



The June 2018 edition of
the Lincoln ONEmeetingSM
the ONE meeting you don't want to miss

Insurance products issued by:
The Lincoln National Life Insurance Company
Lincoln Life & Annuity Company of New York

LCN-2119662-051218

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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		

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June 2018

The Lincoln ONEmeeting



ONE BIG IDEA

Access the business insurance, foreign nationals, and premium finance markets



Underwriting Advantage

A foreign national TOP FIVE list



DC Minute with Tom Commito

Taxation of foreign income



Sales Idea of the Month

Retain, reward, and recruit



NOW What

Implement these ideas into your business and practice NOW

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Lincoln WealthPreserve® IUL

Available in New York on June 11, 2018¹



Guaranteed protection

Extended guaranteed death benefit²

For the lesser of 40 years or age 90

Guaranteed 1% positive interest crediting³



Flexibility

Access to cash value growth for changing needs

Guaranteed loan charge rates, fixed or participating loans, choice of withdrawals

Simple approach to catch-up premiums

Clients can pay the intended premium any time it was missed, and their guarantees will remain intact



Transparency

Simple product design that's easy to understand and explain

Single index account (8.25% cap/1% floor³)

Index performance tied to the S&P 500®



¹ Pending firm approval

² Minimum premium requirement must be met to maintain the Extended No-Lapse Minimum Premium Rider. Only available with DB01. Maximum issue age 79.

³ Policy charges remain in effect and could reduce the policy value.



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Differences between New York and Nationwide

Version:	New York	Nationwide
Issue Ages/ Underwriting Classes	Both standard underwriting classes are available for issue ages 16-85	Standard non-tobacco: issue ages 0-85 ; Standard tobacco: issue ages 15-85
Indexed Account	8.25% current cap 2% guaranteed minimum cap No guaranteed 8.25% cap years 1-10 1% guaranteed floor	8.75% current cap 1% guaranteed minimum cap Guaranteed 8.75% cap years 1-10 1% guaranteed floor
Withdrawals	Maximum is 100% of CSV. Upon withdrawal, value in unmaturing segments will have 1% prorated interest credited	Maximum is cash surrender value minus \$500
Illness Riders	Accelerated Benefits Rider <i>Lincoln LifeEnhance® ABR</i>	Accelerated Benefits Rider <i>Lincoln LifeEnhance® ABR</i> <i>Lincoln LifeAssure® ABR</i>
Term Riders	Not currently available: Children's Term Rider Supplemental Term Insurance rider on primary insured, other insured rider	Children's Term Rider Supplemental Term Insurance rider on primary insured, other insured rider
Internal replacements	Charged the regular year 1 premium load (above and below threshold)	10% premium load (above and below threshold)
Compensation	Enhanced renewal target for 5 years	Rolling target for 5 years



See IUL Product Comparison for full details

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Important information. Please read.

This information is provided to help producers evaluate Lincoln's products in relation to competitors' products. The competitor information in the following slides is from public sources deemed reliable from peer group companies. Although every attempt has been made to ensure the accuracy of the information provided, it cannot be guaranteed. Product features and benefits, expenses, loads and charges will vary from company to company and will impact the values shown. The product's specific features and the client's use of those features will impact long-term policy performance.

This comparison is not intended for and cannot be used with the public.

Although every attempt has been made to ensure accuracy, it cannot be guaranteed. This information does not include product details. Each product's features and benefits should be weighed against the cost.

Information current as of June 1, 2018, and must be rechecked after December 1, 2018.

Source: Competitor illustration software.



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Lincoln LifeGuarantee® UL (2013) – 02/12/2018

Pay for lifetime, lifetime guarantee

		60	65	70	75	80
MALE	Best	1	1	3	2	2
	Preferred	2	1	3	2	2
	Standard	3	1	1	2	1
FEMALE	Best	1	1	2	1	2
	Preferred	1	1	3	2	3
	Standard	2	1	1	2	3

Pay thru A105, guarantee thru A105

		60	65	70	75	80
MALE	Best	4	2	6	3	3
	Preferred	3	3	6	2	3
	Standard	5	3	3	3	2
FEMALE	Best	2	2	4	3	3
	Preferred	3	2	6	5	4
	Standard	3	3	3	2	4

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Lincoln LifeGuarantee® UL (2013) – 02/12/2018

Pay thru A105, guarantee thru A105

		60	65	70	75	80
MALE	Best	4	2	6	3	3
	Preferred	3	3	6	2	3
	Standard	5	3	3	3	2
FEMALE	Best	2	2	4	3	3
	Preferred	3	2	6	5	4
	Standard	3	3	3	2	4

Pay thru A100, guarantee thru A100

		60	65	70	75	80
MALE	Best	4	2	6	3	2
	Preferred	4	3	5	3	3
	Standard	4	3	3	3	2
FEMALE	Best	1	2	4	2	1
	Preferred	3	2	6	4	5
	Standard	3	3	3	3	2

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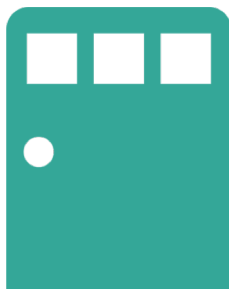
ONE BIG IDEA

Access the business insurance, foreign nationals, and premium finance markets with *Lincoln WealthAccumulateSM* IUL

Lincoln WealthAccumulateSM IUL (2018)



A **competitive**
accumulation
indexed UL



that offers
transparent
choices



focused on
access to cash
through
distributions



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High early cash value options

	Surrender Value Enhancement Endorsement (SVEE)	EXEC rider ¹
Sales applications	Business insurance and premium finance cases that don't require 100% collateral	Business insurance and premium finance cases that do require 100% collateral
Effect on surrender value	Waives surrender charges First year surrender value typically 75-80% of premium paid for max-funded cases	Guarantees 100% ROP in the first 10 years
Rider charge	No rider charge; higher per-K admin charge in first seven years	Rider charge deducted monthly May cause taxable event on MEC policies or low-basis 1035 exchanges

1 Currently pending approval



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High early cash value options

	Surrender Value Enhancement Endorsement (SVEE)	EXEC rider ¹
Funding requirements	No minimum premium to keep endorsement	Must be heavily funded to meet funding requirements
Access values	Able to access enhanced values as long as policy is kept in force	Policy must be surrendered to access enhanced values
Availability	Available at all ages and classes	Generally available ages 60 and below, standard or better
Differences from prior versions	No impact on interest bonuses	Can change ownership from one business to another and keep the rider intact (subject to evidence of ownership satisfactory to Lincoln)

1 Currently pending approval



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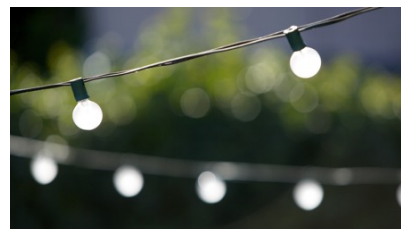
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Business insurance market



Foreign nationals market



Commercial premium financing market



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ONE BIG IDEA

Accessing the business insurance market
with *Lincoln WealthAccumulate*SM IUL

The need

Retain

Reward

Recruit

↓

Employer offers key employees life insurance
funded with a bonus to the employee that
is tax-deductible to the employer.

