

LifeLINC®

Annuity Funding *MoneyGuard® Reserve*

A Universal Life Insurance Policy

Helping to Secure Your Retirement Income - Today and Tomorrow

Prepared for:  
Valued Client

Presented by:  
Best Agent  
BHC Marketing  
25227 Grogans Mill Rd  
Suite 102  
The Woodlands, TX 77380  
Phone: (800) 201-0224  
Fax: (775) 254-9971

November, 2008

**Internal Revenue Service--Circular 230 Disclosure:**

This material was prepared to support a promotion or marketing effort. No advice in this document was intended, nor can be used, for the purpose of avoiding tax penalties. Lincoln Financial Group® affiliates, their distributors, and their respective employees, representatives, and/or insurance agents do not provide tax, accounting, or legal advice. Please consult an independent advisor with any tax, accounting, or legal questions.

If this material is used in the offering of a specific insurance company contract or policy, it must be preceded or accompanied by any applicable material required for the product being offered.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Insurance company products are issued 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. New York products are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. These companies are separately responsible for satisfying their own financial and contractual obligations.



---

For: Valued Client  
Age: 65

---

### General Disclosure

The material and information provided by Lincoln Agents is not intended to be and should not be construed as a "financial plan". A financial plan generally seeks to comprehensively address a wide spectrum of a client's long-term financial needs, including insurance, savings, tax and estate planning, and investments taking into consideration a client's goals and situations including anticipated retirement or other employee benefits. If you would like to have a financial plan prepared for you, please consult with your Financial Advisor.

Please note: Each life insurance policy has features and guarantees specific to the product itself. A complete MoneyGuard® Reserve illustration must accompany this supplemental illustration. MoneyGuard® Reserve is a Flexible Premium Adjustable Life (Universal Life) Insurance policy issued by The Lincoln National Life Insurance Company on Policy Form LN850 (8/05) with a Convalescent Care Benefits Rider (CCBR), and state variations thereto on Rider Form LR851 (8/05), an Extension of Benefits Rider (EOBR) and state variations thereto on Rider Form LR852 (8/05), and a Return of Premium Rider (ROPR), and state variations thereto, on Rider Form LR850 (10/07).

The Long Term Care benefits are intended for recognition as "Qualified Long-Term Care Insurance" under 7702B of the Internal Revenue Code (IRC).

**GUARANTEES ARE BACKED BY THE FINANCIAL STRENGTH OF THE LINCOLN NATIONAL LIFE INSURANCE COMPANY.**

THIS REPORT IS NOT VALID WITHOUT THE ILLUSTRATION LEDGER AND OUTLINE OF COVERAGE FOR THE ASSOCIATED PRODUCT. THE LEDGER AND OUTLINE CONTAIN A COMPLETE DESCRIPTION OF THE BENEFITS, COSTS, EXCLUSIONS, LIMITATIONS AND CONDITIONS OF THE PRODUCT. LINCOLN MAKES NO ASSUMPTIONS BEYOND THOSE CONTAINED IN THE ILLUSTRATION AND OUTLINE.

---

**Helping to Secure Your Retirement Income Today and Tomorrow**

---

For: Valued Client  
Age: 65

---

**Here's how MoneyGuard Reserve works now...and in the future**

Your financial decisions have allowed you to accumulate significant assets. You have identified many of these assets as sources for your retirement income. Others may be needed for emergency and long-term care purposes.

However, we ask you to consider the following:

**Will the assets set aside be sufficient to protect your retirement income from future long term care costs?**

A possible solution to consider is repositioning some assets today to purchase a MoneyGuard Reserve policy. LifeLINC can help summarize the potential value of repositioning some of your assets, not needed for retirement income cash flow, to purchase a MoneyGuard Reserve policy. You will immediately help increase the protection of your retirement income from the challenge of these long-term care costs.

The following summary assumes you are considering funding a MoneyGuard Reserve insurance policy with \$100,000 from your current Annuity. The specific assumptions used to create this summary are detailed in the Assumptions page included at the end of this report.

This is a supplemental illustration only and is not intended to project actual performance. A complete MoneyGuard® Reserve illustration must accompany this supplemental illustration. This supplemental illustration was prepared to support the promotion and marketing of an insurance product. Neither the insurance company, its distributors nor their respective employees and representatives provide tax accounting or legal advice. Any tax statements contained herein are not intended 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 National Corporation and its affiliates.

