



LINCOLN LEADER FIXED ANNUITY

KEY HEADLINES

Introducing *Lincoln MYGuarantee*SM Plus fixed annuity – now available in select firms

- Product Information
- New Business Information
- Marketing Material

Vol. 3, Special Issue: *Lincoln MYGuarantee*SM Plus fixed annuity 11/13/09

This edition of the Lincoln Leader contains product and business implementation information for *Lincoln MYGuarantee*SM Plus fixed annuity. Product and features subject to state availability. This product is available in select distribution channels. Check your selling agreement for availability.

Product Availability

*Lincoln MYGuarantee*SM Plus fixed annuity is currently available in 42 states.

[Click here](#) for Product Availability.

Introducing *Lincoln MYGuarantee*SM Plus fixed annuity

*Lincoln MYGuarantee*SM Plus fixed annuity will be available for sale November 13, 2009. Contracts will be issued starting November 23, 2009, at which point compensation can be paid and any applicable rate holds issued.

Key features – *Lincoln MYGuarantee*SM Plus fixed annuity is a single premium deferred annuity that offers:

- A fixed interest rate guaranteed for a specified length of time.
- Initial interest rate guarantee periods ranging from three years to ten years.
- A surrender charge schedule that generally matches the initial interest rate guarantee period, but not greater than seven years.
- Annual renewals after the initial interest rate guarantee period ends.

Interest Rates – The initial interest rates for *Lincoln MYGuarantee*SM Plus fixed annuity will reflect banding at premium levels of \$100,000 and above.

Premiums less than \$100,000 will get one rate, while premiums of \$100,000 or more will receive a higher rate.

Accessing the Accumulation Value – *Lincoln MYGuarantee*SM Plus fixed annuity allows for several ways to access the accumulation value:

- **10% Free Partial Surrender** – 10% of the accumulation value can be withdrawn per contract year without incurring any surrender charge or Market Value Adjustment (MVA).
- **Required Minimum Distributions (RMD)** – The Automatic Withdrawal Service is available with this product and can be set up to distribute the RMD amount for the contract on an annual basis on the contract anniversary.
- **Annuitization** – Surrender charges / MVA do not apply if the contract is annuitized according to the contract provisions.

Death Benefit – Should the client die before the contract is annuitized, the accumulation value may be distributed as a death benefit with no surrender charges or MVA.

Surrender Charges / MVA – Surrender charge schedules match the length of the initial interest rate guarantee period, except in the case of the 8, 9 and 10-year durations. For these longer guarantee periods, the surrender charges stop at the end of year 7.

A market value adjustment (MVA) will apply for the entire length of the initial interest rate guarantee period.

Renewals – At the end of the initial guarantee period, *Lincoln MYGuarantee*SM Plus fixed annuity will be renewed annually. Renewal rates can never be lower than the “Guarantee Minimum Interest Rate” (GMIR), which is re-determined annually. Once the initial guarantee period has expired, surrender charges and the MVA do not apply.

**Fixed Annuity
Sales Desk:
888-895-4830,
Option 2**

**Information compiled
by Product and
Distribution Support**

Lincoln MYGuaranteeSM Plus fixed annuity – Product Details

Product Basics

Product Type	Lincoln MYGuarantee SM Plus fixed annuity is a single premium (purchase payment), fixed interest rate deferred annuity.
Interest Rates	<ul style="list-style-type: none"> Interest rates determined by the length of the guarantee period Banded at premiums of \$100,000 or more
Surrender Charge	This annuity is available with a surrender charge schedule that generally matches the guarantee period, up to a maximum of 7 years (see page 3 for details).
Premium Requirements	<ul style="list-style-type: none"> Minimum premium: \$10,000 Maximum premium: \$2,000,000 <ul style="list-style-type: none"> Higher amounts will be considered with the completion of an Exception Questionnaire. Additional premiums are not allowed.
Issue Ages	Maximum issue age: 85. The oldest age of the owner, joint owner, annuitant and joint annuitant will be used to determine the issue age.

Accumulation Information – Interest Rate Information

Initial Interest Rate

The initial interest rate is guaranteed for a set duration; guarantee periods range from 3 to 10 years. All durations may not be available at all times. Interest rates are determined by the duration chosen and will reflect premium banding, which occurs for premium of \$100,000 or more.