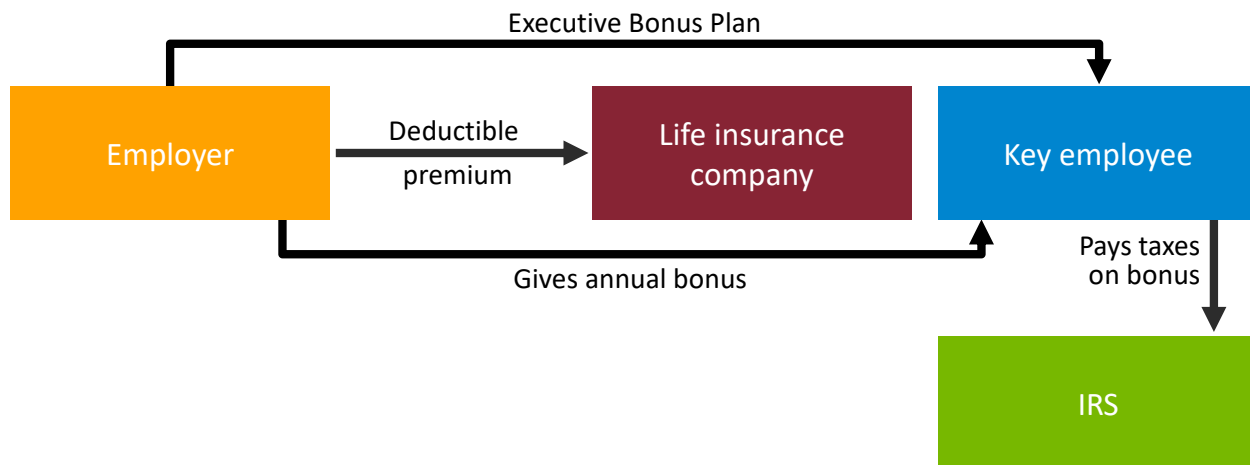


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How does a Section 162 Bonus Plan work?

During employment



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How does a Section 162 Bonus Plan work?

At death

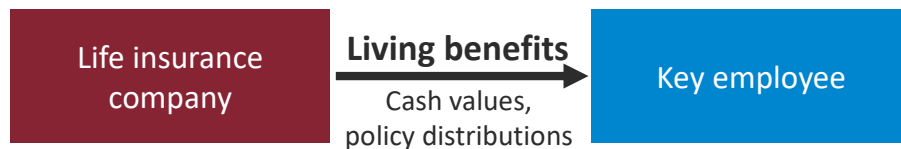


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How does a Section 162 Bonus Plan work?

During employment and/or retirement



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Case study: Packaging-in-Action

Packaging-in-Action

Tax rate	21%
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Greg, a key employee

Age	45
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Age of retirement	65
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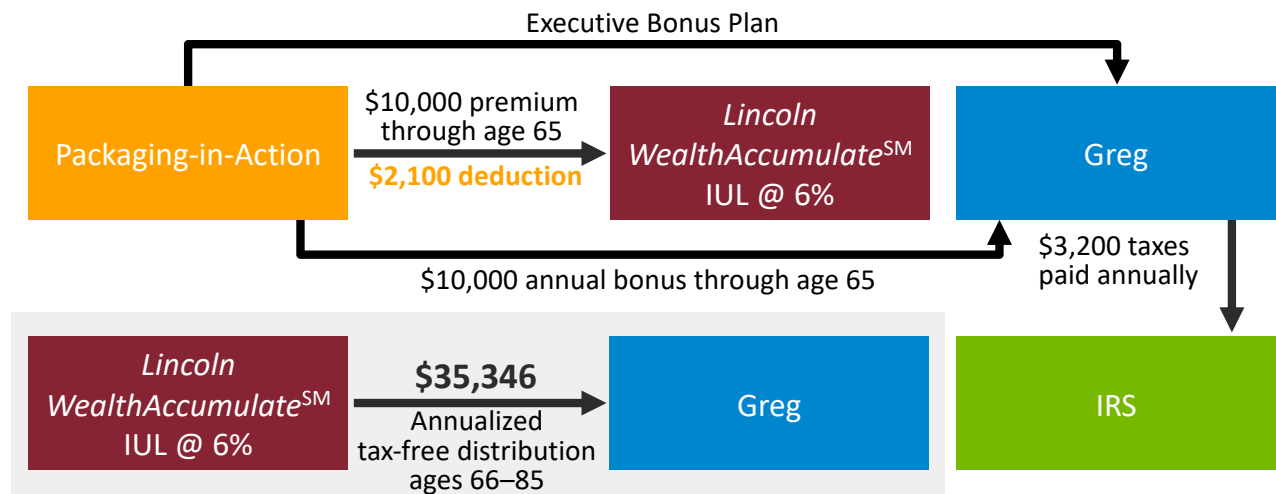
Personal tax rate	32%
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Packaging-in-Action: the solution



Packaging-in-Action assumed tax rate is 21%. Greg's assumed tax rate is 32%.

Male, age 45, standard nontobacco, *Lincoln WealthAccumulate*® Indexed UL, solve for a minimum non-MEC death benefit with a \$10,000 annual premium paid for 20 years, increasing by cash value death benefit option for 20 years then switch to a level death benefit option, solve for maximum annualized participating loans from ages 66 through 85 with \$1 at maturity. 100% premium allocation to Perform Index account, 6% assumed index crediting. At 0% guaranteed interest crediting and solving for maximum annualized policy loans beginning at age 66, policy lapses at age 69. State of North Carolina.



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The advantages for Greg

Total out-of-pocket expense over 20 years to pay taxes on his bonus	– \$64,000
Cumulative policy loans taken income tax free to supplement Greg's retirement (66-85)	+ \$706,920
Greg's death benefit at age 85	+ \$207,352
Net benefit to Greg at age 85	\$850,272

Packaging-in-Action assumed tax rate is 21%. Greg's assumed tax rate is 32%.

Male, age 45, standard nontobacco, *Lincoln WealthAccumulate*® Indexed UL, solve for a minimum non-MEC death benefit with a \$10,000 annual premium paid for 20 years, increasing by cash death benefit option for 20 years then switch to a level death benefit option, solve for maximum annualized participating loans from ages 66 through 85 with \$1 at maturity. 100% premium allocation to Perform account, 6% assumed index crediting. At 0% guaranteed crediting and solving for with max policy loans beginning at age 66, policy lapses at age 69. State of North Carolina.



