

The Lincoln Leader

July 1, 2019 – Vol. 17 Issue 13

Coming Soon – Continued PBR/2017 CSO Product Updates

In preparation for the upcoming regulation changes to Principle-Based Reserving (PBR) and the 2017 Commissioner's Standard Ordinary (CSO) Table, Lincoln continues to update our product portfolio. Please see the following product announcements:

- *Lincoln LifeGuarantee*® UL (2019) – please see next full article
- 2019 Term Portfolio
- *Lincoln Conversion*SM UL (2019)

We look forward to providing you with more product detail, including complete transition rules, in the individual product launch announcements on July 15, 2019.

2019 Term Portfolio

Effective July 15, 2019, subject to state approval, Lincoln will introduce the 2019 product generation of our term portfolio.

- *Lincoln LifeElements*® Level Term (2019) – Nationwide
- *Lincoln LifeElements*® Level Term (2019) – New York
- *Lincoln TermAccel*® Level Term (2019) – Nationwide (not available in New York)

The 2019 product generation includes more consistency across contract language and new structural enhancements that support our ability to maintain competitiveness in our core markets.

All 2019 term products are PBR and 2017 CSO compliant. *Lincoln LifeElements*® Level Term (2017) was previously compliant but has been updated for consistency and to take advantage of the structural enhancements mentioned above.

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Lincoln MoneyGuard® II Underwriting Expansion, Limited Time Only – REPRINT

Lincoln MoneyGuard® Reserve New York product and illustration updates – Effective June 24, 2019 – REPRINT

PBR/2017 CSO Client Disclosure and Compliant Product Indicators – REPRINT

Lincoln ConversionSM UL (2019)

Effective July 15, 2019, Lincoln will introduce *Lincoln ConversionSM UL (2019)*. This current assumption universal life product fulfills contractual obligations for conversions. In most cases, this product continues to be the only conversion option available for policyholders with a term product introduced prior to April 2007*. The 2019 generation will not be available in New York.

- The 2019 product generation is PBR and 2017 CSO compliant.
- Consistent with the original generation, *Lincoln Conversion ULSM (2019)* will be offered at a similar price that reflects the anticipated mortality risk of converted policies based on today's pricing and risk-management standards.
- This will be the first time that a version of Conversion UL will be available in Massachusetts (MA). As a reminder, because the previous generation of Conversion UL was not available in MA, the state has had access to the full product portfolio in all years. That will no longer be the case with the approval of *Lincoln ConversionSM UL (2019)*.
- The currently sold generation of *Lincoln ConversionSM UL* in New York is already PBR and 2017 compliant.

*Full product portfolio will continue to be available when required by applicable policy language, Lincoln's relationship with the original issuer, or for consistency across smaller blocks of business. Please refer to Lincoln's Term Conversion Guidelines for further details on current term conversion product availability and commissions.

Closing to New Sales: Lincoln LifeElements[®] Level Term with Conversion Products Enhancement (CPE)

Due to low usage, Lincoln is closing *Lincoln LifeElements* with CPE to new sales in all states. CPE is a term product offering, which allows for conversion to the full product portfolio during the entire conversion period for a higher premium.

Formal applications for *Lincoln LifeElements* with CPE must be received in good order in Lincoln's home office by September 13, 2019 and placed with premium by December 31, 2019 to qualify.

Closing to New Sales: Lincoln LifeReserve[®] UL

Due to low usage and the introduction of *Lincoln ConversionSM UL (2019)*, Lincoln is closing *Lincoln LifeReserve[®] UL (2009)* to new sales. *Lincoln LifeReserve[®] UL (2009)* is a current assumption UL product that is primarily utilized for group conversion due to its low face, high age product offering. Those product features have been incorporated into the *Lincoln ConversionSM UL (2019)*. The other key features of *Lincoln LifeReserve[®] UL (2009)* are found within other life product portfolio offerings.

Formal applications for *Lincoln LifeReserve[®] UL (2009)* must be received in good order in Lincoln's home office by September 13, 2019 and placed with premium by December 31, 2019 to qualify.

Coming Soon – Lincoln LifeGuarantee® UL (2019) – 07/15/19

Guaranteed death benefit protection up to lifetime that is affordable and flexible

Effective July 15, 2019, The Lincoln National Life Insurance Company (Lincoln) will introduce its latest updates to its single life guaranteed UL product, *Lincoln LifeGuarantee® UL (2019)*. This product replaces the existing *Lincoln LifeGuarantee® UL* products with the focus of maintaining a consistent leadership position in level pay designs while complying with Principle-Based Reserving (PBR) and 2017 Commissioner's Standard Ordinary (CSO) Table.

