

FIXED ANNUITIES

The Lincoln Leader

SEPTEMBER 24, 2021

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Lincoln OptiBlend® fixed indexed annuity – new indexed accounts featuring BlackRock global index BlackRock Dynamic Allocation Participation accounts now available

The 1 Year and 2 Year BlackRock Dynamic Allocation Participation accounts are now available with new *Lincoln OptiBlend*® fixed indexed annuity contracts.

These two new indexed accounts are tied to the performance of the BlackRock Dynamic Allocation Index. This index seeks to deliver diversified global multi-asset exposure via a combination of strategic and tactical insights, aiming to achieve a stable and consistent return profile.

Lincoln OptiBlend® fixed indexed annuity offers the following interest accounts:

- 1 Year Fixed Account
- 1 & 2 Year BlackRock Dynamic Allocation Participation
 - [BlackRock Dynamic Allocation Index](#)
- 1 Year Fidelity AIM Dividend Participation
 - [Fidelity AIM Dividend Index](#)
- [1 Year S&P 500 5% Daily Risk Control Spread](#)
- [1 Year S&P 500 Cap](#)
- [1 Year S&P 500 Participation](#)

The Fixed Indexed Annuity Product Reference Guide and an Indexed Account Q & A are available from LincolnFinancial.com/industry_professional (login required).

View the [Client Brochure](#) and the [5-Year](#), [7-Year](#) or [10-Year](#) product Fact Sheets reflecting the new indexed accounts, or [run an illustration](#) to learn more ([no](#) login required).

HEADLINES

[BlackRock indexed accounts added to *Lincoln OptiBlend*®](#)

[BlackRock index adds additional diversification](#)

[Pending Tool Enhancements](#)

[Updated Product Disclosures](#)

[Updated SPIA and DIA max premium and issue ages](#)

[Review rate lock procedures](#)

[NIGO tip– Owner info](#)

[Reminder: Fort Wayne address](#)

[NAIC training requirements: *newCT*](#)

[Contact information](#)

[Check out our current rates](#) or [run an illustration](#) (no login required).

Lincoln OptiBlend® indexed accounts offer diversification

New BlackRock Dynamic Allocation Index offers global view, other indices also available

The 1 & 2 Year BlackRock Dynamic Allocation Participation accounts available with new *Lincoln OptiBlend*® fixed indexed annuity contracts reflect performance tied to the BlackRock Dynamic Allocation index. This index provides a global allocation for your client’s portfolio offering an additional opportunity for diversification.

The other indices utilized by the indexed accounts within *Lincoln OptiBlend* annuities reflect a mostly domestic view.

To highlight the importance of diversification, our new flier, [Global allocation to help diversify your portfolio](#), takes a look at the cyclical nature of markets, and shows how an asset class that outperforms over a 10-year period might underperform over the next decade.

The chart below provides a brief description of the benchmark indices used by the *Lincoln OptiBlend*® indexed accounts.

| Indexed Account | Benchmark Index / Inception | Strategy / Ticker / Website Reference |
|--|---|---|
| 1 & 2 Year BlackRock Dynamic Allocation Participation | BlackRock Dynamic Allocation Index Excess Return Index; includes dividends July 30, 2021 | The index seeks to deliver diversified global multi-asset exposure via a combination of strategic and tactical insights, aiming to achieve a stable and consistent return profile. BDYALVCX BlackRock Dynamic Allocation Index |
| 1 Year Fidelity AIM Dividend Participation | Fidelity AIM® Dividend Index Excess Return Index; includes dividends July 31, 2019 | This is a rules-based index that employs a dynamic asset allocation approach that blends the characteristics of high dividend stocks with U.S. Treasuries which may help reduce volatility over time. FIDAIMDN http://go.fidelity.com/FADI |
| 1 Year S&P 500 5% Daily Risk Control Spread | S&P 500 Daily Risk Control 5% Index Total Return Index; includes dividends September 10, 2009 | This index represents allocations to the S&P 500 Index (Total Return) and an interest-earning cash component. The “5%” represents the volatility target of the index; the allocation to equity and cash is adjusted daily to maintain this target volatility. SPXT5UT https://us.spindices.com/indices/strategy/sp-500-daily-risk-control-5-usd-total-return-index |
| 1 Year S&P 500 Participation | S&P 500® Index Price Index; no dividends March 4, 1957 | This index is one of the leading measures of U.S large cap stocks. Severall: ^GSPC, SPX, INX https://us.spindices.com/indices/equity/sp-500 |
| 1 Year S&P 500 Cap | | |

Explore how a *Lincoln OptiBlend*® fixed indexed annuity can help your clients with their accumulation and asset allocation objectives.