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Packaging-in-Action: The final result

PIA set up an Section 162 Bonus Plan for Greg

Greg chose to purchase a
*Lincoln WealthAccumulate*SM Indexed UL

Packaging-in-Action gave an annual bonus
of \$10,000 each year to Greg for premium
payment, which PIA can deduct

Greg has the potential to access over \$35K per
year during retirement



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A large bridge at night, illuminated by lights. The bridge is a steel truss bridge, and the lights are on the bridge's structure. The sky is dark blue with some clouds.

ONE BIG IDEA

Accessing the foreign national marketplace
with *Lincoln WealthAccumulate*SM IUL

What are the concerns of “foreign nationals”?



Families
to protect



Legacies
to leave



Businesses
to transition



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What are the concerns of “foreign nationals”?

Lack of trust in government
or institutions

Currency volatility

Market fluctuation

Exposure to crime

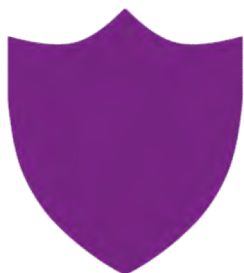
Lincoln
WealthAccumulateSM IUL
can address all of these
concerns



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Lincoln WealthAccumulateSM IUL



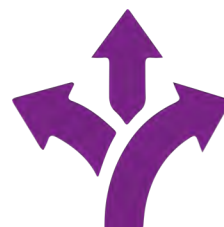
US income tax-
free death benefit



Potential for tax-
advantaged cash
value in the future



US dollars
regulated by the
US financial
system



Flexibility,
control, and
privacy



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Lincoln WealthAccumulateSM IUL



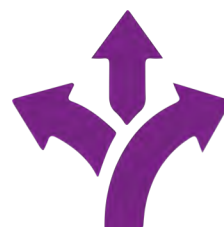
Financial strength
of Lincoln



Competitive
foreign national
underwriting
program



Competitive
product



Options to access
cash values



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*Lincoln WealthAccumulate*SM IUL

Overfund the policy for 10 years

Increasing death benefit,
switch to level to
optimize cash value growth



Death benefits and cash values
are in US dollars

It's flexible

Allows the client to control
decisions about the policy

Viewed as a very private asset



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ONE BIG IDEA

Accessing the premium financing marketplace
with *Lincoln WealthAccumulate*SM IUL

Why premium financing?

High net-worth individuals can purchase the life insurance they need while minimizing:

- asset liquidation,
- cash flow disruption, and
- premium payments with after-tax dollars

May help:

- create retirement income,
- protect against downside risk, and
- create a legacy for their families.



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Meet Ben



Ben

55 years old

Nonsmoker

Married, father of three



Ben is a sophisticated investor with a diversified portfolio



He recently inherited his parent's vacation home and wants to keep it in the family for generations to enjoy



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Meet Ben



Ben

55 years old

Nonsmoker

Married, father of three



Estate
Liquidity



Tax risk

\$3M

coverage need



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The wealth protection strategy

Borrow from a commercial lender to fund a *Lincoln WealthAccumulateSM* IUL policy with the Surrender Value Enhancement Endorsement (SVEE)



Ben borrows
\$2,300,000.



Ben's lender pays
the \$230,000 policy
premiums for
10 years



Ben pays the
lender 5% annual
interest out-of-
pocket.¹



If his policy earns 6%,
there is sufficient cash
value to pay back the
loan by year 12.²

1 This hypothetical example assumes a 5% lender loan rate.

2 Distributions are through loans and withdrawals, which will reduce a policy's cash value and death benefit. Loans are not considered income and are not taxable while withdrawals are tax-free up to the policy's cost basis, provided the policy is not a MEC.

Illustration assumes a male, age 55, standard nontobacco, tax bracket 28%, *Lincoln WealthAccumulateSM* IUL, \$3 million death benefit with a maximum non-MEC premium paid for 10 years, increasing by cash death benefit option for 10 years then switch to a level death benefit option, maximum annualized participating loans in year 12, state of North Carolina. 6% assumed rate. **At 0% policy will lapse in year 12 after loans are made from cash values to repay lender with total distribution of \$1,312,602.**



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The outcome

- 1

Ben’s policy gives him tax-deferred growth opportunities and downside protection
- 2

The PERFORM indexed account has a **10% cap**, a **0% guaranteed floor**, a **32% multiplier**, and a **100bps asset-based charge**
- 3

In the first year after paying back the loan, Ben’s net death benefit is worth **\$3,146,703**
- 4

If the S&P averages 6%, the value of his death benefit will increase to **\$5,275,632** by age 90¹

1 Distributions are through loans and withdrawals, which will reduce a policy’s cash value and death benefit. Loans are not considered income and are not taxable while withdrawals are tax-free up to the policy’s cost basis, provided the policy is not a MEC.
 Illustration assumes a male, age 55, standard nontobacco, tax bracket 28%, *Lincoln WealthAccumulate*™ IUL, \$3 million death benefit with a maximum non-MEC premium paid for 10 years, increasing by cash death benefit option for 10 years then switch to a level death benefit option, maximum annualized participating loans in year 12, state of North Carolina. 6% assumed rate. **At 0% policy will lapse in year 12 after loans are made from cash values to repay lender with total distribution of \$1,312,602.**



Loan Information								Premium Finance Results				
Year	Age	Annual Policy Premium	Annual Loan Amount	Annual Loan Interest	Variable Loan Rate	Loan Repayment	EOY Loan Balance	Net After Tax Outlay	Cumulative Net After Tax Outlay	Cash Surrender Value Net of Loan	DB Net of Loan	DB IRR
1	56	230,000	230,000	11,500	5.00%	0	230,000	11,500	11,500	(61,929)	3,220,000	1000.00%
2	57	230,000	230,000	23,000	Lender repaid from policy values in year 12	0	230,000	23,000	34,500	(113,650)	2,990,000	1000.00%
3	58	230,000	230,000	34,500		0	230,000	34,500	69,000	(154,166)	2,845,834	453.51%
4	59	230,000	230,000	46,000		0	230,000	46,000	115,000	(182,703)	2,817,297	233.66%
5	60	230,000	230,000	57,500		0	230,000	57,500	172,500	(198,363)	2,801,637	145.77%
6	61	230,000	230,000	69,000		0	230,000	69,000	241,500	(200,356)	2,799,644	100.66%
7	62	230,000	230,000	80,500	Annual out-of-pocket interest paid to the lender	0	230,000	80,500	322,000	(187,827)	2,812,173	73.93%
8	63	230,000	230,000	92,000		0	230,000	92,000	414,000	(97,201)	2,902,799	57.23%
9	64	230,000	230,000	103,500	5.00%	0	2,070,000	103,500	517,500	13,910	3,013,910	45.72%
10	65	230,000	230,000	115,000	5.00%	0	2,300,000	115,000	632,500	146,703	3,146,703	37.42%
11	66	0	0	115,000	5.00%	0	2,300,000	115,000	747,500	Collateral required for 6 years assuming 6% index rate		
12	67	0	0	0	5.00%	2,300,000	0	0	747,500			
13	68	0	0	0	5.00%	0	0	0	747,500			
14	69	0	0	0	5.00%	0	0	0	747,500			
15	70	0	0	0	5.00%	0	0	0	747,500			
16	71	Annual out-of-pocket interest paid to the lender	0	0	5.00%	0	0	0	747,500	722,282	2,651,038	13.69%
17	72		0	0	5.00%	0	0	Cumulative net after-tax outlay in year 11	0	804,100	2,511,255	11.87%
18	73		0	0	5.00%	0	0		0	894,046	2,364,483	10.30%
19	74		0	0	5.00%	0	0		0	993,246	2,210,372	8.91%
20	75		0	0	5.00%	0	0		0			
21	76	0	0	Illustrated lender rate	5.00%	0	0	0	747,500	Death benefit paid to beneficiaries after lender is repaid		
22	77	0	0			0	0	0	747,500			
23	78	0	0			0	0	0	747,500			
24	79	0	0			0	0	0	747,500		1,686,535	5.69%
25	80	0	0			0	0	0	747,500		1,870,503	5.93%

