

# The Lincoln Leader

October 2, 2017 – Vol. 15, Issue 17

LIFE INSURANCE

## Coming Soon – *Lincoln LifeElements*® Level Term (2017) – 10/16/17

Effective October 16, 2017, Lincoln is pleased to announce pricing improvements to *Lincoln LifeElements*® Level Term (2017) which will improve competitiveness in key cells at ages 45 and above with face amounts of \$500,000 and above. Premiums either decreased or remained the same in all cells.

### Highlights

Goals of the repricing include being a “top 3 carrier” with premiums reduced in 45% of the following core cells:

- \$1 million of death benefit at ages 45+ for all term periods
- \$500,000 of death benefit at ages 45+ for 15/20/30 year term periods
- \$500,000 of death benefit at ages 55+ for 10 year term period

### Transition Guidelines

For states that are approved at rollout, there is a 60-day transition period which will **begin on October 16, 2017 and end on December 15, 2017**. The 2017 product has not been filed at this time in Alaska, Massachusetts, and New York since they have not approved the use of PBR/2017 CSO.

- **New applications received on or after October 16, 2017 and applications currently in underwriting that will be issued on or after October 16, 2017** will automatically receive the new *Lincoln LifeElements*® Level Term (2017) – 10/16/17 lower premiums, if applicable. A request to use the lower rates will not be required. If the application had been submitted with premium using the previously higher rates, the difference will be automatically refunded.
- **Beginning December 18, 2017**, the new *Lincoln LifeElements*® Level Term (2017) – 10/16/17 rates will automatically be used for all cases.
- **For policies already issued**, Lincoln will accept a written request to change to the *Lincoln LifeElements*® Level Term (2017) – 10/16/17 rates.
- **For policies already placed**, Lincoln will not allow rewrites to the *Lincoln LifeElements*® Level Term (2017) – 10/16/17 rates.
- **For LincXpress® Tele-App Cases**, a complete ticket and required solicitation forms\* must be received within the same transition rules outlined above.
- **For states approved after rollout**, the above will automatically apply based on the **availability date**.

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**\*Required *LincXpress*® Tele-App solicitation forms include:**

- *LincXpress*® Tele-App Ticket (LF11252)
- Authorization for Release of Information (HIPAA) (LF02896 or state variations)
- Important Notice: Replacement of Life Insurance or Annuities (LF10087 or state variations) must be signed on or before the earliest signed form in the ticket packet and is needed whether replacing or not replacing.
- Receipt of Privacy Practices Notice and Important Notice Acknowledgment Form (LF10244)
- Agent's Report (LF10971)—Completed and signed by agent only

**Illustration Availability**

Illustrations for *Lincoln LifeElements*® Level Term (2017) – 10/16/17 will be run on the *Lincoln DesignIt*™ *Illustration System* (v39.0). If you have an active internet connection, the software will automatically update to include the new rates on October 16, 2017. If you need to download the *Lincoln DesignIt*™ illustration system, it will be available on the Lincoln producer websites or from Field Office Technicians.

**Available Riders**

The following riders are available on all versions of *Lincoln LifeElements*® Level Term:

- Accelerated Death Benefit Rider
- Children's Term Insurance Rider
- Waiver of Premium Rider

**Coming Soon – *Lincoln TermAccel*® – 10/16/17 (Electronic Ticket Submission Required)**

Effective October 16, 2017, Lincoln is pleased to announce pricing improvements to *Lincoln TermAccel*® which will improve competitiveness in key cells. Premiums either decreased or remained the same in all cells.

Our commitment to strong pricing, combined with a fast and easy end-to-end electronic process with **No APS** and the potential for **Lab-Free Underwriting** is why over 450 agencies have already chosen *Lincoln TermAccel*® for their clients. Getting started is simple and our *Onboarding Specialists* are ready to help, because planning for the next generation deserves a next generation product experience.