Rates for new contracts are generally published monthly. It is the agent's responsibility to confirm current rates. A sample rate sheet is shown below:

Fixed interest rates effective 11/13/2009 - 12/31/2009*			
	Guarantee Period ¹	Premium < \$100,000	Premium ≥ \$100,000
<p>Interest rates are guaranteed for the entire period:²</p> <p>Rates are subject to change at any time without notice prior to purchases.</p> <p>All guarantees are backed by the claims-paying ability of the appropriate issuing company.</p>	3 years	1.65%	1.80%
	4 years	2.30%	2.45%
	5 years	3.00%	3.15%
	6 years	3.15%	3.30%
	7 years	3.35%	3.50%
	8 years	3.40%	3.55%
	9 years	3.45%	3.60%
	10 years	3.50%	3.65%
<p>Interest will be credited and compounded daily to achieve this annual yield.</p> <p><small>*Although these interest rates are expected to be effective through 12/31/2009, they are subject to change prior to this date. Contracts will be issued starting 11/23/2009</small></p>			

Subsequent (Renewal) Interest Rates

After the initial guarantee period expires, renewal rates will be declared annually. The subsequent interest rate will never be lower than the Guaranteed Minimum Interest Rate.

Guaranteed Minimum Interest Rate

The Guaranteed Minimum Interest Rate (GMIR) is used in determining the Guaranteed Minimum Cash Surrender Value (GMCSV). The GMCSV is calculated by applying the GMIR to the initial premium paid for the length of time the contract was in force. Surrender charges are deducted from that value to determine the GMCSV. The MVA cannot reduce the surrender value below that floor.

State variation applies in New York (when approved).

[Click here](#) for the current Guaranteed Minimum Interest Rates.

Account Access

Free Partial Surrenders

Clients are permitted to withdraw 10% of the Accumulation Value per contract year with no surrender charge or MVA.

Surrender Charge Schedule / MVA

Withdrawals above the 10% free partial surrender amount are subject to a Market Value Adjustment (MVA) during the initial interest rate guarantee period and a surrender charge during the surrender charge period. The surrender charge schedules are as follows:

Guarantee Period	Contract Year									
	1	2	3	4	5	6	7	8	9	10
3-year	7.00%	7.00%	6.00%							
4-year	7.00%	7.00%	6.00%	5.00%						
5-year	7.00%	7.00%	6.00%	5.00%	4.00%					
6-year	7.00%	7.00%	6.00%	5.00%	4.00%	3.00%				
7-year	7.00%	7.00%	6.00%	5.00%	4.00%	3.00%	2.00%			
8-year	7.00%	7.00%	6.00%	5.00%	4.00%	3.00%	2.00%	0.00%		
9-year	7.00%	7.00%	6.00%	5.00%	4.00%	3.00%	2.00%	0.00%	0.00%	
10-year	7.00%	7.00%	6.00%	5.00%	4.00%	3.00%	2.00%	0.00%	0.00%	0.00%

State variations apply.

A market value adjustment (MVA) will apply for the entire length of the initial interest rate guarantee period. After the initial interest rate guarantee period, the contract will be renewed annually, and no surrender charge or MVA will apply.

An Example of Contract Provisions

Shown below is a hypothetical example of the 9-year initial interest rate guarantee period:

9-Year Initial Interest Rate Guarantee Period

	Contract year										
	1	2	3	4	5	6	7	8	9	10+	
Initial Interest Rate¹	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%	3.60%	n/a
Renewal Rate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Annual renewal rate will never be less than the GMIR ³ .
Surrender Charge²	7.00%	7.00%	6.00%	5.00%	4.00%	3.00%	2.00%	0.00%	0.00%	0.00%	n/a
MVA²	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	<i>May apply</i>	n/a

¹ The Initial Interest Rate is shown for illustrative purposes only; the actual rate may be higher or lower than shown.

² The Surrender Charge and MVA only apply in the event of an early surrender or a partial surrender greater than that allowed by contract provisions and only in the years shown. 10% of accumulation value per contract year is available as a free partial surrender.

³ The GMIR will be between 1% and 3%.

Other information

- *Lincoln MYGuaranteeSM Plus* fixed annuity does not offer a guaranteed return of premium. However, the cash surrender value is guaranteed never to be less than the Guaranteed Minimum Cash Surrender Value.
- There are no special Waivers of Surrender Charges / MVA.
- All initial interest rate guarantee periods may not be available at all times or in all firms.

For complete information regarding *Lincoln MYGuaranteeSM Plus* fixed annuity, [Click here](#) to view the specimen contract.

Annuitization Options

Before the Maturity Date and generally after the 5th contract year, the contract owner may elect any of the contractual annuity payment options, or any additional annuity payment options currently offered by Lincoln.

This would include any of the payment options available under *Lincoln Insured IncomeSM* immediate annuity or a supplemental contract patterned after *Lincoln SmartIncomeSM* inflation annuity.

- For contracts with shorter initial interest rate guarantee periods, annuitization is available at the end of the initial guarantee period.
- For Florida and New York (when approved), annuitization is available after the 1st contract year.

Death Benefit

The Death Benefit is equal to the Accumulation Value. Surrender charges and the MVA do not apply, but a commission chargeback will apply if the death occurs within the first contract year.