Underwriting guidelines for premium financing

Generally, the guidelines include:



Net worth
\$5M age ≥ 51
\$2½M age ≤ 50
Annual income
\$250K all ages



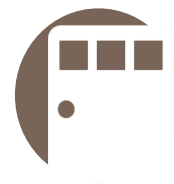
Proposed insured must be able to pay the **minimum annual level premium**



Interest must be paid annually and cannot accrue



Loan arrangements must be a **minimum of three years**



Well-defined loan payment plans and exit strategies



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Underwriting guidelines for premium financing

Generally, the guidelines include:



\$2M minimum
face amount



Table Reduction Program available up to age 60



MEC cases evaluated on a **case-by-case basis**

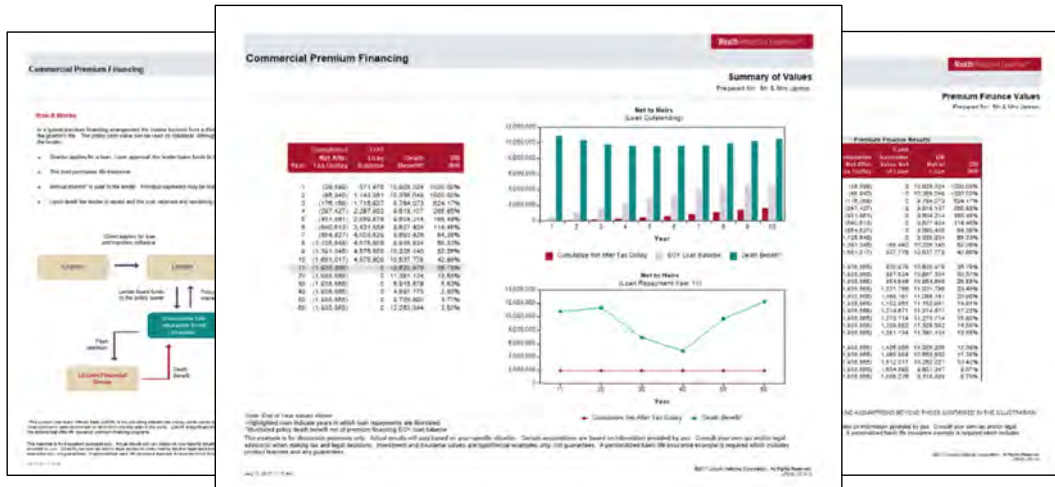


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Commercial premium financing sales concept

Show how the financing of a Lincoln life insurance policy may be an effective way to design a solution



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ONE BIG IDEA

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DC Minute

with Tom Commito

The taxation of foreign income

Individuals

Foreign income is reported on 1040
Foreign income tax is deductible

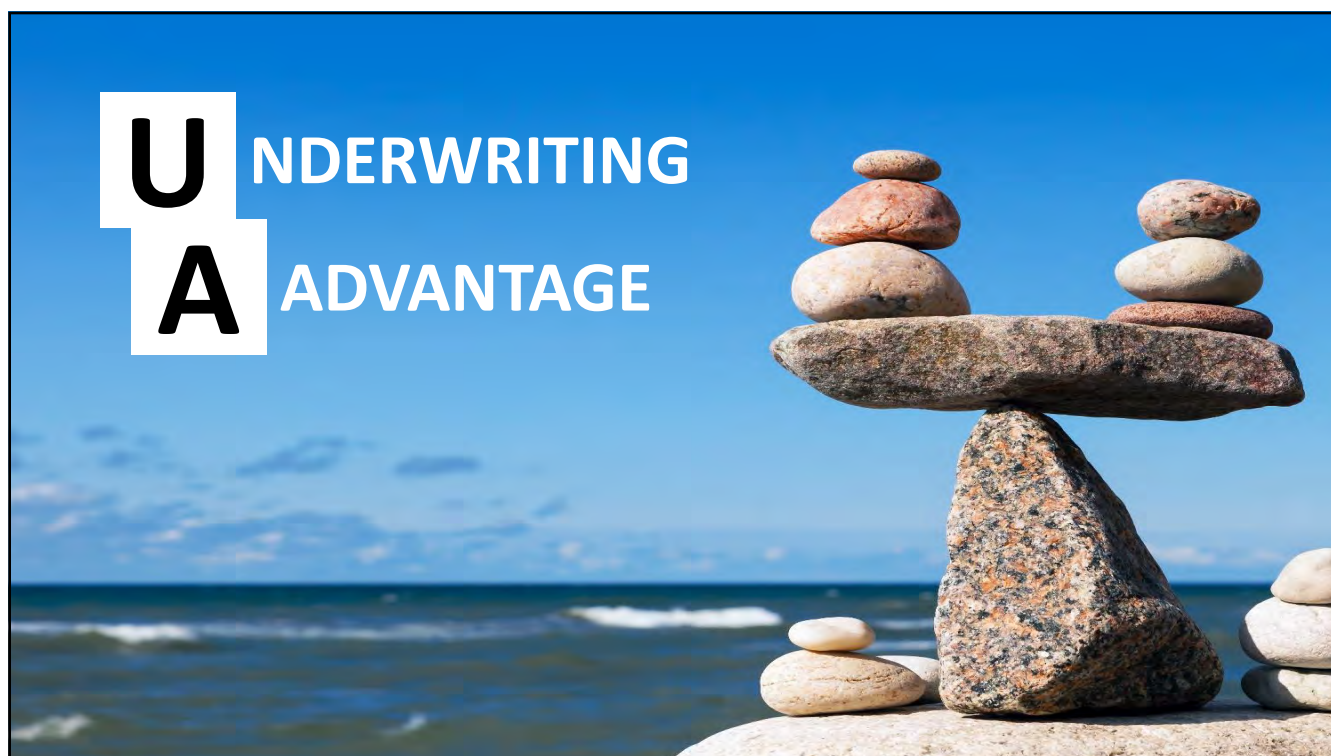
US Corporations

Moved to “territorial system”
US corporations do not report income from a foreign corporation assuming the US corporation owns at least 10% of the foreign corporation
Will result in an increase in cash flow for US corporations with foreign income
Opportunities for business planning using life insurance



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TOP FIVE

surprising Lincoln foreign national underwriting facts.