**Highlights**

- Goals of the reprice include being a “top 3 carrier” for preferred and standard non-tobacco classes at \$250,000 - \$500,000 of death benefit at ages 30-50 with first place position in many cells.
- Have question? **Click here** to reference the comprehensive TermAccel Frequently Asked Questions document – it is also available via the Lincoln producer websites under TermAccel/Product Details.

## Transition Rules

For states that are approved at rollout, there will be a 60-day transition period which begins on **October 16, 2017 and ends December 15, 2017**. *Lincoln TermAccel*® is not available in New York.

- **New applications received on or after October 16, 2017 and applications currently in underwriting that will be issued on or after October 16, 2017** will automatically receive the new lower premiums if applicable. A request to use the lower rates will not be required. If the application had been submitted with premium using the previously higher rates, the difference will be automatically refunded.
- **Beginning December 18, 2017**, the new *Lincoln TermAccel*® – 10/16/17 reprice will automatically be used for all cases.
- **For policies already issued**, Lincoln will accept a written request to change to the *Lincoln TermAccel*® – 10/16/17 rates.
- **For policies already placed**, Lincoln will not allow rewrites to the new *Lincoln TermAccel*® – 10/16/17 rates.
- For **states approved after rollout**, the above will automatically apply based on the **availability date**.

## Illustration Availability

Illustrations for *Lincoln TermAccel*® - 10/16/17 will be run on the *Lincoln DesignIt*™ Illustration System (v39.0). If you have an active internet connection, the software will automatically update to include the new rates on October 16, 2017. If you need to download the *Lincoln DesignIt*™ Illustration System, it will be available on the Lincoln producer websites or from Field Office Technicians.

## Available Riders

The following riders are available on all versions of *Lincoln TermAccel*®:

- Accelerated Death Benefit Rider
- Children's Term Insurance Rider
- Waiver of Premium Rider

## *Lincoln MoneyGuard*® II – Introducing Expanded Payment Options and Pricing Changes in California and Hawaii

Effective November 20, 2017, *Lincoln MoneyGuard*® II will be introducing expanded payment options and pricing changes for new sales of the product in California and Hawaii.

## Background

Lincoln has a long-standing commitment to helping you protect client wealth from long-term care expenses with innovative solutions appropriately priced for market conditions.

Upholding this commitment means creating new opportunities for our partners to grow their business and reach new customers. It also requires us to proactively manage our business in today's persistently low interest rate environment. To achieve this balance, Lincoln makes fair and responsible adjustments when appropriate to provide value to our policy owners, partners and shareholders, and operate responsibly for the long-term.

Market conditions have been challenging, yet *Lincoln MoneyGuard*® continues to grow. This is because we are committed to being able to offer your clients a flexible product that offers benefit and payment options that fit their specific needs.

## Product Change Highlights

### Expanded Payment Options

Due to customer demand, we are expanding our payment options to provide more financial flexibility to clients. Our new expanded payment options will give clients greater flexibility to purchase a policy at an earlier age and spread their payments over a longer period of time.

Listed below is the availability for the new expanded payment options;

- Clients ages 40 to 54 will now have the option to fund up to age 65, potentially for as long as 25 years.
- Clients between the ages of 55 and 72 will continue to have a choice of payment options up to 10 years.
- Clients between the ages of 73 and 79 will have a new schedule of payment options. Starting at age 73, clients can choose options up to 9 years, grading down by one year at each subsequent age, to 3 years of payments at age 79.
- Single premium payment options are still available.

### Pricing Change

The pricing changes identified below were made following a thorough and in-depth analysis of all factors influencing pricing, including those related to the persistently low interest rates. These are the first pricing changes since the product was introduced in early 2014 and will result in a pricing increase or decrease, depending on each client's specific situation.

