



You're In Charge®

Lincoln MoneyGuard® Reserve—
New York

A smarter alternative to self-insuring

Client summary about paying for long-term care

Lincoln Life & Annuity Company of New York

Not a deposit	Not FDIC-insured	May go down in value
Not insured by any federal government agency		
Not guaranteed by any bank or savings association		

The purpose of this communication is the solicitation of insurance. Contact will be made by an insurance agent or insurance company.

LIFE SOLUTIONS

Why preparing for long-term care makes sense

Think about the reasons why you'd want to plan ahead for long-term care expenses. You probably want to protect yourself and loved ones from having to make the difficult choices or rush decisions that individuals face when they haven't prepared. You may have expectations for your retirement lifestyle or the size of the legacy you'd like to pass along to the next generation. But what if you needed long-term care? Will the savings you've intended to cover expenses be sufficient, or will you need to spend down retirement or estate assets?

Consider the national average costs of long-term care in 2013.*

Assisted living

One bedroom unit: \$49,669 per year

Skilled nursing facility

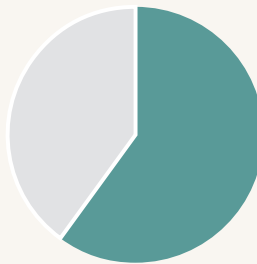
Private room: \$95,707 per year

Home health aide

\$21.86 per hour



Many Americans are at risk of having long-term care needs that could make a significant impact on their family's personal wealth.



60%

of Americans age 40 or older believe they may need long-term care someday.*

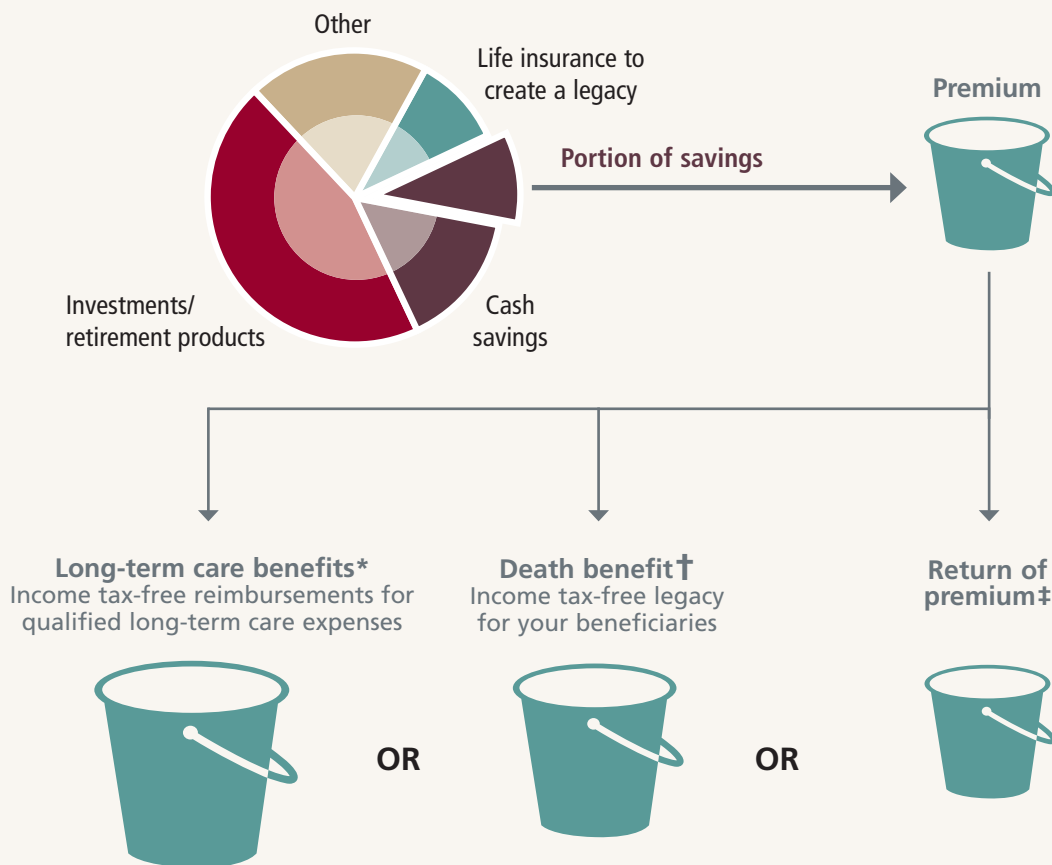
Lincoln *MoneyGuard*® Reserve is a universal life insurance policy with optional long-term care benefit riders issued by Lincoln Life & Annuity Company of New York. Your policy provides guaranteed benefits to reimburse you for qualified long-term care expenses. It helps protect assets you've set aside for retirement. Guarantees are backed by the claims-paying ability of the issuing company. See benefit eligibility in the policy's contractual provisions.