This product will not be made available in New York.

Product Highlights

- **Competitive level-pay premiums for those ages 55 and above**
 - Now more competitive at shorter duration guarantees
- **New CPG Options**
 - Two distinct options for customized coverage durations based on client need
 - Elected at issue and cannot be changed
- **NEW! Return of Premium Rider***
 - Available at issue for an additional cost, gives the option to have up to 100% of premiums returned at certain points in the policy should needs change
- **The Minimum Death Benefit Endorsement** has been made part of the base policy

* The ROP Rider may also be referred to as Periodic Access Enhanced Surrender Value Rider in some states.

Product Updates

NEW! CPG Options

This product allows for the election of the Coverage Protection Guarantee Option (CPG Option) that best suits the insured's insurance needs and reflects the length of time they plan to keep the CPG in effect. The CPG Option determines the factors used to calculate the Coverage Protection Value and once elected at issue, it cannot be changed.

While both CPG Options can keep the policy in force until the insured's Attained Age 121, the premium payments required differ:

- The Lifetime Option is designed for those who plan to keep the Coverage Protection Guarantee in effect for a longer period of time (Over age 90), up to the Insured's Attained Age 121. This Option uses higher charges in the early Policy Years and lower charges in the later Policy Years.
- The Custom Option is designed for those who plan to keep Coverage Protection Guarantee in effect for a shorter period of time (Age 90 and below). This option uses lower charges in the early Policy Years and higher charges in the later Policy Years. If needs of the policyowner were to change, substantially higher premium payments will be required to keep the Coverage Protection Guarantee in effect longer.

Pricing Updates

- Competitive level-pay premiums for those ages 55 and above
 - Continued competitive positioning for lifetime guarantee scenarios
 - Increased competitiveness down to age 55
 - New competitiveness in shorter guarantee durations
 - Competitive guaranteed premiums to age 105 for Lifetime Option
 - Competitive guaranteed premiums to age 90 and below for Custom Option
- External rollover loans are not commissionable
- The CPG Funding Level Test has been removed

NEW! Return of Premium (ROP) Rider*

The Return of Premium Rider, available at issue for an additional charge, provides the opportunity to fully surrender a policy during a rider benefit period and receive up to 100% of premiums paid. The ROP Rider minimum cash surrender value is available during a 90-day period following the 15th, 20th, and 25th policy anniversary. If exercised, the benefit amount will be the greater of

1. the cash surrender value or
2. the lesser of
 - a. 40% of the base policy specified amount at the time of full surrender, reduced by any benefits paid under any accelerated benefits rider, or
 - b. the sum of all premiums paid minus any premium refunded to you multiplied by the applicable benefit period percentage:
 - 50% at the 15th policy anniversary, or
 - 100% at the 20th policy anniversary, or
 - 100% at the 25th policy anniversary, andreduced by any benefits paid under any accelerated benefits rider

The ROP Rider will not be available with the Custom CPG Option. Adding the rider will increase target premiums.

* The ROP Rider may also be referred to as Periodic Access Enhanced Surrender Value Rider in some states.

Availability and Transition Guidelines

Lincoln LifeGuarantee® UL (2019) is replacing *Lincoln LifeGuarantee*® UL (2013) – all versions and *Lincoln LifeGuarantee*® UL (2012) in Puerto Rico.

Due to the number of carriers and products undergoing updates to comply with PBR / 2017 CSO throughout the industry, an extended transition period is being provided to minimize business disruption.

For states that are approved at rollout, the transition period will end on **November 1, 2019**.

- **For the old product**, formal applications must be signed, dated and received in good order in Lincoln's home office by the end of the transition period to qualify.
For LincXpress® Tele-App Cases, a complete ticket and required solicitation forms must be received.
- **For pending business or policies already issued**, Lincoln will accept a written request and a revised illustration to change to the *LifeGuarantee*® UL (2019)
- **For policies already placed**, normal internal replacement guidelines apply. Rewrites will not be allowed.
- **For states approved after rollout**, the transition period will be communicated with the availability date.