- Overall, the pricing is increasing by an average of 10%
- In our core markets:
  - Single pay premium rates will increase by a range of 2% to 11% with an average increase of 10%
  - Flexible premium rates will increase by a range of 8% to 18% with an average increase of 14%

At certain ages, this pricing adjustment may alter the benefit level or rider combinations available for sale. For situations where rider/inflation combinations are no longer available, there are alternative options. Contact your Lincoln wholesaler to learn more.

Existing policy owners are not affected, because one of the product's unique benefits is that all rates and charges are fully guaranteed, assuming all premiums are paid as scheduled and no loans or withdrawals are taken for the life of the policy.

*Lincoln MoneyGuard®* insurance continues to be the competitively priced life/long-term care hybrid solution that provides clients benefits even if they never need long-term care.

### **Transition Guidelines**

Reflected below are the Transition Guidelines for this rollout:

- For applications to qualify for the current *Lincoln MoneyGuard®* II (2015) pricing:
  - **California:** The fully completed Part 1 for *Lincoln MoneyGuard®* II (2015) and Ticket must be signed, dated, and received in good order by Lincoln's home office by November 17, 2017, 11:59 PM EST.
  - **Hawaii:** The completed ticket and one other required point of sale form for *Lincoln MoneyGuard®* II (2015) must be signed, dated, and received in good order by Lincoln's home office by November 17, 2017, 11:59 PM EST.
- For pending business, after November 17, 2017 Lincoln will accept a written request and a revised projection of values to change to *Lincoln MoneyGuard®* II (2017).
- For issued or placed business, normal internal replacement guidelines apply. Rewrites will not be accepted.

- As a reminder, the standard *MoneyGuard*® Rules are: Once a ticket is submitted, the Personal History Interview (PHI) must be completed within 60 days of submission. In addition, the case must be placed within 90 days of the PHI (unless medical records are required). If these conditions are not met, the case will be closed out. If a case is reopened, a new ticket must be submitted, and the case will be subject to the premium rates in effect at that time.
- Advisors who are not properly credentialed (licensing/appointment/etc.) to solicit business when the paperwork is submitted will be subject to the premium rates in effect on the date when the advisor becomes properly credentialed and resubmits the paperwork.

### Illustration Availability

**Effective October 16, 2017**, the Lincoln DesignIt<sup>SM</sup> (version 38.0E) and WinFlex Illustration systems will be updated to reflect the new rates. During the transition period both current and new rates can be run. However, no tickets for *Lincoln MoneyGuard*® II (2017) may be received prior to November 20, 2017.

This grid summarizes the key transition dates for the remaining states. **All other states have already transitioned to the *MoneyGuard* II (2017) product.**

<i>State*</i>	<i>DesignIt Release Date for MoneyGuard II (2017)</i>	<i>Transition Cutoff Date for MoneyGuard II (2015)</i>	<i>MoneyGuard II (2017) Product Availability</i>
California and Hawaii	October 16, 2017	<b>November 17, 2017</b>	<b>November 20, 2017</b>

\*New York has not been filed with the State

## ***Lincoln MoneyGuard*® II – Introducing Expanded Payment Options and Pricing Changes in Montana**

Effective October 2, 2017, *Lincoln MoneyGuard*® II is introducing expanded payment options and pricing changes for new sales of the product, in Montana.

### Transition Guidelines

Reflected below are the Transition Guidelines for the state of Montana.

As previously announced on August 14, 2017, for applications to qualify for the *Lincoln MoneyGuard*® II (2015) pricing, the completed ticket and one other required point of sale form for *Lincoln MoneyGuard*® II (2015) needed to be signed, dated, and received in good order by Lincoln's home office by September 29, 2017 by 6:00 pm EST.

- For pending business, after September 29, 2017 Lincoln will accept a written request and a revised projection of values to change to *Lincoln MoneyGuard*® II (2017).
- For issued or placed business, normal internal replacement guidelines apply. Rewrites will not be accepted.

### Illustration Availability

The *Lincoln DesignIt*<sup>SM</sup> and WinFlex Illustration systems have been updated to reflect the new rates. During the transition period both current and new rates could be run. As of October 2, 2017, for Montana, only tickets may be received for the new *Lincoln MoneyGuard*® II (2017) pricing. **Click here** to view the current state availability grid.