This example is for planning purposes only. Actual results will vary based on your specific situation. Certain assumptions are based on information provided by you. Consult your advisor(s) when making tax and legal decisions. Investment and insurance values are illustrative only, not guarantees. A personalized basic life insurance illustration is required which includes product features and any guarantees.  
November 18, 2008 2:00 PM

**Lifetime Summary**

For: Valued Client  
 Age: 65



\* The total premium is assumed to be an after tax value.

\* This Total Long Term Care Cost assumes a 4.00% annual inflation factor was applied to a current long-term care cost of \$70,000 per year. At age 80, the need for long term care is assumed to begin and continue for 6 years. The same inflation factor of 4.00% is applied to the projected cost during this 6 year period. For annual cost projection during this period please refer to the Supplemental Assumptions page.

\*\* Subject to Maximum Monthly Long Term Care Benefit Limit in the Moneyguard Reserve policy. Please refer to the complete MoneyGuard Reserve illustration for specific limits. Residual Death Benefit of \$16,640 is the death benefit payable to the beneficiary in the event the Insured has reached the Total Long Term Care benefit limit.

THIS REPORT IS NOT VALID WITHOUT THE ILLUSTRATION LEDGER AND OUTLINE OF COVERAGE FOR THE ASSOCIATED PRODUCT. THE LEDGER AND OUTLINE CONTAIN A COMPLETE DESCRIPTION OF THE BENEFITS, COSTS, EXCLUSIONS, LIMITATIONS AND CONDITIONS OF THE PRODUCT. LINCOLN MAKES NO ASSUMPTIONS BEYOND THOSE CONTAINED IN THE ILLUSTRATION AND OUTLINE.

Comparison of Alternatives - Lifetime Analysis

For: Valued Client  
Age: 65

Year	Client Age	Current Asset Ending Balance	MoneyGuard Reserve Maximum Monthly CCBR LTC Benefit	MoneyGuard Reserve Maximum Monthly EOBR LTC Benefit	Total Value of MoneyGuard Reserve LTC Benefits	Months of MoneyGuard Reserve LTC Benefits	Average Monthly MoneyGuard Reserve LTC Benefit	Months of Average Monthly LTC Benefits using Current Asset	MoneyGuard Reserve Total Long Term Care Benefit Advantage	MoneyGuard Reserve Months of LTC Benefit Duration Advantage
2008	65	106,000	6,934	6,934	499,221	72	6,934	15	393,221	57
2009	66	112,360	6,934	6,934	499,221	72	6,934	16	386,861	56
2010	67	119,102	6,934	6,934	499,221	72	6,934	17	380,119	55
2011	68	126,248	6,934	6,934	499,221	72	6,934	18	372,973	54
2012	69	133,823	6,934	6,934	499,221	72	6,934	19	365,398	53
2013	70	141,852	6,934	6,934	499,221	72	6,934	20	357,369	52
2014	71	150,363	6,934	6,934	499,221	72	6,934	22	348,858	50
2015	72	159,385	6,934	6,934	499,221	72	6,934	23	339,836	49
2016	73	168,948	6,934	6,934	499,221	72	6,934	24	330,273	48
2017	74	179,085	6,934	6,934	499,221	72	6,934	26	320,136	46
2018	75	189,830	6,934	6,934	499,221	72	6,934	27	309,391	45
2019	76	201,220	6,934	6,934	499,221	72	6,934	29	298,001	43
2020	77	213,293	6,934	6,934	499,221	72	6,934	31	285,928	41
2021	78	226,090	6,934	6,934	499,221	72	6,934	33	273,131	39
2022	79	239,656	6,934	6,934	499,221	72	6,934	35	259,565	37
2023	80	254,035	6,934	6,934	499,221	72	6,934	37	245,186	35
2024	81	269,277	6,934	6,934	499,221	72	6,934	39	229,944	33
2025	82	285,434	6,934	6,934	499,221	72	6,934	41	213,787	31
2026	83	302,560	6,934	6,934	499,221	72	6,934	44	196,661	28
2027	84	320,714	6,934	6,934	499,221	72	6,934	46	178,507	26
2028	85	339,956	6,934	6,934	499,221	72	6,934	49	159,265	23
2029	86	360,354	6,934	6,934	499,221	72	6,934	52	138,867	20
2030	87	381,975	6,934	6,934	499,221	72	6,934	55	117,246	17
2031	88	404,893	6,934	6,934	499,221	72	6,934	58	94,328	14
2032	89	429,187	6,934	6,934	499,221	72	6,934	62	70,034	10