Available Riders

The following riders are available on *Lincoln LifeGuarantee*[®] UL (2019):

- Accelerated Benefits Rider (with critical illness benefit)^{2,3,4} (J-387)
- Accelerated Benefits Rider (without critical illness)^{2,3,4} (J-388)
- *Lincoln Care Coverage*[®] Accelerated Benefits Rider^{1, ^} (ICC18LTC-7050)
- *Lincoln LifeAssure*[®] Accelerated Benefits Rider² (ABR-7044/ICC15ABR-7044)
- *Lincoln LifeEnhance*[®] Accelerated Benefits Rider^{1,*} (ABR-7001/ICC15ABR-7001)
- Children's Term Insurance Rider^{1,3,4} (CTR-7036)
- Disability Waiver of Monthly Deductions Benefit Rider^{1,4} (J-371)
- Return of Premium Rider^{1,3,4, ^} (ICCROPR-7070/ROPR-7070)
- Supplemental Term Insurance Rider on Primary Insured¹ (PITR-7037)
- Supplemental Term Insurance Rider on Other Insured¹ (OITR-7038)

¹ There is an additional charge for this rider.

² There is no charge for this rider until exercised.

³ Available with Guaranteed Issue

⁴ Available with Simplified Issue

[^] Not available with Custom CPG Option

*CCABR replaces *Lincoln LifeEnhance*[®] Accelerated Benefits Rider in approved states.

Pending Case Enhancements

Life Insurance and Lincoln *MoneyGuard*®

Beginning in July, partners will experience new enhancements to receiving status on their pending life and Lincoln *MoneyGuard*® cases. These changes are based on feedback received directly from our partners and will continue to drive efficiencies and improve the Underwriting and New Business pending experience:

- **July 15, 2019 | Faster Status Change Email Notification**
- **August 5, 2019 | Improved Policy Details**

For other recent enhancements and to learn more about the capabilities of the self-service pending website, [click here](#).

Faster Notification of a Status Change

Lincoln is enhancing the timing in which partners will receive an email notification for a status change on their pending policy. Beginning July 15, 2019, email notifications will be sent **within 1 hour** of the status change. This enhancement provides a more real-time experience, significantly improving the previous process of overnight automated emails.

Case status changes that will generate an email notification include, but are not limited to:

- New Case Acknowledgement & Policy Number
- Quote
- Approved
- Issued
- Placed

Email notifications will be provided for all life and Lincoln *MoneyGuard* cases, providing consistency in the experience for Lincoln's life insurance solutions.

Improved Policy Details

On August 5, 2019, the Policy Details view on Lincoln's pending website will now include a new **Requirement Date** field which indicates when the requirement was added, and all statuses will be grouped and displayed oldest to newest, based on the requirement date. This enhancement will provide users with a more organized experience and will create consistency by syncing with the display in automated email notifications.

Case status will be displayed in the following order:

- Needed for issue
- Needed for placement
- Needed
- Order
- Ordered
- Awaiting review

If the policy includes more than one of the same status, the requirement will display by **Requirement Date** in descending order (oldest to newest).


Pending Website Requirement Date Column and Case Status Sort Order

— Underwriting outstanding requirements (15)

CLIENT NAME	REQUIREMENT	REQUIREMENT DATE	STATUS	STATUS DATE	COMMENT
CHECK, CELL	Answer to question on app	04/29/2019	● Needed for Issue	04/29/2019	Primary beneficiary Relationship
CHECK, CELL	MG Agent's Report	04/29/2019	● Needed for Issue	04/29/2019	MoneyGuard Agent's Report MG
CHECK, CELL	Signed Application Part II (Medical Supplement)	04/30/2019	● Needed for Issue	04/30/2019	
CHECK, CELL	MG Application Part II	04/29/2019	● Needed for Placement	04/29/2019	MGF11612B-25 MoneyGuard Ap Term Care - Part II
CHECK, CELL	MG LTC Supplement	04/29/2019	● Needed for Placement	04/29/2019	MGF11640-25 MoneyGuard Mec
CHECK, CELL	Signed Application Part I	04/30/2019	● Needed for Placement	04/30/2019	
CHECK, CELL	Answer to question on app	04/30/2019	● Order	04/30/2019	
CHECK, CELL	Memo to Agent - for Underwriting	05/28/2019	● Order	05/28/2019	
CHECK, CELL	Answer to question on app	04/29/2019	● Ordered	04/30/2019	Need contact correspondence a
CHECK, CELL	Interview Process	04/29/2019	● Ordered	05/02/2019	Interview Process
CHECK, CELL	Owner	04/30/2019	● Ordered	04/30/2019	
CHECK, CELL	MG Application Part I	04/29/2019	● Awaiting Review	04/29/2019	MGF11612A-25 MoneyGuard Ap Insurance and Individual Long-T
CHECK, CELL	Answer to question on app	04/29/2019	● Awaiting Review	04/30/2019	Primary Beneficiary Tax ID or SS
CHECK, CELL	Answer to question on app	04/29/2019	● Awaiting Review	04/30/2019	Insured Social Security Number
CHECK, CELL	Blood - 4Hfast	04/30/2019	● Awaiting Review	04/30/2019	

Provide feedback directly from Automated Emails

As always, your feedback is important to us and is leveraged to ensure continuous improvement to our processes. If you have any suggestions or recommendations, please provide **feedback** through the survey link in your automated email notifications or to your dedicated Lincoln Sales or Underwriting and New Business team.