For full product and index disclosures, please refer to the *Lincoln OptiBlend*® fixed indexed annuity [Fact Sheet](#).

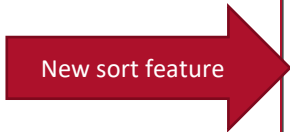
Improvements to the online pending business tool

Web tool enhancements effective September 24, 2021

Lincoln is excited to introduce more improvements to the pending business tool for registered users of LincolnFinancial.com. These updates address common requests from producers, making it easier for them to find, sort and address issues and ultimately process their business faster and easier than before.

Enhancements to the pending tool include:

- **Filter by line of business.** Pending business can now be sorted by life and/or annuity, giving reps the ability to filter down to the status indicators for the line of business(es) they have selected.
- **NIGOs are no longer “hidden” if the producer licensing is being verified.** If a contract is not in good order (NIGO) due to pending licensing verification, producers will now be able to view and address any underlying issues.
- **Updates to PDF and Excel exports.** The “Issue State” was added to the report, making it easier for searching and tracking. The format for the reports have been updated as well.



Pending business

Search

Line of business: Life Annuity

✓ All annuity statuses


— Select status

| | | |
|---|---|--|
| <input checked="" type="checkbox"/> All annuity statuses | <input checked="" type="checkbox"/> Free look | <input checked="" type="checkbox"/> Pending |
| <input checked="" type="checkbox"/> Await money | <input checked="" type="checkbox"/> Issued | <input checked="" type="checkbox"/> Received |
| <input checked="" type="checkbox"/> Cancelled after issue | <input checked="" type="checkbox"/> Nigo | <input checked="" type="checkbox"/> Returned |


Show accounts with outstanding requirements from selected statuses.

Client Last Name



 **ADD COMMENTS**
To resolve the following outstanding requirements, please enter information for each requirement individually.

The 'Application Questionnaire for Contracts Over One Million Dollars' form #28587-1 is required but not received. Please submit.—

 **ADD FILES**
To resolve the following outstanding requirements, please upload the corresponding files needed to resolve the requirements. You may upload the files individually or in one file. [View file requirements](#)

NAIC State Replacement Form (33503 or state specific version) is required, but was not received. Please submit completed form.—

Streamlined, consumer-friendly Product Disclosure Statements

Updated disclosures for fixed indexed annuity products coming in October

Beginning October 11, 2021, the new, enhanced Product Disclosure Statements will be available for new business. We have streamlined the Disclosure Statements and made them consistent between products and across most states.

Other enhancements include:

- Fewer pages with clear, concise language: in some instances, the Disclosure Statements have been condensed to 5 pages, down from 9 pages.
- The information is presented using tables, charts, and a sectional format, where possible.
- Clients can grasp the methods behind the indexed accounts without getting bogged down in the details and disclosures specific to the benchmark index.
- Clients can easily understand how to access the Account Value and any impacts of taking a withdrawal.

The new disclosures will be available in October for the following fixed indexed annuities (and other proprietary products) in all states except Idaho and New Jersey:

Lincoln OptiBlend®

Lincoln FlexAdvantage®

Lincoln Covered Choice® II

Lincoln Covered Choice® II Advisory

Lincoln Covered Choice®

Lincoln Covered Choice® Advisory

Lincoln Core Capital®

Lincoln OptiChoiceSM NY

We anticipate implementing the Idaho and New Jersey disclosure enhancements in December and updated Product Disclosure Statements for fixed annuities early next year.

The image displays several pages of Lincoln Financial Group's Product Disclosure Statements (PDS) for fixed indexed annuities. The documents are organized into sections:

- Lincoln OptiBlend® Flexible Premium Deferred Annuity with Indexed-Linked Interest Options:** This document includes sections on 'Key terms', 'Benefits', 'Wealth protection and growth potential', and 'What are my allocation options (Roth) and how do they work?'. It also features a table for 'Surrender Charge Periods for each Contract Year'.
- Lincoln Covered Choice® II:** This document includes sections on 'Key terms', 'Benefits', 'Wealth protection and growth potential', and 'What are my allocation options (Roth) and how do they work?'. It also features a table for 'Surrender Charge Periods for each Contract Year'.
- Lincoln Covered Choice® II Advisory:** This document includes sections on 'Key terms', 'Benefits', 'Wealth protection and growth potential', and 'What are my allocation options (Roth) and how do they work?'. It also features a table for 'Surrender Charge Periods for each Contract Year'.

