

Public Policy Advocacy

Lincoln Financial¹ is engaged in discussion and debate on public policy issues that directly impact the financial services industry and our business at the local, state, and federal levels. We view this as an important part of our corporate responsibility to our customers, shareholders, employees, and the communities in which we live and work. Political spending is made to advance the best interests of the company and without regard to the personal political preferences of its executives.

This document describes the types of political contributions and activities made or carried out by Lincoln Financial and the Lincoln National Corporation Political Action Committee for calendar year 2015. The Lincoln National Corporation Board of Directors or one of its committees reviews this document annually.

LOBBYING

At the direction of management and under the supervision of the Legal Department, Lincoln Financial engages in lobbying activities at the state and federal levels on matters directly related to the financial services industry and our business.

Lincoln Financial employees and any retained outside parties who are registered as legislative lobbyists on behalf of the company comply with federal, state, or local requirements for tracking and reporting activities and related expenses involving public officials and their staffs. They are also expected to

- conduct their activities in a manner consistent with the highest ethical standards of practice and all applicable laws and
- comply with all federal, state, and local laws and company policies governing contacts with public officials and their staffs, including gift and entertainment restrictions.

Federal lobbying reports filed by Lincoln Financial in 2015 are available here: [Q1](#), [Q2](#), [Q3](#), and [Q4](#). Our state registered lobbying activity is generally limited to Indiana, which is the state of domicile for Lincoln National Corporation and many of its affiliated companies. Indiana state legislative lobbying reports are available [here](#). Lincoln Financial did not participate in registered lobbying in any other states in 2015.

¹ "Lincoln Financial" refers to Lincoln Financial Group, which is the marketing name for Lincoln National Corporation (NYSE:LNC) and its affiliates. Through its affiliated companies, Lincoln Financial Group offers: annuities; life, group life, disability and dental insurance; 401(k) and 403(b) plans; savings plans; and comprehensive financial planning and advisory services. For more information, including a copy of our most recent SEC reports containing our balance sheets, please visit www.LincolnFinancial.com.

POLITICAL CONTRIBUTIONS

Lincoln National Political Action Committee (LNCPAC)

Lincoln Financial sponsors LNCPAC to provide eligible employees a voice in the political process by providing a systematic method for collecting voluntary donations to be used for contributions to federal political candidates. Except for certain administrative expenses, LNCPAC is entirely funded from these voluntary contributions. LNCPAC is governed by an Approval Committee composed of

- the President and Chief Executive Officer of Lincoln National Corporation,
- the President of Annuity Solutions, Lincoln Financial Distributors, and Lincoln Financial Network,
- the President of Insurance and Retirement Solutions, and
- the Senior Vice President and Associate General Counsel responsible for government relations.

Most contribution recommendations come from Lincoln Financial's staff responsible for following industry issues, but recommendations submitted by LNCPAC members are also considered. Contribution recommendations are reviewed and approved by the Approval Committee.

LNCPAC limits its giving to federal congressional candidates and certain national life insurance trade association PACs in the form of PAC-to-PAC contributions.

LNCPAC does not make contributions based on any official actions by a federal candidate or office holder. Contribution recommendations may take into consideration

- Lincoln Financial's presence in a candidate's electoral district and
- a candidate's membership on a committee with jurisdiction over legislation that could impact Lincoln Financial.

Corporate Political Contributions

Lincoln Financial does not use corporate contributions to expressly advocate the election or defeat of a candidate. In rare instances, a direct corporate contribution might be made to a state or local candidate or in support or opposition of a state ballot initiative where permitted by law and as approved by senior management. Corporate contributions are made to a limited number of state trade association PACs where permitted by law and as approved by Legal Department.

Reporting Political Contributions

All political contributions – LNCPAC and corporate – are reported in accordance with applicable federal, state, and local laws. The Legal Department is responsible for overseeing compliance with these requirements.

Pay-to-Play Restrictions

Some employees are restricted from making donations to LNCPAC or from making personal contributions to federal, state, or local candidates in compliance with pay-to-play laws. The Legal Department is responsible for overseeing compliance with these requirements.

TRADE ASSOCIATIONS

Lincoln Financial is active in state and national trade associations in the business, financial services, insurance, and investment management areas. Participation in these organizations assists the company in understanding legislative and regulatory issues of importance to our businesses, and in many cases these organizations advocate positions with public officials on behalf of their membership.

The dues paid to these organizations are based generally on the company's premium volume of sales applicable to the jurisdictions that the trade association represents. Occasionally, the company might make payments in the form of contributions and assessments to support special projects and coalition activities. If so, those payments are included in the total dues calculation that follows.

2015 Payments to Trade Associations

(annual dues of \$20,000 or more)

Organization	Attributable to Lobbying	Total Dues
The American Council of Life Insurers	\$351,617	\$1,942,635
Life Insurance Council of New York	\$43,152	\$179,800
The Financial Services Roundtable	\$57,575	\$164,500
Investment Company Institute	\$11,942	\$155,088
US Chamber of Commerce	\$35,000	\$100,000
Insured Retirement Institute	\$13,050	\$87,000
Association of Indiana Life Insurance Companies	\$8,976	\$79,842
Association of California Life and Health Insurance Companies	\$10,970	\$73,130
Financial Services Institute	\$64,700	\$64,700
National Association of Dental Plans	\$10,115	\$29,320
MetroHartford Alliance	\$805	\$26,840
National Association of Plan Advisors	\$5,250	\$26,250
Insurance Federation of Pennsylvania	\$4,700	\$23,500
Association of National Advertisers	\$2,329	\$21,175
HR Policy Association	\$12,000	\$20,000

Non-deductible portion of dues computed pursuant to I.R.C. § 162 (e) and Treas. Reg. § 1.162.29.
Dues are reported in the year in which they are paid.

2015 POLITICAL SPENDING SUMMARY

	CORPORATE	LNC PAC
Federal Contributions		
Federal candidates	\$0	See http://docquery.fec.gov/cgi-bin/fecimg/?C00110577
Political parties	\$0	\$0
Federal member committees	\$0	\$0
Industry committees (or trade association PACs)	\$0	\$5,000 – ACLI PAC \$5,000 – IRI PAC
State Contributions		
State candidates	\$0	\$0
State trade association PACs	\$6,500 Association of California Life and Health Insurance Companies PAC \$2,500 Association of California Life & Health Insurance Companies Disability PAC \$5,000 Life Insurance Council of New York PAC	\$0
Other		
527 groups	\$0	\$0
Ballot initiatives	\$0	\$0
Independent political expenditures	\$0	\$0
Tax exempt organizations used for political purposes (e.g., 501(c)4s)	\$0	\$0