New Business Forms

The main forms include:

- Application (Form ANF07280DF, this is the standard fixed annuity form). State variations apply.
- Disclosure Statement (Form AN07396). State variations apply.

Additional forms may apply.

Click here for instructions on how to complete an application.

Click here for the New Business Checklist.

Interest Rates

Interest rates for all available guarantee periods for new contracts can be obtained from the Lincoln Fixed Annuity Sales Desk. It is the agent's responsibility to confirm current rates.

Rates differ by premium bands:

- Less than \$100,000
- \$100,000 or greater.

It is possible to have the current rates sent via email; sign-up for this service on the producer website.

Illustrations

*Lincoln MYGuarantee*SM Plus fixed annuity can be illustrated using the LFIT/Mobility Annuity Illustration System, available on the producer websites, **starting November 23, 2009**. Illustrations can also be requested from the Lincoln Fixed Annuity Sales Desk by calling **888-895-4830, Option 2** or emailing FixedAnnuitySales@LFG.com. The illustration shows the accumulation phase of the annuity with several columns:

- **Current Rate / Guaranteed Minimum Rate:** This column uses the current rates for the initial guarantee period. After the initial guarantee period expires, the values reflect a guaranteed minimum interest rate of 1%.
- **Current Rate:** The current rates are used for the entire illustration duration. After the initial guarantee period expires, the illustration becomes a projection only, as the future values are not guaranteed.
- **Guaranteed Minimum Cash Value:** Since the illustration does not reflect any Market Value Adjustment, this column is important during the initial guarantee period where an MVA may apply. This column acts as a "floor" for the MVA calculation. The MVA cannot decrease the accumulation value beyond this value – this column represents the maximum possible impact of the MVA.

Marketing Material

Marketing material for *Lincoln MYGuarantee*SM Plus fixed annuity can be ordered from the Lincoln Fulfillment center or downloaded from the Lincoln producer websites. All literature is not approved for use in all firms. **Click on the title of the piece** to view the online version.

- ***Lincoln MYGuarantee*SM Plus Client Guide** FA-MYGP-BRC001
Provides a comprehensive overview of the product and how it can be used for clients who are looking for stability
- ***Lincoln MYGuarantee*SM Plus Facts-At-A-Glance** FA-MYGP-FST001
Provides a detailed summary of product features and benefits; can be used by clients as a quick reference tool for specific product information, including surrender charge schedules.
- **Market Value Adjustment & Surrender Charge Calculation Sheet** FA-MVA-FLI002
Provides a detailed summary of product features and benefits; can be used by clients as a quick reference tool for specific product information, including surrender charge schedules.

Fixed Annuity Contact Information

Reminders:

- Enter Lincoln Rep/Agent Number and Marketing Firm Name (if applicable) on all applications.
- Be sure to enter complete contact information:
 - Telephone number
 - Email address
 - Fax
- Note the correct business telephone and address.

Sales Desk Product questions/ Sales ideas/ Illustrations/ Website training	Fixed Annuity Sales Desk <i>Agent Use Only</i> Operating hours: 8AM – 7PM ET Sales Desk: 888-895-4830, Option 2 FixedAnnuitySales@lfd.com
Producer Solutions Licensing/ Contracting/ Compensation	Licensing/Contracting Call Center: 800-238-6252, Option 1, Option 2 New Contracting Paperwork Submission: Contracting@lfg.com Fax: 603-226-5311 Licensing Status Updates: LicensingStatus@lfg.com Compensation Call Center: 800-238-6252, Option 1, Option 1 Commission questions: Commissions@lfg.com
New Business and Post Issue	FAX Numbers New business: 260-455-0271 (fax) Post issue: 260-455-0263 (fax) Overnight Servicing Address Lincoln Financial Group Individual Annuity Operations 1300 South Clinton Street Fort Wayne, IN 46802-3506 Servicing Address Lincoln Financial Group P.O. Box 2348 Fort Wayne, IN 46801-2348
Contact Centers (for Agent/Client use)	Fixed Annuity: 800-950-2454 Fixed Indexed Annuity: 800-453-8588

Newsletter compiled and edited by Ellen Hollis, Product and Distribution Support.

Please send any comments or suggestions regarding the Fixed Annuity Lincoln Leader newsletter to:

Ellen.Hollis@LFG.com

Products and features subject to state availability. Some of these products are only available in select distribution channels. Check your selling agreement for availability.

*Lincoln MYGuarantee*SM Plus fixed annuity (contract form 09-612MY and state variations) is 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. The "contract" may be referred to as a "certificate" in certain states. The certificate is a group annuity certificate issued under a group annuity contract issued by The Lincoln National Life Insurance Company to a group annuity trust. **Contractual obligations are backed by the claims-paying ability of The Lincoln National Life Insurance Company.**

Contracts sold in New York (contract form 09-612MYNY) 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.**

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



Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

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