- (1) The monthly CCBR LTC Benefit assumes maximum monthly CCBR payout.
- (2) The monthly EOBR LTC Benefit assumes maximum monthly EOBR payout. EOBR monthly benefit commences when CCBR monthly benefit is fully exhausted.
- (3) Total Value of LTC Benefits assumes that benefits are initially accessed in the given year, and maximum benefits are paid every month thereafter until benefits are exhausted.
- (4) Months of LTC Benefits are based on the sum of the CCBR and EOBR durations outlined in the policy.
- (5) Average Monthly LTC Benefits are equal to the "Total Value of MoneyGuard Reserve LTC Benefits" divided by the "Months of MoneyGuard Reserve LTC Benefits".
- (6) Months of Average Monthly LTC Benefits Using Current Asset is equal to the "Current Asset Value" divided by the "Average Monthly MoneyGuard Reserve LTC Benefit".
- (7) MoneyGuard Reserve Total LTC Benefit Advantage is equal to the "Total Value of MoneyGuard Reserve LTC Benefits" minus the "Current Asset Value".
- (8) MoneyGuard Reserve Months of LTC Benefit Duration Advantage is equal to the "Months of MoneyGuard Reserve LTC Benefits" minus the "Months of Average Monthly LTC Benefits using Current Asset Value".

THIS REPORT IS NOT VALID WITHOUT THE ILLUSTRATION LEDGER AND OUTLINE OF COVERAGE FOR THE ASSOCIATED PRODUCT. THE LEDGER AND OUTLINE CONTAIN A COMPLETE DESCRIPTION OF THE BENEFITS, COSTS, EXCLUSIONS, LIMITATIONS AND CONDITIONS OF THE PRODUCT. LINCOLN MAKES NO ASSUMPTIONS BEYOND THOSE CONTAINED IN THE ILLUSTRATION AND OUTLINE.

This example is for planning purposes only. Actual results will vary based on your specific situation. Certain assumptions are based on information provided by you. Consult your advisor(s) when making tax and legal decisions. Investment and insurance values are illustrative only, not guarantees. A personalized basic life insurance illustration is required which includes product features and any guarantees.  
November 18, 2008 2:00 PM

Comparison of Alternatives - Lifetime Analysis

For: Valued Client  
Age: 65

Year	Client Age	Current Asset Ending Balance	MoneyGuard Reserve Maximum Monthly CCBR LTC Benefit	MoneyGuard Reserve Maximum Monthly EOBR LTC Benefit	Total Value of MoneyGuard Reserve LTC Benefits	Months of MoneyGuard Reserve LTC Benefits	Average Monthly MoneyGuard Reserve LTC Benefit	Months of Average Monthly LTC Benefits using Current Asset	MoneyGuard Reserve Total Long Term Care Benefit Advantage	MoneyGuard Reserve Months of LTC Benefit Duration Advantage
2033	90	454,938	6,934	6,934	499,221	72	6,934	66	44,283	6
2034	91	482,235	6,934	6,934	499,221	72	6,934	70	16,986	2
2035	92	511,169	6,934	6,934	499,221	72	6,934	74	0	0
2036	93	541,839	6,934	6,934	499,221	72	6,934	78	0	0
2037	94	574,349	6,934	6,934	499,221	72	6,934	83	0	0
2038	95	608,810	6,934	6,934	499,221	72	6,934	88	0	0
2039	96	645,339	6,934	6,934	499,221	72	6,934	93	0	0
2040	97	684,059	6,934	6,934	499,221	72	6,934	99	0	0
2041	98	725,103	6,934	6,934	499,221	72	6,934	105	0	0
2042	99	768,609	6,934	6,934	499,221	72	6,934	111	0	0
2043	100	814,725	6,934	6,934	499,221	72	6,934	118	0	0
2044	101	863,609	6,934	6,934	499,221	72	6,934	125	0	0
2045	102	915,425	6,934	6,934	499,221	72	6,934	132	0	0
2046	103	970,351	6,934	6,934	499,221	72	6,934	140	0	0
2047	104	1,028,572	6,934	6,934	499,221	72	6,934	148	0	0
2048	105	1,090,286	6,934	6,934	499,221	72	6,934	157	0	0
2049	106	1,155,703	6,934	6,934	499,221	72	6,934	167	0	0
2050	107	1,225,045	6,934	6,934	499,221	72	6,934	177	0	0
2051	108	1,298,548	6,934	6,934	499,221	72	6,934	187	0	0
2052	109	1,376,461	6,934	6,934	499,221	72	6,934	199	0	0
2053	110	1,459,049	6,934	6,934	499,221	72	6,934	210	0	0
2054	111	1,546,592	6,934	6,934	499,221	72	6,934	223	0	0
2055	112	1,639,387	6,934	6,934	499,221	72	6,934	236	0	0
2056	113	1,737,750	6,934	6,934	499,221	72	6,934	251	0	0
2057	114	1,842,015	6,934	6,934	499,221	72	6,934	266	0	0