* LTCG™, "2013 Cost of Care Survey," <https://fulfillment.lfg.com/servepdf.aspx?sku=MGR-COST-WPR003>.
For a printed copy of the survey, call 877-ASK-LINCOLN.

Lincoln MoneyGuard® Reserve

A smarter alternative to self-insuring®

Most likely, you have savings set aside for emergencies, such as long-term care expenses. By using a portion of those savings to purchase a Lincoln MoneyGuard Reserve policy, you get much more for your long-term care dollars, and immediately increase the protection for the rest of your portfolio.



Consider buying a Lincoln MoneyGuard Reserve policy with a portion of your cash reserves. Your policy remains an asset in your portfolio, and it offers you:

Long-term care benefits.

If you need long-term care, your policy can provide income tax-free reimbursements for qualified long-term care expenses.

An income tax-free death benefit.

If you die, your policy will pay an income tax-free death benefit to your beneficiaries. This benefit will be adjusted for any long-term care benefits received.

A return of premium.

At any time, you can request a return of your premium paid. The amount you receive will be adjusted for any loans, withdrawals or benefits paid, and may have tax implications.

* Long-term care reimbursements are generally income tax-free under IRC Section 104(a)(3).

† Beneficiaries can receive an income tax-free death benefit under IRC Section 101(a)(1).

‡ Through the Return of Premium Rider (ROPR) available at issue on all one-pay policies.

