



LINCOLN LEADER

LIFE INSURANCE VERSION

Volume 7, Issue 18

09/28/09

Key Headlines

Introducing *Lincoln LifeGuarantee*SM UL (2009) and *Lincoln LifeGuarantee*SM Plus UL (2009)

Lincoln VUL Dollar-Cost Averaging Fixed Account Enhanced Interest Rate Program – **Date Extended**

Assured Distribution Endorsement (ADE) not available in Illinois

Term Policy Fee Increase

State Availability

Click here to view the life state availability charts.

Click here to view the life forms approval chart.

Information Compiled By Insurance Solutions, Product & Distribution Support

Introducing *Lincoln LifeGuarantee*SM UL (2009) and *Lincoln LifeGuarantee*SM Plus UL (2009)

Effective September 28, 2009, Lincoln will introduce the newest secondary guarantee products in its universal life insurance portfolio:

- *Lincoln LifeGuarantee*SM UL (2009)
- *Lincoln LifeGuarantee*SM Plus UL (2009)

***Lincoln LifeGuarantee*SM UL (2009)** - Offers very competitive level pay to 100 lifetime guaranteed insurance coverage.

Key Features

- Lower cost on level pay scenarios - you only need to fund to age 100 to guarantee lifetime coverage
- Flexible timing on 1035 premiums
- Industry leading underwriting: Accessible, Responsive, and Fair
- Point-of-sale support – we provide some of the best solutions in the industry to solve client planning problems.

***Lincoln LifeGuarantee*SM Plus UL (2009)** – Best suited for clients ages 45-65 who want death benefit guarantees and cash value.

Along with the death benefit, this product provides flexibility in planning for::

- Future long-term care needs
- 1035 exchanges with and without loans
- Family and charitable gifting
- Funds to buy out partners in buy/sell arrangements

Changes to both include:

- Late 1035 Forgiveness (same as SUL): 1035 premiums can arrive anytime during the first year without impacting the length of guaranteed coverage
- Level pay, lifetime guaranteed premiums are competitive and you only need to fund to age 100 to guarantee lifetime coverage
- The Coverage Protection Guaranteed is now provided as an automatic rider
- Death Benefit Options 1 and 2 are available, Option 3 no longer available
- Loan charged rate is now 6.00% and the crediting rate for borrowed funds is 4.00%
- Guaranteed Issue minimum - increased to \$60,000
- Premium load on *Lincoln LifeGuarantee*SM UL (2009) is now 15% versus the old product's 30%
- Premium load on *Lincoln LifeGuarantee*SM Plus UL (2009) is now 7.5% in all years

In addition, you will also notice changes to target premiums (light to moderate sized reductions) and both products still offer rolling targets for 5 years (rolling targets are not available in New York).

Availability

New business applications will be accepted on Monday, September 28, 2009 in states where *Lincoln LifeGuarantee*SM UL (2009) and *Lincoln LifeGuarantee*SM Plus UL (2009) have been approved. [Click here](#) to view the state availability chart.

Rider Availability

Subject to state approval, the following riders are available on *Lincoln LifeGuarantee*SM UL (2009) and *Lincoln LifeGuarantee*SM Plus UL (2009):

- **Accidental Death Benefit Rider**
- **Children's Term Rider**
- **Guaranteed Insurability Rider**
- **Spouse Term Rider** (not available in New York)
- **Disability Waiver of Monthly Deduction Rider**
- **Disability Waiver of Specified Premium**
- **Accelerated Benefits Rider** (New York has its own version)
- **Accelerated Benefits Rider** (with critical illness coverage) (not available in New York)

Transition Rules

In all states where approved at launch and before December, there will be an extended transition period which ends **December 31, 2009**. For states that approve in December 2009 and beyond, there will be a 30-day transition period from the date the product is made available.

For formal applications signed and received in good order within the transition period, the insured will have the choice of *Lincoln LifeGuaranteeSM UL* and *Lincoln LifeGuaranteeSM Plus UL* or the new *Lincoln LifeGuaranteeSM UL (2009)* and *Lincoln LifeGuaranteeSM Plus UL (2009)*. For applications already in underwriting, the insured will also have the choice of products, provided the new *Lincoln LifeGuaranteeSM UL (2009)* and *Lincoln LifeGuaranteeSM Plus UL (2009)* are approved in their state. To request a change in the product on any application currently in house, New Business will require written notification indicating the change.

Normal Internal Replacement Guidelines and Contract Rewrite Guidelines apply.

- [Click here](#) to view the current Internal Replacement Guidelines.
- [Click here](#) to view the current the Contract Rewrite Guidelines.

Any application received after the 30 day transition period ends will automatically receive the new product and rates. A policy may be backdated, but if the application is received after the transition period, it will receive the new product and rates.

Reference Materials

Click on the title of the piece below to view the on-line version of the document.

Technical Training Guides
Lincoln LifeGuaranteeSM UL (2009) Product Reference Guide
Lincoln LifeGuaranteeSM Plus UL (2009) Product Reference Guide
Specimen Contracts
Lincoln LifeGuaranteeSM UL (2009) including all riders (UL 5049)
Lincoln LifeGuaranteeSM UL (2009) New York including all riders (UL 5049N)
Lincoln LifeGuaranteeSM Plus UL (2009) including all riders (UL 5049)
Lincoln LifeGuaranteeSM Plus UL (2009) New York including all riders (UL 5049N)

Illustrations

Illustrations for *Lincoln LifeGuarantee*SM UL (2009) and *Lincoln LifeGuarantee*SM Plus UL (2009) will be run on the current version of *Lincoln DesignIt*SM illustration software. If you have an active internet connection, the software will automatically update on September 28, 2009 to include this new product.