### Technical Reference Materials

The following materials are available on the Lincoln producer websites. Click on the title of the piece to view the online version.

Product Reference Guide	<i>Lincoln MoneyGuard®</i> (2017)
FAQ	<i>Lincoln MoneyGuard®</i> (2017)
Side-by-side Comparison	<i>Lincoln MoneyGuard®</i> II (2017) vs (2015)
Specimen Contracts	State versions available on your Lincoln Producer Website, under Product Details tab, Specimen Contracts (on the side bar in the Resource box)

### Marketing Materials for use in Montana

All marketing materials are available for order or download from the Lincoln Fulfillment Center.

Client Materials for use in Montana	
Client Brochure	MGR-CLT2-BRC013
Client Product Guide	MGRCLT2-BRC012
Client Seminar	MGR-CLT2PPT007
Flex Pay Client Profile	MGR-CLT2-FLI004
Single Pay Client Profile	MGR-CLT2-FLI005
Advisor material	
Advisor Guide	MGR-ADV2-BRC006
Advisor PPT	MGR-ADV2-PPT006
Leverage Chart	MGR-ADV2-FLI007
Quadrant Flier	MGR-QUAD-FLI004

### Form update

The Outline of Coverage has been updated. In Montana, please use the following form:

MGF10655-30	Outline of Coverage-MT	MoneyGuard II: MT
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## 2017 End of Year Commitment and Guidelines

Lincoln's Underwriting & New Business department is committed to helping you meet your year-end goals and objectives. Our focus is to ensure the maximum amount of your business is placed by close of business on December 29, 2017. To assist in placing year end business we encourage you to submit outstanding requirements as early in December as possible.

### Helpful Hints & Reminders

- Always include special instructions on a cover sheet.
- Complete application and applicable forms in their entirety and remember to include the agent's page with agent code to be used for placement.
- Please use the latest state version of the application and forms that can be obtained on our website.
- Remember to get signatures and dates on all forms. Trust/Corporate owned policies do require that the trustee/officer sign with their title.
- Include in good order EFT forms for all bank draft cases and note on the coversheet if the first premium will be drafted.
- Initial premium checks to place your business must be received in New Business by the closing dates shown below to make commission cutoff and to earn production credit for 2017 reporting.
- Ordering medical requirements up front saves significant processing time.
- **Utilizing Lincoln's "eApp", "eDelivery" and "LincXpress" will help expedite processing from submission to placement. (LincXpress can be used for New Business only – not applicable for Internal Exchanges).**
- Suitability review for VUL can take time. Send all VUL forms through your OBD or LFSC rep for suitability review as soon as possible.
- **Overnight Guidelines for 1035 proceeds:** Beginning on 10/2/2017, any 1035 exchange that has a target premium of \$5K+ and/or expected 1035 proceeds of \$10K+ will be requested to overnight the check to Lincoln.
- **1035 Follow-Up Calls:** Initial calls will be made 2 to 3 business days after exchange has been initiated. Follow-up calls will be made every 1 to 2 weeks (based on carrier) on initiated cases that are in good order.

### Calendar of Key Dates

- **November 1 – Submit end of year 1035 exchange applications to allow for underwriting and retrieval of 1035 funds**  
(subject to losing carrier turn-around times).
- **November 23 – Thanksgiving Holiday (Company Holiday)**
- **December 1 – Submit new applications, tickets and paperwork in good order by this date to allow enough time to underwrite and obtain documents to place for year-end closing (excludes 1035 exchanges)**
- **December 25 – Christmas Holiday (Company Holiday)**
- **December 27 – To ensure placement of your policy, premium and delivery requirements should be submitted in good order by this date.**

\*Special Note: We will work a full business day on 12/29/17 to support your business needs.