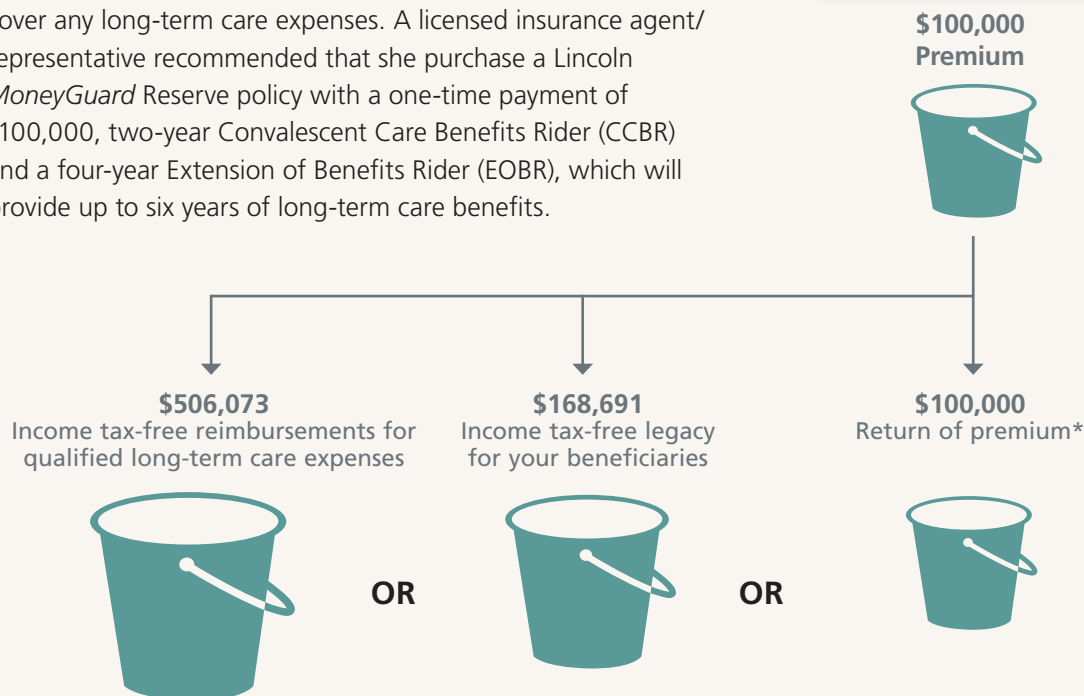
Lincoln MoneyGuard® Reserve in action

Lincoln MoneyGuard Reserve can reimburse you for qualified long-term care expenses while helping to protect your assets. The following is a hypothetical example. Benefit amounts vary by health status, age and gender.



Example: long-term care now

Nancy, age 60, is a nonsmoker in good health. She is retired and concerned that she may need long-term care within the next few years. Nancy has money in her portfolio set aside to cover any long-term care expenses. A licensed insurance agent/representative recommended that she purchase a Lincoln MoneyGuard Reserve policy with a one-time payment of \$100,000, two-year Convalescent Care Benefits Rider (CCBR) and a four-year Extension of Benefits Rider (EOBR), which will provide up to six years of long-term care benefits.



Three possibilities with Lincoln MoneyGuard Reserve

If Nancy needs long-term care

- She can receive up to \$506,073 of income tax-free reimbursements for qualified long-term care expenses.
- Her maximum available benefit is \$84,348 per year for six years (\$7,029 per month).

If Nancy never needs long-term care

- Her policy provides a \$168,691 income tax-free death benefit.
- If she uses a portion of the death benefit for long-term care expense reimbursements, the remaining portion will pass to her beneficiaries, income tax-free, minus any loans or withdrawals.

If Nancy changes her mind

- She can request a return of her \$100,000 premium.* The money returned will be adjusted for any loans, withdrawals or benefits paid, and may have tax implications.

Why Lincoln *MoneyGuard*[®] Reserve?

Your cost of coverage can never increase

The costs for your policy's long-term care benefits are set at issue and will never change.

You gain the power to get more for your long-term care dollar

Experience multiple times the leverage for your long-term care dollar. You'll find that your long-term care benefits are much greater than your premium outlay.

Opportunity of tax advantages

Your long-term care benefits are intended to be income tax-free. Your policy provides an income tax-free death benefit if you don't need long-term care.

Choice of care setting

The decision is yours—from home healthcare to assisted living facility services, nursing home care services, adult day care, personal care services, hospice services and alternative care services as outlined in the policy's contractual provisions. Your qualified long-term care expenses can be reimbursed up to your monthly maximum benefit for all levels of care.

When you consider a long-term care funding solution, make sure it has the features you need.



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Lincoln *MoneyGuard*® Reserve is a universal life insurance policy with a rider that accelerates the specified amount of death benefit to pay for covered long-term care expenses. An Extension of Benefits Rider (EOBR) is available to continue long-term care benefit payments after the entire specified amount of death benefit has been paid. The Return of Premium Rider (ROPR) may be included at issue on one-time payment policies for issue ages 30 – 65. The amount of premium returned is adjusted for any benefits paid, any loans or withdrawals taken, and it will have tax implications. The cost of riders will be deducted from the policy value. The insurance policy and riders have limitations, exclusions, and/or

reductions. Additionally, 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.

Lincoln *MoneyGuard*® Reserve is issued by Lincoln Life & Annuity Company of New York, Syracuse, NY, on Policy Form LN850 (8/05) with a Convalescent Care Benefits Rider on Rider Form LR851 (8/05), an Extension of Benefits Rider on Rider Form LR852 (8/05), a Return of Premium Rider on Rider Form LR850 (10/07), a Terminal Illness Accelerated Death Benefit Rider on Rider Form LR853 (8/05) and a Right to Purchase a Long-Term Care Policy on Endorsement Form LR856 (8/05).

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 issuer.

Accelerated death benefits may be taxable and may affect public assistance eligibility. For use only in the state of New York.