- 1 Lincoln offers policy acceptance via limited power of attorney in many cases.
- 2 Lincoln will allow a client to own his or her policy personally and may use a foreign address on the application.
- 3 Lincoln routinely underwrites \$40M and \$50M foreign national cases.
- 4 Lincoln has specialized underwriters on *your* dedicated underwriting team.
- 5 Nexus is one of the most important elements of underwriting a foreign national case at Lincoln.

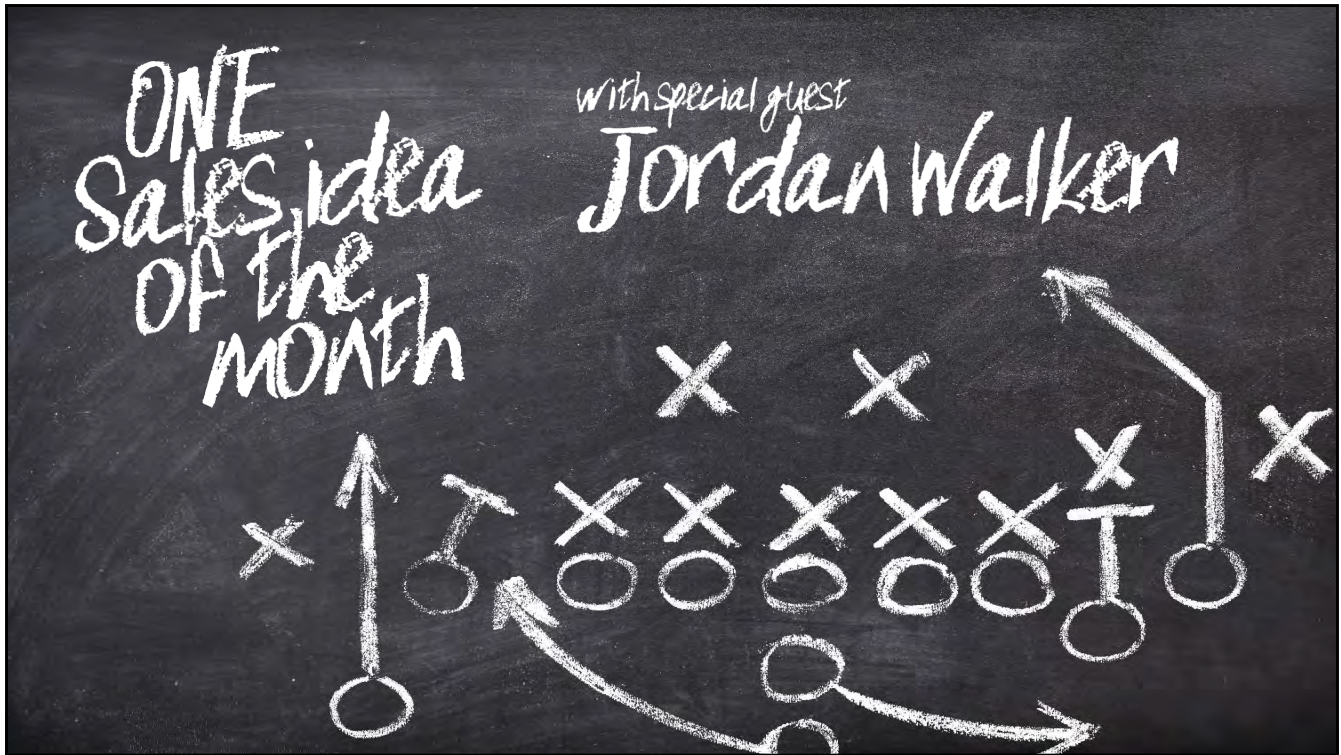


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UNDERWRITING
ADVANTAGE





Sharing the key person policy

Endorsement split dollar

Generally, endorsement split dollar is an arrangement between a business and an executive where the business:

purchases a life insurance policy on the life of the executive

pays the premium with after-tax business dollars

shares some of the pure death benefit with the executive for their personal survivor use



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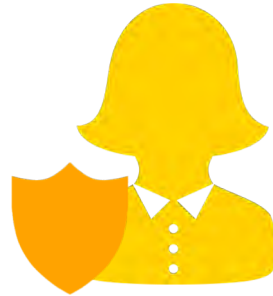
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Death benefit proceeds

Keep some... share some



The business maintains some of the death benefit (and all of the cash values) for the purpose of key person coverage



The business can **share** some of the death benefit with the executive as a reward/retention strategy, using premium funding from the more lightly taxed “business purse”

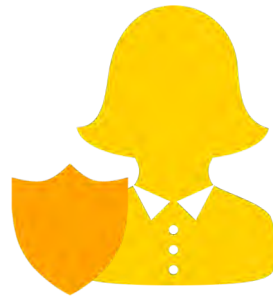


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Think of “endorsement” as “renting” of death benefit

Employer “rents” (endorses) a portion of the death benefit to the employee as a personal survivor benefit



EMPLOYEE

Employee pays the “economic benefit cost” of the “rented” (endorsed) death benefit to the employer.

This cost is based on Table 2001 rates or Lincoln’s one year term rates.



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Case study

XYZ Company, Inc.

Tax rate 21%

Bill, a key employee

Age 45, preferred health

Personal tax rate 32%



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Case study

XYZ Company, Inc.

\$500K
death benefit need

Key employee Bill

\$500K
death benefit need



\$1M Lincoln VUL^{ONE} (2014)
Guaranteed death benefits
Guaranteed premiums
Freedom to pursue upside potential



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LCN-2119662-051218

Case study: economic benefit split dollar

YEAR 1, AGE 45

XYZ COMPANY, INC.

Annual premium paid for \$1MM policy	\$12,948
Death benefit for key person coverage	\$500,000
Death benefit endorsed to key executive	\$500,000
Total death benefit	\$1,000,000

KEY EXECUTIVE , BILL

Annual premium paid	\$0
Economic benefit costs for \$500,000	\$250
Total W2 bonus for economic benefit costs	\$250
Total out of pocket costs at 32% tax bracket	\$80

Assumptions: Male, age 45, Preferred nontobacco, *Lincoln VULONE*, level death benefit, \$1,000,000 CVAT, 100% allocation to variable sub-accounts, Gross ROR 7.5%/net 6.42%, \$12,948 annual premium paid to age 65, premium solve to guarantee death benefit to policy maturity/age 121.