# Lincoln's Newly Redesigned Indexed Universal Life (IUL) Annual Statements

Lincoln is committed to continuously improving the end-to-end experience we deliver to our customers; including the way we communicate with policy owners and partners, and helping customers manage their accounts.

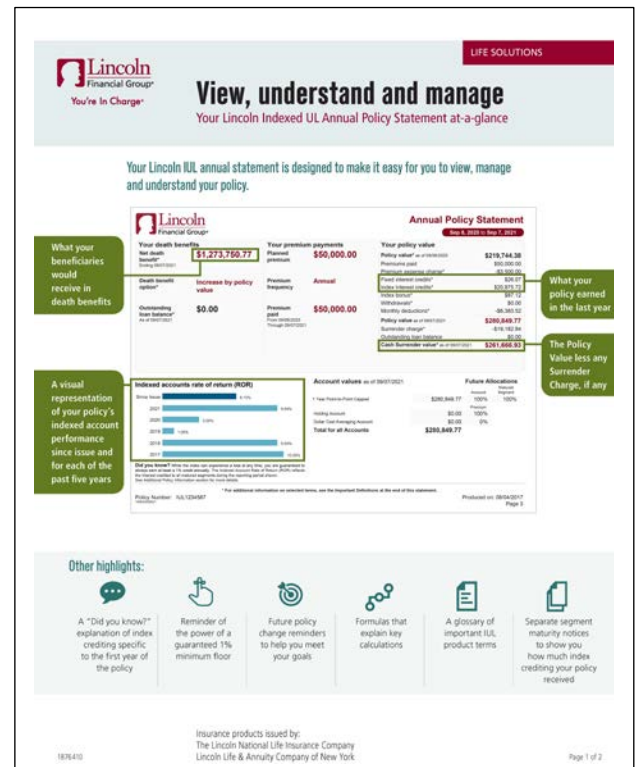
Today Lincoln is introducing redesigned Indexed Universal Life annual statements that make it easier for policy owners and their advisors to **view, understand** and **manage** their policy.

## Key enhancements helping Clients and Advisors:

- **View Policy and Account Information**
  - New Summary page that provides a consolidated, easy to navigate view of the most critical policy and account information such as policy value and death benefits
  - New visual representation of past indexed account performance
  - Statements printed double sided to reduce environmental impact and increase ease of storage
- **Understand Policy and Account Information**
  - Eye-catching 'Did You Know' explanation of the first index interest credit
  - Addition of formulas explaining key calculations including, Index Interest Credits and Ending Segment Value
  - Placed emphasis on our guaranteed one percent minimum crediting rate, which is a differentiator in the marketplace
  - New Glossary containing important IUL product terms and definitions
- **Manage Policy and Account Information**
  - Updated Segment Maturity Notices to more clearly show owners and agents how much index crediting the policy received and the formula that was used to determine the amount
  - Addition of Future Policy Change Reminders to help clients meet original policy goals and objectives

The redesigned IUL statements will be rolled out throughout the fourth quarter of 2017 in a phased approach across the following key Lincoln IUL products:

- *Lincoln WealthAdvantage®* Indexed UL
- *Lincoln LifeReserve®* Indexed UL Accumulator
- *Lincoln LifeReserve®* Indexed UL Accumulator (2014)
- *Lincoln WealthPreserve®* Survivorship IUL
- *Lincoln LifeElements®* Indexed UL
- *Lincoln LifeReserve®* Indexed UL Protector



Use the new Lincoln Indexed UL Annual Policy Statement at-a-glance marketing piece to view and understand the updates! <https://fulfillment.lfg.com/servepdf.aspx?sku=IUL-STMT-FLI001>

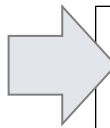


## Updated 4506T-EZ form

Effective September 29, 2017, the vendor responsible for providing tax information when required by Lincoln is changing from LexisNexis to EMSI. While there will be very limited impact to our application process, this change will require an update to the 4506T-EZ form. As a result, all 4506T-EZ forms received on or after September 29, 2017 must be the new version (Rev. 7-2017). Any forms received indicating the prior vendor, LexisNexis, will require your Underwriting and New Business Teams to obtain the correct form to process the Tax Return order.