If you need to download the *Lincoln DesignIt*SM illustration system, it is available on the Lincoln producer websites or from Field Office Technicians.

Marketing Materials

The core materials for *Lincoln LifeGuarantee*SM UL (2009) and *Lincoln LifeGuarantee*SM Plus UL (2009) can be viewed on the various Lincoln websites and are available to order from the Lincoln Literature Fulfillment Center.

Listed below are the material order numbers.

<i>Lincoln LifeGuarantee</i> SM UL (2009) and <i>Lincoln LifeGuarantee</i> SM Plus UL (2009) Client Materials	Order Code
You've made a smart decision flier	LG-GUL-CVR001
<i>LifeGuarantee</i> SM UL Fact Sheet	LG-UL-FST001
<i>LifeGuarantee</i> SM Plus UL Fact Sheet	LG-PLUS-FST001
Death Benefit Accumulation Brochure	UL-DBA-BRC001
Business Focus Brochure	UL-BFO-BRC001
Estate Leverage Brochure	UL-EL-BRC001

<i>Lincoln LifeGuarantee</i> SM UL (2009) and <i>Lincoln LifeGuarantee</i> SM Plus UL (2009) Advisor Materials	Order Code
Competitive Ladder Ads	LIF-COMP-FLI001
	LIF-COMP-FLI002
	LIF-COMP-FLI003

***** **End of UL Product Introduction Section** *****

Lincoln VUL Dollar-Cost Averaging Fixed Account Enhanced Interest Rate Program – Date Extended

Lincoln will extend the Dollar Cost Averaging (DCA) Fixed Account Enhanced Interest Rate Program to December 31, 2009.

Given recent market volatility, clients may be hesitant to purchase variable universal life because they feel the “time isn’t right”. Dollar Cost Averaging may be a solution to help them ease into the market and focus on the long-term growth potential of VUL.

Lincoln will offer a 10% Fixed Account enhanced current interest rate to help with short-term returns while the client transfers funds into variable investment options using a 12-month Dollar Cost Averaging (DCA) program. This annual effective rate is paid on the declining balance in the Fixed Account so the amount of interest earned will be less. These fixed rates do not reflect performance of the variable investment options selected by the client.

The DCA Fixed Account Enhanced Interest Rate program is available on:

- New Lincoln VUL applications signed between **June 1, 2009 and December 31, 2009**.
- The enhanced program applies to all currently available Lincoln VUL products, except in New York.

For complete details on program eligibility and how to apply, [click here](#) to view the comprehensive Q&A document.

Note: Using Dollar Cost Averaging does not assure a profit and does not protect against loss in a declining market. Also, using this method involves continuous investment in securities regardless of fluctuating price levels, so consider the financial ability to continue investment during period of low price levels.

Assured Distribution Endorsement (ADE) not available in Illinois

On November 23, 2009, Lincoln will be making an update to the Assured Distribution Endorsement (ADE) available on the *Lincoln LifeReserve*SM UL product. This update will allow the ADE to be sold in conjunction with the Exec Rider and will also allow policies with Death Benefit Option II to invoke earlier (at year 11). Unfortunately, the state of Illinois will not be able to approve this update until sometime in the distant future and we cannot continue to make available the current ADE.

Lincoln will not accept applications for the *Lincoln LifeReserve*SM UL with the ADE in the state of Illinois as of October 19, 2009. We will restart accepting applications at our earliest opportunity after the Illinois state insurance department approves the endorsement.

Term Policy Fee Increase

On December 1, 2009 Lincoln will be increasing the annual policy fee on all *Lincoln LifeElements*SM Level Term (2009) business from \$75 to \$125. The change will be based on Policy Date (the date from which policy anniversaries are measured) and will impact any and all business with a Policy Date of December 1, 2009 or later.

In line with the recent increase to the minimum death benefit on *Lincoln LifeElements*SM Level Term, we are making this change to the policy fee to provide the best service levels for you and your customers by focusing on our target markets and core business.

*Lincoln DesignIt*SM will be updated on November 23, 2009 with this fee adjustment. Illustrations with the old, lower fee can be obtained through the Sales Desk.

Questions & Comments

Please contact Jennifer DiPoppo if you have any Administrative/Operational announcements that you would like to include in the Lincoln LIFE Leader.

jennifer.dipoppo@LFG.com



Reminder: You must be logged into LFAPlanner.com, LincolnFinancialNetwork.com or LFD.com prior to linking to the hot links contained in this document. For some secure documents an additional login screen may be required – please use your normal login ID and Password if this screen is required.

Products and features subject to state availability. Guarantees backed by the financial strength of the insurer. Lincoln Financial Group is the marketing name for The Lincoln National Corporation and its affiliates.

Policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Contractual obligations are backed by the claims-paying ability of The Lincoln National Life Insurance Company.**

Policies sold in New York are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. **The contractual obligations are backed by the claims-paying ability of Lincoln Life & Annuity Company of New York.**

Variable products are sold by prospectus. For more information about the variable products, including fees and charges, refer to the prospectus. Variable products are distributed by Lincoln Financial Distributors and offered through broker dealers with effective selling agreements.

© 2009 The Lincoln National Life Insurance Company, Fort Wayne, IN 46801

LCN:200909-2034485