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Case study: economic benefit split dollar

YEAR 20, AGE 65

XYZ COMPANY

Cumulative premium paid for \$1MM policy	\$258,960
Cash surrender values owned by the business	\$327,419

KEY EXECUTIVE , BILL

Cumulative premium paid	\$0
Cumulative Economic benefit costs for \$500,000	\$10,275
Total W2 bonus for economic benefit costs	\$10,275
Total out of pocket costs at 32% tax bracket	\$3,288

Assumptions: Male, age 45, Preferred nontobacco, *Lincoln VULONE*, level death benefit, \$1,000,000 CVAT, 100% allocation to variable sub-accounts, Gross ROR 7.5%/net 6.42%, \$12,948 annual premium paid to age 65, premium solve to guarantee death benefit to policy maturity/age 121.

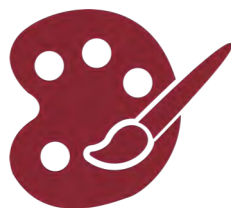


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The Lincoln *LifeComp*® advantage

An efficient way for businesses to retain and reward employees



Unique plan
DESIGN

LifeComp® DollarFlex

LifeComp® DuoFlex

LifeComp® FlexKey

LifeComp® ExecBonus



IMPLEMENT
with full plan
documentation



Comprehensive
ADMINISTRATION



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NOW

WHAT

implement these ideas
into your business and practice **NOW**

with Katie Comer



Key business insurance resources



Interactive digital whitepaper

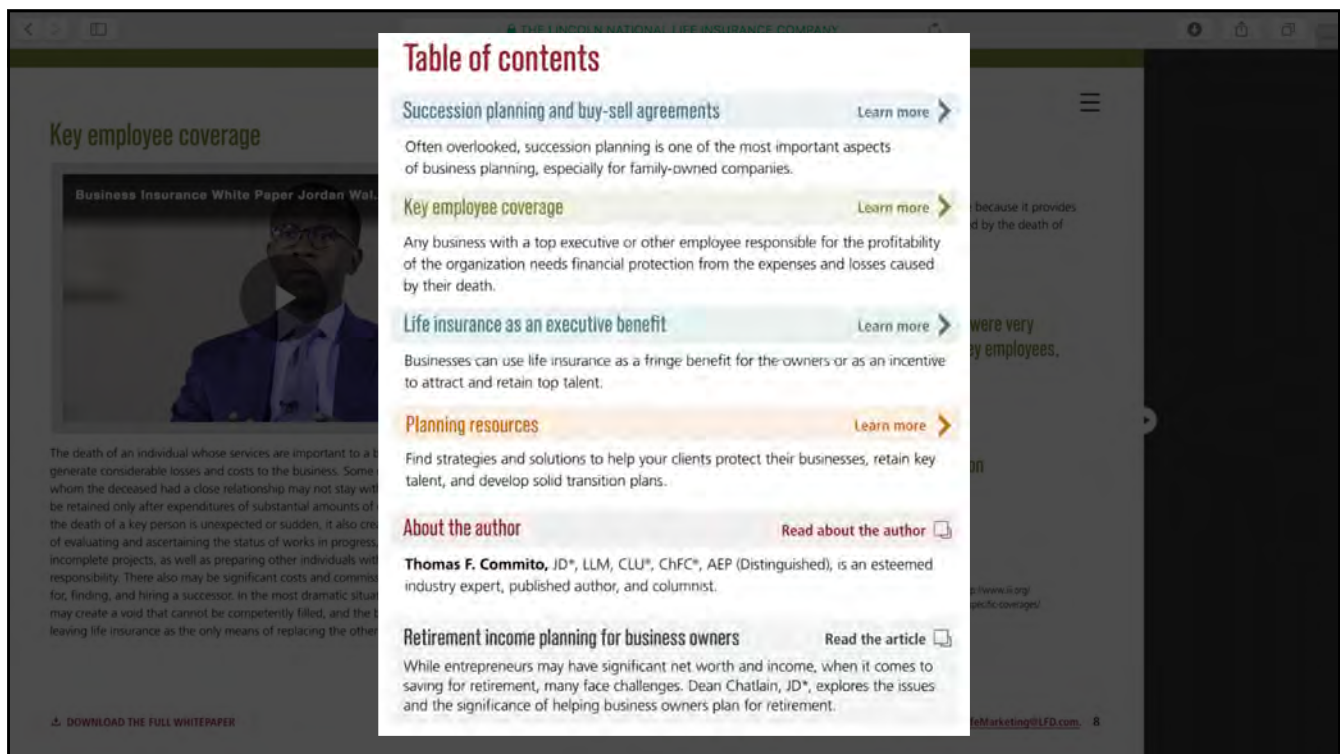
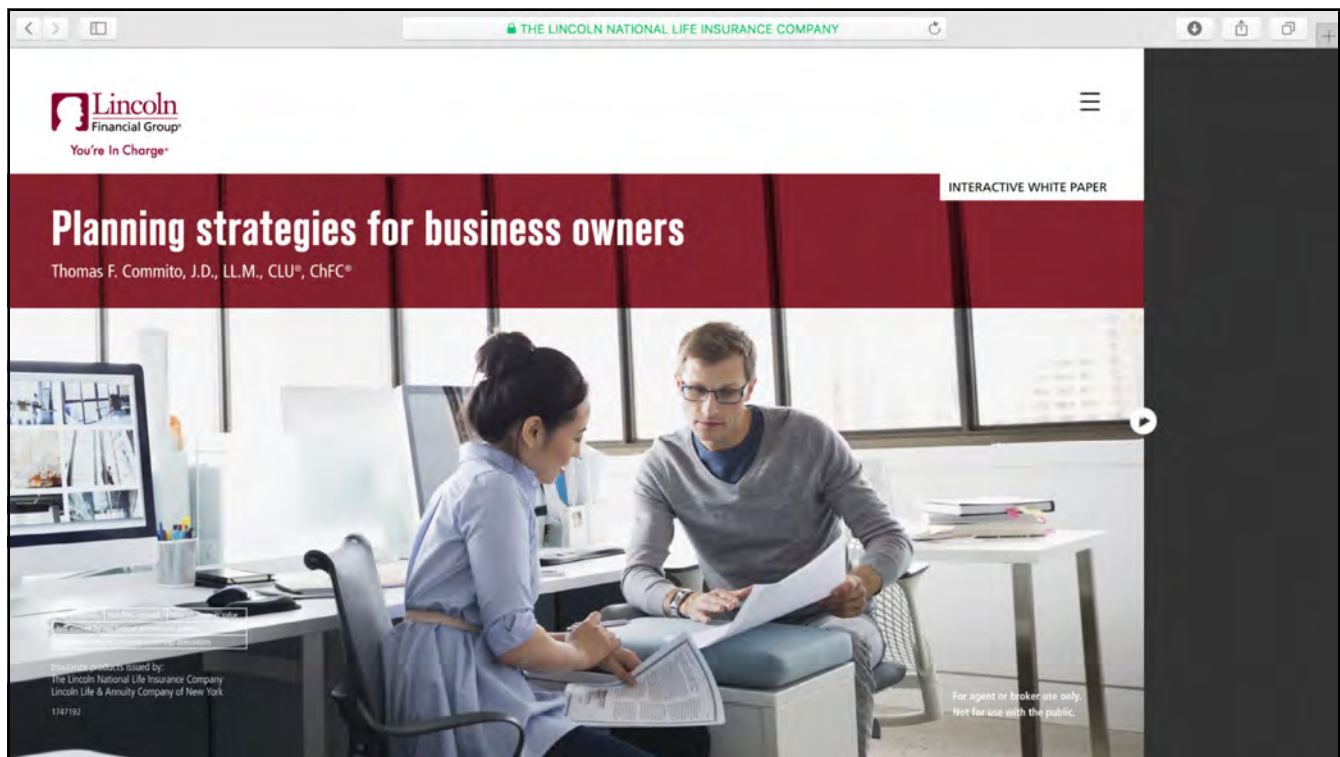