The 'Surrender Charge Periods for each Contract Year' table shows the percentage of the account value that is subject to a surrender charge for each year of the contract. For example, for Lincoln OptiBlend, the surrender charge is 7% for the first year and decreases to 0% by the 10th year. For Lincoln Covered Choice II, the surrender charge is 7% for the first year and decreases to 0% by the 10th year. For Lincoln Covered Choice II Advisory, the surrender charge is 7% for the first year and decreases to 0% by the 10th year.

Updates to *Lincoln Insured Income*SM immediate annuity and *Lincoln Deferred Income Solutions*SM annuity issue requirements (reprint)

As of August 23, 2021

Maximum premium lowered to \$1M

The maximum premium limit is now **\$1M** (previously \$2M) for both *Lincoln Insured Income*SM single premium immediate annuity (SPIA) and *Lincoln Deferred Income Solutions*SM deferred income annuity (DIA).

Life only payout option - maximum issue age raised

The updated issue ages for “Life-only” payouts are as follows:

- | | |
|--------|---|
| • SPIA | Nonqualified and qualified: Ages 15 through age 80 |
| • DIA | Nonqualified, ROTH IRA and QLAC: Ages 18 through age 80 ; Qualified: Ages 18 through age 70 |

Reminder: review rate lock procedures prior to submitting new business

Rate lock may help during a time of fluctuating interest rates

Lincoln issues fixed indexed annuity contracts on the issue date following Individual Annuity Operation’s (Annuity New Business) receipt of all premiums and paperwork in good order. “Good order” means that all required forms are properly completed and signed and the agent is properly licensed and appointed. Paperwork not in good order (“NIGO”) will result in delays.

Check out what is needed to “lock-in” rates before a rate change. The Rate Lock Procedures for each product line are available from the Lincoln Forms Tool found on producer websites. Review the rate lock procedures for [fixed indexed annuities](#) (non-New York).

NIGO tip of the month

Owner Information — Section 3 on the Application

It is critical that the owner's information section be completed legibly and in its entirety, including the owner's Social Security number and date of birth. The client may prefer to use a P.O. Box; however, a physical address must be entered. Use the "Mailing Address" field to enter the P.O. Box.

Reminder: Fort Wayne Servicing Address Changed (reprint)

Confirm you are using the correct physical address for overnight mail

Please confirm/update your records to reflect the Lincoln servicing address:

Overnight Servicing Address (Updated)

Lincoln Financial Group
Individual Annuity Operations
1301 South Harrison Street
Fort Wayne, IN 46802-3425

Regular mailing address (No change)

Lincoln Financial Group
P.O. Box 2348
Fort Wayne, IN 46801-2348

We are in the process of updating all forms and collateral. During this transition period if the prior address has been used, the mail will still be delivered to Lincoln. Thank you for your attention to this matter.

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Fixed Annuity Lincoln Leader – September 2021

NAIC Annuity Transaction Model Reg – training required

Several states now require additional training; other states anticipated to follow

The NAIC has amended the Annuity Transaction Model Regulation to align with the best interest standard of care for annuity sales. As part of this Model Regulation, producers will need to complete additional training. Refer to the [Frequently Asked Questions](#) document for more information.

Producer training requirements for states who have adopted the 2020 NAIC Model

- **New annuity producers** are required to complete a four-credit training course that covers the new requirements.
- **Existing producers** who have previously completed a four-credit training are required to complete a new one-credit training course (a new four-credit course will also meet the requirement). Completion of this training is required within six months after the effective date of the Model Regulation in each state.
- **All Producers:** Product-specific training will continue to be a requirement for new and existing producers prior to solicitation of an annuity product.

Note: Where Lincoln is conducting the suitability review, the Acord 660 form or “Appendix A”, (“Insurance Agent (Producer) Disclosure For Annuities”) is required with the application in states that have adopted the new NAIC Model Regulation. If this form is missing from applications received after the Effective Date of that state’s adoption, the business will be deemed Not in Good Order (NIGO).

The new state-approved NAIC courses are currently available on vendor sites and will be accepted immediately.

Current state adoptions: new for Connecticut

The following states have recently adopted the revised NAIC Suitability in Annuity Transaction Model Regulation. Producers soliciting annuities in these states will need to complete the general annuity and product-specific training. State-specific requirements are shown below:

| State | Effective Date | General Annuity Deadline if licensed prior to effective date | General Annuity Deadline if NOT licensed prior to effective date | Product-specific (carrier training) deadline | Reciprocal |
|-----------------------|-----------------|--|--|--|------------|
| Alabama | 1/1/2022 | 6/30/2022 | Prior to Solicitation | Prior to Solicitation | Yes |
| Arkansas | 7/8/2021 | 1/1/2022 | 1/1/2022 | 1/1/2022 | Yes |
| Arizona | 1/1/2021 | 6/30/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Connecticut | 3/1/2022 | 8/31/2022 | Prior to Solicitation | Prior to Solicitation | Yes |
| Delaware | 8/1/2021 | 1/31/2022 | Prior to Solicitation | Prior to Solicitation | Yes |
| Idaho | 7/1/2021 | 12/31/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Iowa ¹ | 1/1/2021 | 6/30/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Maine | 1/1/2022 | 6/30/2022 | Prior to Solicitation | Prior to Solicitation | Yes |
| Michigan | 6/29/2021 | 12/29/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Montana ² | 10/1/2021 | 3/31/2022 | Prior to Solicitation | Prior to Solicitation | Yes |
| Nebraska ³ | 7/1/2021 | 12/31/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| North Dakota | 1/1/2022 | 6/30/2022 | Prior to Solicitation | Prior to Solicitation | Yes |
| Ohio | 2/14/2021 | 8/14/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Rhode Island | 4/1/2021 | 9/30/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Texas | 9/1/2021 | 12/31/2021 | Prior to Solicitation | Prior to Solicitation | Yes |
| Virginia | 9/1/2021 | 2/28/2022 | Prior to Solicitation | Prior to Solicitation | Yes |

¹ Iowa: Producers who intend to sell fixed and variable indexed annuities in Iowa will need to complete a four-credit indexed product training course.

² Montana: Requires producers to have securities license if recommending the distribution of a security (including a variable annuity).

³ Nebraska: Compliance Training Effective date, 7/1/2021. Regulation Effective Date, 1/1/2022.

Future state adoptions

The following states are pending adoption of the 2020 NAIC Model (others may follow): Kentucky, Maryland, and Pennsylvania.

The Annuity Education Requirements 50-State Chart includes this new requirement, and is available by logging onto LFD.COM > GUIDELINES AND EDUCATION > COMPLIANCE GUIDELINES. Updates will be published on a continual basis as states adopt the 2020 NAIC Suitability in Annuity Transaction Model Regulation.

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Looking for an article?

The Index of Articles for past issues of the Fixed Annuity Lincoln Leader can be found on the Lincoln Leader archive page of producer websites.

Products and features subject to [state availability](#).

Certain products are only available in select distribution channels. Check your selling agreement for availability.

| |
|---|
| 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 |

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Affiliates are separately responsible for their own financial and contractual obligations.

LCN-3778255-092021



Fixed annuity contact information

Sales Desk

Product questions/ Sales ideas/
Illustrations/ Website training
Operating hours: 8:00 a.m. – 7:00 p.m. ET

Annuity Sales Desk *Agent Use Only*

Sales Desk: 888-895-4830, Option 2
FixedAnnuitySales@LFD.com

Producer Solutions

Appointments/ Contracting/
Compensation
Operating hours: 8:00 a.m. – 6:00 p.m. ET

Appointments/Contracting

Call Center: 800-238-6252, Option 1, Option 2

New Contracting Paperwork Submission:

Contracting@LFG.com
Fax: 603-226-5311

NAIC Training Questions:
AskAnnuityNAIC@LFG.com

Appointment Status Updates:

LicensingStatus@LFG.com

Compensation

Call Center: 800-238-6252, Option 1, Option 1
Commissions@LFG.com

New Business and Post-Issue

Operating hours: 8:30 a.m. – 5:00 p.m. ET

FAX Numbers

New business: 260-455-0271 (fax)
Post-Issue: 260-455-0263 (fax)

Pre-Issue Good Order (GO) Team

Contact the appropriate New Business Case Coordinator

Forms Submission

AnnuityForms@LFG.com

Overnight Servicing Address

Lincoln Financial Group
Individual Annuity Operations
1301 S Harrison St., Ft. Wayne, IN 46802-3425

Servicing Address

Lincoln Financial Group
P.O. Box 2348
Fort Wayne, IN 46801-2348

Contact Centers

For agent/client use
Operating hours: 8:00 a.m. – 6:00 p.m. ET

Fixed and Fixed Indexed Annuity

888-916-4900

Lincoln Insured Income, Lincoln Deferred Income Solutions, Lincoln SmartIncome and annuitization:
800-487-1485 x8529

Lincoln Long-Term Care: 877-534-4636

Lincoln fixed, fixed indexed and income annuities are issued by The Lincoln National Life Insurance Company (Lincoln), 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 subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

Contracts sold in New York are issued by Lincoln Life & Annuity Company of New York (Lincoln), Syracuse, NY. **The contractual obligations are subject to the claims-paying ability of Lincoln Life & Annuity Company of New York.**