- (1) The monthly CCBR LTC Benefit assumes maximum monthly CCBR payout.
- (2) The monthly EOBR LTC Benefit assumes maximum monthly EOBR payout. EOBR monthly benefit commences when CCBR monthly benefit is fully exhausted.
- (3) Total Value of LTC Benefits assumes that benefits are initially accessed in the given year, and maximum benefits are paid every month thereafter until benefits are exhausted.
- (4) Months of LTC Benefits are based on the sum of the CCBR and EOBR durations outlined in the policy.
- (5) Average Monthly LTC Benefits are equal to the "Total Value of MoneyGuard Reserve LTC Benefits" divided by the "Months of MoneyGuard Reserve LTC Benefits".
- (6) Months of Average Monthly LTC Benefits Using Current Asset is equal to the "Current Asset Value" divided by the "Average Monthly MoneyGuard Reserve LTC Benefit".
- (7) MoneyGuard Reserve Total LTC Benefit Advantage is equal to the "Total Value of MoneyGuard Reserve LTC Benefits" minus the "Current Asset Value".
- (8) MoneyGuard Reserve Months of LTC Benefit Duration Advantage is equal to the "Months of MoneyGuard Reserve LTC Benefits" minus the "Months of Average Monthly LTC Benefits using Current Asset Value".

THIS REPORT IS NOT VALID WITHOUT THE ILLUSTRATION LEDGER AND OUTLINE OF COVERAGE FOR THE ASSOCIATED PRODUCT. THE LEDGER AND OUTLINE CONTAIN A COMPLETE DESCRIPTION OF THE BENEFITS, COSTS, EXCLUSIONS, LIMITATIONS AND CONDITIONS OF THE PRODUCT. LINCOLN MAKES NO ASSUMPTIONS BEYOND THOSE CONTAINED IN THE ILLUSTRATION AND OUTLINE.

This example is for planning purposes only. Actual results will vary based on your specific situation. Certain assumptions are based on information provided by you. Consult your advisor(s) when making tax and legal decisions. Investment and insurance values are illustrative only, not guarantees. A personalized basic life insurance illustration is required which includes product features and any guarantees.  
November 18, 2008 2:00 PM

**Comparison of Alternatives - Lifetime Analysis**

For: Valued Client  
Age: 65

Year	Client Age	Current Asset Ending Balance	MoneyGuard Reserve Maximum Monthly CCBR LTC Benefit	MoneyGuard Reserve Maximum Monthly EOBR LTC Benefit	Total Value of MoneyGuard Reserve LTC Benefits	Months of MoneyGuard Reserve LTC Benefits	Average Monthly MoneyGuard Reserve LTC Benefit	Months of Average Monthly LTC Benefits using Current Asset	MoneyGuard Reserve Total Long Term Care Benefit Advantage	MoneyGuard Reserve Months of LTC Benefit Duration Advantage
2058	115	1,952,536	6,934	6,934	499,221	72	6,934	282	0	0
2059	116	2,069,689	6,934	6,934	499,221	72	6,934	299	0	0
2060	117	2,193,870	6,934	6,934	499,221	72	6,934	316	0	0
2061	118	2,325,502	6,934	6,934	499,221	72	6,934	335	0	0
2062	119	2,465,032	6,934	6,934	499,221	72	6,934	356	0	0