Business insurance brochure



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- A plan to attract and retain top talent
- Rewards for exceptional performance
- Supplemental retirement plans for owners and selected employees
- Cost-efficient employee incentives

- Protection from the financial impact of your death and/or the death of an essential employee

- Protection in the event of the death, disability, or retirement of a partner or co-shareholder
- A plan for the orderly transition of ownership and management of your business
- A strategy to obtain a fair price for your business when you want to sell it

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Key premium finance resources



Turnkey Opportunities flier



Tips for submitting a Case flier

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Turnkey

Understand the opportunity	
[Agent presentation] An introduction to premium financing [Agent presentation] Private premium financing [Agent presentation] Commercial premium financing Conversation starter	Key concepts <ul style="list-style-type: none"> What is premium financing? Why would a client want to premium finance their life insurance policy? Two types of premium financing Is your individual client or business client a good fit?
Underwriting tools and resources	
Premium financing underwriting guidelines Premium financing underwriting checklist Submitting a premium finance case	Key concepts <ul style="list-style-type: none"> Guidelines and best practices Preauthorization criteria Submission criteria
See how premium finance can work with our products	
Premium financing worksheet Sample IUL Accum EXEC illustration [Agent flier] Private and commercial premium finance case studies [Client fact sheet] Lincoln LifeReserve® Indexed UL Accumulator with the Exec Rider [Client fact sheet] Lincoln WealthAdvantage® Indexed UL with the Surrender Value Enhancement Endorsement Link to AFR rates Link to LIBOR rates	Key concepts <ul style="list-style-type: none"> The information needed to prepare a Lincoln DesignIt™ Platform sales concept presentation for commercial or private premium financing Case study examples Product and rider facts Applicable federal rate for private premium financing Lender rates tied to LIBOR
MultiLife opportunities	
Premium financing for MultiLife Business Solutions Presale questionnaire for Guaranteed and Simplified Issue Agent guide to Guaranteed and Simplified Issue underwriting	Key concepts <ul style="list-style-type: none"> Questions to ask to qualify cases Identify premium financing arrangements that are not eligible for Guaranteed and Simplified Issue Program guidelines, like issue criteria, issue limits, available products, and considerations.

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Tips for Submitting a Premium Finance Case flier



Planning to submit a premium financing case to Lincoln?

Here's what you need to know

1 Financial qualifications using Lincoln guidelines
 Clients need to demonstrate:

- Income is at least \$250,000 annually for all ages, and
- Net worth is at least \$2.5 million for ages up to 50, and \$5 million for clients ages 51 and up

2 Premium affordability
 Typically 20% to 40% of income or 20% of liquid assets can be used for insured premiums. Lincoln will use the minimum annual level premium as acceptable premium affordability. In your Lincoln Design™ Platform Application:

- See the New Business Data section under "Insured"
- Find the monthly minimum premium amount
- Multiply the monthly premiums by 12 months to get the annual level premium

3 How to meet loan criteria requirements
 A copy of the premium financing loan commitment, offer letter or term sheet is required by Lincoln for review. Financing loans must be:

- A minimum of three years
- 100% fully secured with interest that's paid annually
- U.S. citizens and green-card holders may apply for coverage with Lincoln using premium financing. Foreign nationals are typically ineligible since their tax return, bank statements and property records may be unavailable.


4 Forms that may need completion
 Various forms may need to be completed depending on the client's age, policy face amount, and state laws. In addition to state-required application forms, Lincoln requires:

- Premium Financing Supplement form (LFI06340)
- Financial Supplement form (LFI10187)
- Lender Certification form (LFI06357)
- Producer and Representative Certification Regarding Investor-Owned Life Insurance (LFI06658)
- IRS form 8321-EZ
- Lender proposal offer letter or term sheet
- MEC cases will be evaluated on an individual basis if the producer provides complete details regarding the need for the MEC situation. If accepted, the client will need to sign a disclosure/warning letter provided by Lincoln

A cover letter with specific case design details and exit strategy is highly recommended to help avoid delays or problems. A broker certification or organizational documents for partnerships or LLCs will be reviewed depending on the case situation

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Foreign n

Cas

Specialty markets

Client goal: Meeting financial objectives with a global perspective

Who are your clients?



U.S. citizens living abroad
 U.S. citizens and green card holders who spend more than 12 weeks per year outside the U.S. in an approved country.

Examples include: U.S. citizens who are either retired or employed outside the U.S.

- May be married to a non-U.S. citizen
- Want to create and protect legacy assets for their spouse, heirs or charity
- Want to protect their family from loss of income if something were to happen



Non-U.S. citizens who live, work, transact business or invest in this country

Citizens or residents of an approved country who spend at least 15 days per year in the U.S.

Examples include:

- Entrepreneurs with ongoing business activities in the U.S., investors who have substantial U.S. assets, or individuals who may want to become U.S. citizens
- May be married to a U.S. citizen
- May be subject to U.S. estate taxes at the death of the first spouse, and interested in alternatives to a Qualified Domestic Trust (QDOT)
- Looking for asset diversification
- Interested in the advantages of owning U.S. life insurance
- Could have plans to move to or out of the U.S. at some future date.

Questions to ask your clients

- Regarding your financial future, what are your objectives for you and your family?
- What financial planning have you already done?
- Tell me about your concerns related to estate and income taxation in the U.S.
- Which of your assets are located in the U.S.? Which are outside of the U.S.?
- Ideally, what would happen with your assets down the road?

