurance Benefit Rider (Rider form: CTR-5670/NY: CTR-5670.29)

This rider, available at an additional cost, provides level term coverage for all children of the base policy insured until the policy anniversary on or after the child's 25th birthday. The rider will expire on the earlier of the youngest child's age 25 or the policy insured's age 65.

Issue Ages:	Base policy insured: 18-55 Each child: 15 days old - age 18
Minimum:	One unit of \$1000
Maximum:	Up to 15 units of \$1000 each or \$15,000

If the policy insured dies before the expiration of this benefit, any term insurance then in force on an insured child will continue in force until it expires. Premiums are no longer required. The paid-up insurance will be a new policy on the life of each insured child.

At the expiration date of the term insurance, the rider can be converted at the attained age of the child (Standard Tobacco rates), without evidence of insurability to any plan that the company makes available for conversion at the time of conversion. The face amount of the new policy will be at least equal to the amount of the child benefit and not more than 5 times the child benefit.

Issue Guidelines:

- The rider may be added or increased after issue with additional underwriting.
- Company approval will be required for any additional benefits or riders.
- The rider is commissionable.

Accelerated Benefit Rider (Rider form: R879/NY: R879U (07))

The Accelerated Benefit Rider allows the policyholder to request a portion of the death benefit if the insured is diagnosed as terminally ill with a life expectancy of less than 6 months.

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

Issue Age and Amount:	Same as for base policy.
Maximum Benefit Amount:	50% of the death benefit subject to a maximum benefit of \$250,000 on all policies per insured with Lincoln.
Benefit amount:	An actuarial discount will be deducted which reflects the early payment of amounts held under the policy. It will be based on an annual interest rate declared by us and cost of insurance rates in effect as of the date of the claim. The maximum interest rate will be the greater of the 90-day T-bill or the max statutory adjustable policy loan interest rate in effect.

Issue Guidelines:

- This rider may be added after issue.
- There is a one-time charge at the time of acceleration.
- There is no charge if the rider is never exercised.
- A policy may only have one accelerated benefits rider at a time.
- Rider is not commissionable.

Glossary of Terms

Age	An Insured's age, nearest birthday, on the Policy Date
Attained Age	An Insured's age as measured from the Policy Date plus the number of completed policy years.
Grace Period	A 31-day grace period will be allowed for payment of any premium after the first. The policy will remain in force during this period.
Modal Factor	The additional charge for paying premiums more frequently than annual.
Monthly Anniversary Day	The same day in each month as the Policy Date.
Non-participating	The policy does not share in the Company's earnings. No dividends are payable.
Policy Date	The date used to determine policy anniversaries, policy years and policy months.

Important Disclosures, please read.

Lincoln TermAccel[®] Level Term is issued on policy form TRM5065/ICC14TRM5065, endorsement END-7013 (and state variations) by The Lincoln National Life Insurance Company, Fort Wayne, IN. Guarantees are subject to the claims-paying ability of The Lincoln National Life Insurance Company. The Lincoln National Life Insurance Company is not authorized and does not solicit business in New York.

Any tax statements contained herein were not intended or written to be used and cannot be used for the purpose of avoiding U.S. federal, state or local tax penalties. Please consult your own independent advisor as to any tax, accounting or legal statements made herein.

Lincoln Financial Group is the marketing name for Lincoln Financial Corporation and its affiliates. Affiliates are separately responsible for their own contractual obligations. Product, riders and features are subject to state availability. Limitations and exclusions may apply.

©2018 Lincoln National Corporation

