

# Public Policy Advocacy 2018

Lincoln Financial 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. Employees affirm that they have reviewed and complied with Lincoln Financial Group's political activity and political contributions policies as part of the company's annual [Code of Conduct](#) training.

This document describes the types of political contributions and activities made or carried out by Lincoln Financial and the Lincoln Financial Group Political Action Committee for calendar year 2018. The Lincoln National Corporation Board of Directors or one of its committees reviews and approves 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 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 2018 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 2018.

"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](http://www.LincolnFinancial.com).

### **Lincoln Financial Group Political Action Committee (LFGPAC)**

Lincoln Financial sponsors LFGPAC 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, LFGPAC is entirely funded from these voluntary contributions. LFGPAC is governed by an Approval Committee composed of

- the President and Chief Executive Officer of Lincoln National Corporation,
- the President of Annuities, Lincoln Financial Distributors and Lincoln Financial Network,
- the Chief Financial Officer and Head of Individual Life
- the General Counsel 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 LFGPAC members are also considered. Contribution recommendations are reviewed and approved by the Approval Committee.

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

LFGPAC 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.

Participation in LFGPAC is purely voluntary. No employee is favored or disadvantaged in employment by reason of the amount of their contribution or a decision not to contribute.

### **Corporate Political Contributions**

Lincoln Financial does not use corporate contributions to expressly advocate the election or defeat of a candidate. In 2018, Lincoln Financial did not contribute corporate funds to state or local candidates nor did it contribute to state or local ballot initiatives. Corporate contributions are made to a limited number of state trade association PACs where permitted by law and as approved by Legal Department. Such contributions are listed in the attached 2018 Political Spending chart.

### **Reporting Political Contributions**

All political contributions – LFGPAC 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 LFGPAC 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. Lincoln Financial makes reasonable efforts to obtain from U.S. trade associations whose annual membership dues exceed \$25,000 the portion of such dues that are used for lobbying. 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.

### 2018 Payments to Trade Associations

(annual dues of \$25,000 or more)

Organization	Attributable to Lobbying	Total Dues
American Council of Life Insurers	\$269,500	\$1,850,000
Business Roundtable	\$255,000	\$300,000
Life Insurance Council of New York	\$55,704	\$206,312
Investment Company Institute	--	\$179,052
U.S. Chamber of Commerce	\$25,000	\$100,000
Insured Retirement Institute	\$13,387	\$89,250
Association of California Life and Health Insurance Companies	\$4,936	\$82,261
American Society of Pension Professionals & Actuaries / National Association of Plan Advisors	\$14,229	\$71,145
Financial Services Institute	\$64,374	\$64,374
Association of Indiana Life Insurance Companies	\$7,078	\$58,984
National Association of Dental Plans	\$6,421	\$37,550
MetroHartford Alliance	\$403	\$26,840

Non-deductible portion of dues computed pursuant to I.R.C. § 162 (e), Treas. Reg. § 1.162.29.

## LINCOLN FINANCIAL GROUP PAC CONTRIBUTIONS IN 2018

	CANDIDATE		STATE	PARTY	AMOUNT
Rep.	Alma	Adams	NC	D	\$2,000
Rep.	Don	Bacon	NE	R	\$2,000
Rep.	Jim	Banks	IN	R	\$2,500
Rep.	Brendan	Boyle	PA	D	\$2,000
Rep.	Kevin	Brady	TX	R	\$2,500
Sen.	Sherrrod	Brown	OH	D	\$3,000
Rep.	Ted	Budd	NC	R	\$3,000
Sen.	Ben	Cardin	MD	D	\$1,000
Sen.	Bob	Casey	PA	D	\$6,000
Sen.	Susan	Collins	ME	R	\$1,000
Sen.	Mike	Crapo	ID	R	\$1,000
Rep.	Joe	Crowley	NY	D	\$2,000
Sen.	Deb	Fischer	NE	R	\$1,000
Rep.	Virginia	Foxx	NC	R	\$2,500
Rep.	Jim	Himes	CT	D	\$2,000
Sen.	Johnny	Isakson	GA	R	\$3,000
Rep.	Mike	Kelly	PA	R	\$5,000
Rep.	Ann	Kuster	NH	D	\$2,000
Rep.	John	Larson	CT	D	\$2,000
Sen.	Joe	Manchin	WV	D	\$2,000
Sen.	Claire	McCaskill	MO	D	\$3,000
Rep.	Gwen	Moore	WI	D	\$2,000
Rep.	Richard	Neal	MA	D	\$2,500
Rep.	Erik	Paulsen	MN	R	\$3,000
Sen.	Ben	Sasse	NE	R	\$3,000
Sen.	Tim	Scott	SC	R	\$2,000
Rep.	Terri	Sewell	AL	D	\$2,500
Sen.	Jeanne	Shaheen	NH	D	\$2,000
Rep.	Adrian	Smith	NE	R	\$2,500
Rep.	Steve	Stivers	OH	R	\$2,000
Sen.	Thom	Tillis	NC	R	\$1,000
Sen.	Pat	Toomey	PA	R	\$1,500
Rep.	Jackie	Walorski	IN	R	\$4,000

POLITICAL ACTION COMMITTEES	AMOUNT
American Council of Life Insurers PAC	\$5,000
Insured Retirement Institute PAC	\$2,500

## 2018 POLITICAL SPENDING

### STATE CONTRIBUTIONS

State candidates		\$0
State trade association PACs	Association of California Life and Health Insurance Companies PAC	\$7,300
	Life Insurance Council of New York PAC	\$5,000
	Association of California Life & Health Insurance Companies Disability PAC	\$1,000

### OTHER

527 groups		\$0
Ballot initiatives		\$0
Independent political expenditures		\$0
Tax exempt organizations used for political purposes (e.g., 501(c)4s)		\$0