Solutions to consider: life insurance as a part of the client's financial plan

For clients who want an assured legacy

Lincoln VUL™ offers

- A guaranteed death benefit would protect the asset from market risk
- Cash value growth potential to enhance the legacy

For clients who want growth opportunities with downside protection

The Lincoln WealthAdvantage® Indexed UL offers

- Coverage that provides income replacement and strong cash value growth potential from three indexed accounts
- The downside protection of a 1% floor

Clients, including those with assets in other countries, citizenship outside the U.S., or multiple citizenships or residencies, should consult their tax and legal advisors about financial planning and ownership of assets in the U.S.

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Specialty market resources



Business insurance



Premium finance



Foreign nationals

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Specialty market resources

BUSINESS INSURANCE



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Consultant *Multi-Life*
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Craig.Rubino@LFD.com

PREMIUM FINANCE



Michelle Sollosi
Premium Finance Consultant
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FOREIGN NATIONALS



Cara Moody, CLU®
Foreign National Consultant
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Cara.Moody@LFD.com



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Guaranteed Issue and Simplified Issue Underwriting

Thursday, June 21, 2018 @ 1 PM ET (10 AM PT)

Join the Lincoln Business Insurance Solutions team for a 30-minute webinar on a process to implement business life insurance strategies utilizing GI/SI underwriting.

You'll take away:

- An understanding of how the program works
- Successful case studies
- An opportunity for Q&A with a Lincoln underwriter



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Next month on

The Lincoln ONEmeeting

Tuesday,
July 10, 2018
@ 1 PM ET

The invitation for the
next Lincoln ONEmeeting
will be included with this
month's Replay and at
LincolnONEmeeting.com



ONE BIG IDEA

The past, present, and future of
Lincoln MoneyGuard®



Improving the LTC claims experience



DC Minute with Tom Commito

Health care measure in TCJA and budget bills



Sales Idea of the Month

The power of starting early



NOW What

Implement these ideas into your business and
practice NOW

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Important information

Issuers:

The Lincoln National Life Insurance Company, Fort Wayne, IN
Lincoln Life & Annuity Company of New York, Syracuse, NY
The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.

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.

In some states, contract terms are set out and coverage may be provided in the form of certificates issued under a group policy issued by The Lincoln National Life Insurance Company to a group life insurance trust. Products, riders and features are subject to state availability. The insurance policy and riders have limitations, exclusions, and/or reductions. Check state availability.

Distributor: Lincoln Financial Distributors, Inc., a broker-dealer

Policies:

Lincoln LifeElements® Level Term (2017) — 3/14/18, policy form TRM6063 and state variations. Not available in New York.
Lincoln LifeElements® Level Term with Conversion Products Enhancement, policy form ICC16TRM6058 and state variations. Not available in New York.
Lincoln TermAccel® Level Term policy form TRM5065/ICC15TRM5065 with endorsement END7013, data pages TA5165, Conversion Products Amendment AMD-7029 and state variations. Not available in NY.
Lincoln LifeCurrent® UL policy form UL5023 and state variations; UL5023N in NY.
Lincoln LifeGuarantee® UL (2013) — rates as of 02/08/18, policy form UL6000 and state variations. Not available in NY.
Lincoln LifeGuarantee® SUL (2013) policy form SUL6008 and state variations. Not available in NY.
Lincoln LifeReserve® UL policy form UL5051 and state variations; UL5051N in NY.
Lincoln LifeReserve® Indexed UL Accumulator (2014) policy form UL6024/ICC14UL6024 and state variations; UL6024N in NY.
Lincoln WealthAccumulate™ IUL (2018) policy form UL6083/ICC18UL6083 and state variations; Not available in NY.
Lincoln WealthAdvantage® Indexed UL policy form UL6082/ICC17UL6082 and state variations.
Lincoln WealthPreserve® IUL (2017) policy form UL6046/ICC15UL6046 and state variations.
Lincoln WealthPreserve® Survivorship IUL policy form SUL6035 and state variations; SUL6035N in NY.
Lincoln AssetEdge® VUL (2015) policy form LN683 and state variations; LN683 in NY.
Lincoln VULONE® (2014) policy form LN696 and state variation. Not available in NY.
Lincoln SVULONE® (2016) policy form LN667 and state variations. Not available in NY.
Lincoln PreservationEdge® SVUL policy form LN699 and state variations. Not available in NY.

Variable products: Policy values will fluctuate and are subject to market risk and to possible loss of principal.

Variable products are sold by prospectus, which contains the investment objectives, risks, and charges and expenses of the variable product and its underlying investment options. Read carefully.

Only registered representatives can sell variable products.



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Important information

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Distributions are taken through loans and withdrawals which reduce a policy's cash surrender value and death benefit and may cause the policy to lapse. Loans are not considered income and are tax free. Withdrawals and surrenders are tax-free up to the cost basis, provided the policy is not a modified endowment contract (MEC).

Competitor information is from public sources deemed reliable from peer group companies. Although every attempt has been made to ensure the accuracy of the information provided, it cannot be guaranteed.

The indexed account lookback rates are for illustrative purposes only, since Lincoln indexed UL products were not available during the entire lookback period. The lookback rates are based on the average of annually compounded S&P 500® Index returns (excluding dividends) for the lookback period through 2013 using segments that mature the 15th of each month, then applying the current cap and/or participation rate and guaranteed floor for each account option. Actual caps and participation rates would have been different over the different time periods and varied from time to time within those periods. The lookback rates reflect past S&P 500 Index changes, have no bearing on future changes in the S&P 500 Index, and are not guaranteed. Actual results may be better or worse than shown. Past performance is not indicative of future results.

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The *Lincoln LifeEnhance*® Accelerated Benefits Rider and the *Lincoln LifeAssure*SM Accelerated Benefits Rider are not long-term care insurance nor are they intended to replace the need for long-term care insurance. The benefits are supplementary to the primary need for death benefit protection. These riders may not cover all of the costs associated with the chronic illness of the insured. The benefits of these riders are limited by the policy's death benefit at the time of claim; long term care insurance does not typically contain this limitation.

Accelerated death benefits may be taxable and may affect public assistance eligibility. 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.

Tax qualification The benefits paid under this rider are intended to be treated as accelerated death benefits under section 101(g)(1) of the Internal Revenue Code of 1986, as amended (the "Code"). The Company considers the benefits paid under this rider that do not exceed the maximum Per Diem Limit as prescribed by law to be eligible for exclusion from income under section 101(a) of the Code to the extent that all applicable qualification requirements under the code are met. If benefits are paid in excess of the applicable Per Diem Limit, or if benefits are paid and all applicable qualification requirements are not met, the benefits may constitute taxable income to the recipient. This rider is not intended to be a qualified long-term care insurance contract under section 7702(b) of the Code. The tax treatment of the accelerated death benefits may change, and you should always consult and rely on the advice of a qualified tax advisor.



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