The updated 4506T-EZ form will be available on the Lincoln Forms Tool on Sunday, September 30, 2017 and on external vendors starting on October 7, 2017 (including Quikforms, Docupace, Laserapp, and Policy Genius).

**Click [here](#)** to view the new form.



Form **4506T-EZ** (July 2017) **Short Form Request for Individual Tax Return Transcript** OMB No. 1545-0104

Department of the Treasury  
Internal Revenue Service

► Request may not be processed if the form is incomplete or illegible.  
► For more information about Form 4506T-EZ, visit [www.irs.gov/forms4506ez](http://www.irs.gov/forms4506ez).

**Tip.** Use Form 4506T-EZ to order a 1040 series tax return transcript free of charge, or you can quickly request transcripts by using our automated self-help service tools. Please visit us at [irs.gov](http://irs.gov) and click on "Get Transcript of Your Tax Records" under "Tools" or call 1-800-908-8946.

**1a** Name shown on tax return. If a joint return, enter the name shown first.

**1b** First social security number or individual taxpayer identification number on tax return.

**2a** If a joint return, enter spouse's name shown on tax return.

**2b** Second social security number or individual taxpayer identification number if joint tax return.

**3** Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)

**4** Previous address shown on the last return filed if different from line 3 (see instructions)

**5** If the transcript is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.

Third party name \_\_\_\_\_ Telephone number \_\_\_\_\_

NCS TRV PROCESSING

Address (including apt., room, or suite no.), city, state, and ZIP code  
P.O. BOX 321, EGG HARBOR CITY, NJ 08215 800-582-7066

**Caution.** If the tax transcript is being mailed to a third party, ensure that you have filled in line 5 before signing. Sign and date the form once you have filled in this line. Completing this step helps to protect your privacy. Once the IRS discloses your IRS transcript to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your transcript information, you can specify this limitation in your written agreement with the third party.

**6** Year(s) requested. Enter the year(s) of the return transcript you are requesting (for example, "2008"). Most requests will be processed within 10 business days.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Note.** If the IRS is unable to locate a return that matches the taxpayer identity information provided above, or if IRS records indicate that the return has not been filed, the IRS will notify you or the third party that it was unable to locate a return, or that a return was not filed, whichever is applicable.

**Caution.** Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am the taxpayer whose name is shown on either line 1a or 2a. If the request applies to a joint return, either spouse must sign. **Note:** This form must be received by IRS within 120 days of the signature date.

☐ Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506T-EZ. See instructions.

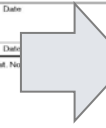
Phone number of taxpayer on line 1a or 2a \_\_\_\_\_

**Sign Here** Signature (see instructions) \_\_\_\_\_ Date \_\_\_\_\_

Spouse's signature \_\_\_\_\_ Date \_\_\_\_\_

For Privacy Act and Paperwork Reduction Act Notice, see page 2. Cat. No. \_\_\_\_\_

Form **4506T-EZ** (Rev. 7-2017)



# State Approvals

**Lincoln *MoneyGuard II* (2017) now available in: Montana**

**[View State Availability Grids](#)**

Products and features subject to state availability. Guarantees are subject to the financial strength of the insurer. Lincoln Financial Group is the marketing name for The Lincoln National Corporation and its affiliates.

Insurance policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. **The Lincoln National Life Insurance Company (Lincoln) 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.**

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

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.

**Variable products are sold by prospectus. For more information about the variable products, including fees and charges, refer to the prospectus. Variable products are distributed by Lincoln Financial Distributors and offered through broker dealers with effective selling agreements.**

Only registered representatives can sell variable products.

**[View index of past Lincoln Life Leader articles](#)**

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