



LINCOLN LEADER

LIFE INSURANCE VERSION

Volume 8, Issue 14

08/03/2010

Key Headlines

Coming Soon: *Lincoln DurationGuaranteeSM* UL

Illustration Changes effective August 16, 2010

Lincoln Reintroduces the VUL Dollar Cost Averaging Fixed Account Enhanced Interest Rate Program

State Availability

[Click here](#) to view the life state availability charts.

Information Compiled By Insurance Solutions, Product & Distribution Support

Coming Soon: *Lincoln DurationGuaranteeSM* UL

Effective August 16, 2010, Lincoln will introduce a new addition to its Universal Life product portfolio, *Lincoln DurationGuaranteeSM* UL. This new product does not replace any other universal life or term product within the portfolio.

Lincoln DurationGuaranteeSM UL contains most of the benefits of a universal life product but also resembles term insurance in that it provides competitive premiums for short-term guarantee durations. The guarantee duration is based on the selection of a Coverage Protection Guarantee Term Option and the options are: 10-year, 15-year, 20-year, 25-year, 30-year and to age 95.

It is important to select the Term Option duration that meets or exceeds the client's insurance needs because the cost for the coverage will increase dramatically following the elected period. For example, if the client needs guaranteed coverage for 17 years, it is generally better to select the 20-year term than the 15-year term because the additional two years needed beyond the guaranteed 15-year term period could be cost-prohibitive.

Key Features

Following are the key features of *Lincoln DurationGuaranteeSM* UL:

- All rates guaranteed
- Competitive at ages where term insurance is not typically available or cost effective
- Reduced premiums during the guaranteed term period
- Ability to select Term Period Option to meet individual needs
- Ability to receive 1035 Exchange funds

Rider Availability

The following riders are available on *Lincoln DurationGuaranteeSM* UL subject to state availability:

- Children's Term Insurance Rider
- Disability Waiver of Monthly Deductions Benefit Rider
- Accelerated Benefits Rider (with critical illness)
- Accelerated Benefits Rider (without critical illness)
- Minimum Death Benefit Endorsement
- Coverage Protection Guarantee Rider (included automatically)

Product Availability

New business applications will be accepted on Monday, August 16, 2010 in states where *Lincoln DurationGuarantee*SM UL has been approved.

If applications for a different Lincoln product are already in house and your client would prefer *Lincoln DurationGuarantee*SM UL, please contact New Business or your underwriter to make the change.

Illustration Availability

To run illustrations on this product, you must have the current version of the *Lincoln DesignIt*SM Illustration software (v9.0) which is available for download from the Lincoln websites. If you have an active internet connection, the software will automatically update on August 16, 2010.

Illustration Changes Effective August 16, 2010

Effective August 16, 2010, Lincoln is simplifying the sales illustrations for fixed life Death Benefit Guarantee products. Only guaranteed values will be shown the sales illustrations for existing *Lincoln LifeGuarantee*[®] UL (2009) and *Lincoln LifeGuarantee*[®] SUL (2009) products as well as the new *Lincoln DurationGuarantee*SM UL product which is being released on the same date. Thereafter, no current-basis values will be shown on the illustrations for any of these three products.

This change will help clarify that the value of these products to the client is fully within their guarantees. A by-product of this change is that the ledgers will no longer be referred to as "illustrations" but as "projections". Other products such as *Lincoln LifeGuarantee*[®] Plus UL and *Lincoln LifeCurrent*[®] UL have important current basis value that is material to their policyholder value and will continue to be represented in *Lincoln DesignIt*SM illustrations.

Similar to the *MoneyGuard*[®] product, showing only the guaranteed values allows clients and advisors to focus on the key benefits the product offers. Current values may still be obtained on these products via annual statements and point-in-time illustrations (Reminder: Point-in-Time illustrations are available after the first policy year).

Lincoln Reintroduces the VUL Dollar Cost Averaging Fixed Account Enhanced Interest Rate Program

Reprinted from the 5/17/10 Lincoln Life Leader

Lincoln is pleased to reintroduce the VUL Dollar Cost Averaging Fixed Account Enhanced Interest Rate Program. This program includes 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, 2010 and September 30, 2010**.
- The enhanced program applies to all currently available Lincoln VUL products, except in New York.

For complete details on the 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 periods of low price levels.

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.



© 2010 The Lincoln National Life Insurance Company, Fort Wayne, IN 46801

LCN:201007-2044622