- (1) The monthly CCBR LTC Benefit assumes maximum monthly CCBR payout.
- (2) The monthly EOBR LTC Benefit assumes maximum monthly EOBR payout. EOBR monthly benefit commences when CCBR monthly benefit is fully exhausted.
- (3) Total Value of LTC Benefits assumes that benefits are initially accessed in the given year, and maximum benefits are paid every month thereafter until benefits are exhausted.
- (4) Months of LTC Benefits are based on the sum of the CCBR and EOBR durations outlined in the policy.
- (5) Average Monthly LTC Benefits are equal to the "Total Value of MoneyGuard Reserve LTC Benefits" divided by the "Months of MoneyGuard Reserve LTC Benefits".
- (6) Months of Average Monthly LTC Benefits Using Current Asset is equal to the "Current Asset Value" divided by the "Average Monthly MoneyGuard Reserve LTC Benefit".
- (7) MoneyGuard Reserve Total LTC Benefit Advantage is equal to the "Total Value of MoneyGuard Reserve LTC Benefits" minus the "Current Asset Value".
- (8) MoneyGuard Reserve Months of LTC Benefit Duration Advantage is equal to the "Months of MoneyGuard Reserve LTC Benefits" minus the "Months of Average Monthly LTC Benefits using Current Asset Value".

THIS REPORT IS NOT VALID WITHOUT THE ILLUSTRATION LEDGER AND OUTLINE OF COVERAGE FOR THE ASSOCIATED PRODUCT. THE LEDGER AND OUTLINE CONTAIN A COMPLETE DESCRIPTION OF THE BENEFITS, COSTS, EXCLUSIONS, LIMITATIONS AND CONDITIONS OF THE PRODUCT. LINCOLN MAKES NO ASSUMPTIONS BEYOND THOSE CONTAINED IN THE ILLUSTRATION AND OUTLINE.

This example is for planning purposes only. Actual results will vary based on your specific situation. Certain assumptions are based on information provided by you. Consult your advisor(s) when making tax and legal decisions. Investment and insurance values are illustrative only, not guarantees. A personalized basic life insurance illustration is required which includes product features and any guarantees.  
November 18, 2008 2:00 PM

**General Assumptions**

For: Valued Client  
 Age: 65

**Assumptions**

Current Asset:	Annuity
Current Annuity Value:	\$100,000
Cost Basis:	\$100,000
Projected Asset Growth Rate:	6.00%
Client's Income Tax Rate:	35.00%
Method of Paying Life Insurance Premium:	Withdrawals
Before Tax or After Tax:	After Tax
Initial Annual Withdrawal:	\$100,000
No. of Years of Payments:	1

**MoneyGuard Reserve Assumptions**

65, Female, Standard Non-Tobacco, CT

Insured Information:	\$70,000
Current Annual LTC Cost:	80
Long Term Care Start Age:	4.00%
Long Term Care Cost Inflation Rate:	6
Max Long Term Care Benefit Duration:	499,221
Total Long Term Care Benefit Limit:	6,934
Max Monthly Long Term Care Benefit Limit:	100,000
Return of Premium Rider:	

**LTC Age    LTC Costs\***

80	131,111
81	136,355
82	141,809
83	147,481
84	153,380
85	159,515

\* This Total Long Term Care Cost assumes a 4.00% annual inflation factor was applied to a current long-term care cost of \$70,000 per year. At age 80, the need for long term care is assumed to begin and continue for 6 years. The same inflation factor of 4.00% is applied to the projected cost during this 6 year period.

The assumed rates of return noted in various sections of this material are used for illustrative purposes only and are not a guarantee of future performance of any asset, including insurance or other financial products.

THIS REPORT IS NOT VALID WITHOUT THE ILLUSTRATION LEDGER AND OUTLINE OF COVERAGE FOR THE ASSOCIATED PRODUCT. THE LEDGER AND OUTLINE CONTAIN A COMPLETE DESCRIPTION OF THE BENEFITS, COSTS, EXCLUSIONS, LIMITATIONS AND CONDITIONS OF THE PRODUCT. LINCOLN MAKES NO ASSUMPTIONS BEYOND THOSE CONTAINED IN THE ILLUSTRATION AND OUTLINE.