We value your opinion.

Please take a few moments to provide **feedback** about your experience.

Received 01/21/2019	Submitted 01/21/2019	Pending 01/22/2019	Quote 01/22/2019	Approved 01/22/2019 <small>See 1035 Details below</small>	Issued 01/22/2019
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<p>Client Information</p> <p>Insured Name(s): B Test</p> <p>Agent Name(s): Valued Agent</p> <p>Underwriting Contact:</p> <p>Name: Valued Underwriter Email: Valued.Underwriter@LFG.com Direct Phone: 336-123-4567</p>	<p>Case Information</p> <p>Policy Number: UL12345678 Status: Issued</p> <p>New Business Associate Contact:</p> <p>Name: Valued NBA Email: Valued.NBA@LFG.com</p>
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Your policy has been Issued. For your convenience, we have provided below a list of outstanding requirement(s). We ask that you please provide these outstanding requirements by December 31, 2019 so your policy may be placed in force.

Requirement	Comment	Status:
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Lincoln MoneyGuard® II Underwriting Expansion – Limited Time Only

Reprinted from the June 24, 2019 Lincoln Life Leader

As a leader in the market, Lincoln has a long-standing commitment of helping protect client wealth from the risk of long-term care expenses.

Effective immediately – for a limited time only – Lincoln is pleased to announce expanded underwriting consideration for Lincoln MoneyGuard® II applications submitted and received at Lincoln by November 1, 2019 and placed with premium by December 31, 2019.

This new opportunity will offer underwriting up to Table 8 for mortality risk, providing coverage for individuals who may not have previously qualified for Lincoln MoneyGuard II.

Lincoln MoneyGuard II Underwriting Expansion up to Table 8 Available for applications submitted effectively immediately through November 1, 2019	
Product eligibility	<ul style="list-style-type: none"> • Lincoln MoneyGuard® II • Cases in New York are not eligible
Underwriting guidelines	<ul style="list-style-type: none"> • Underwriting consideration will be expanded from Table 4 up to Table 8 for mortality risk only • All pending cases will automatically be reviewed by Lincoln Underwriting and assessed for eligibility • For any decline decision that was rendered for a Lincoln MoneyGuard II submission on or after April 1, 2019: <ul style="list-style-type: none"> – Underwriting will automatically re-review each case to determine if the case may be eligible for reconsideration under the new mortality guidelines – Any offer will be subject to any changes in medical health since the PHI was completed – You will be contacted if your case is eligible for reconsideration
Case submission and placement deadline	<ul style="list-style-type: none"> • Applications must be received by Lincoln by close of business on November 1, 2019 • Pending cases must be placed in-force with premium no later than December 31, 2019 • There will be no exceptions to the placement deadline. Lincoln MoneyGuard II is not compliant with the 2017 CSO/PBR life insurance regulation and all pending cases must be placed in-force with premium by December 31, 2019 to meet regulatory requirements
Issue ages and classes	<ul style="list-style-type: none"> • Subject to standard product guidelines: <ul style="list-style-type: none"> – Ages 40-79 (age last birthday) – Male/Female – Couples discount, standard
Amount of Coverage	<ul style="list-style-type: none"> • Subject to standard product guidelines: <ul style="list-style-type: none"> – Minimum specified amount: \$50,000 – Maximum specified amount: <ul style="list-style-type: none"> – \$500,000 (with 2-year LTC Acceleration of Benefits Rider) – \$750,000 (with 3-year LTC Acceleration of Benefits Rider)
Premiums	<ul style="list-style-type: none"> • May be paid as a single premium or as flexible premiums • All premiums must be received, and cases placed in-force by December 31, 2019
Exclusions	<ul style="list-style-type: none"> • Underwriting offer expansion is not available in New York • Long-Term Care/Morbidity Underwriting is excluded

Please note Lincoln reserves the right to alter or suspend this offering for new submissions at any time.

Frequently Asked Questions

What is the Lincoln *MoneyGuard*® II underwriting expansion program?

For a limited time only, Lincoln is expanding underwriting consideration up to Table 8 for mortality risk, for Lincoln *MoneyGuard* II applications submitted and received by Lincoln on or before November 1, 2019 and placed with premium by December 31, 2019. This opportunity will offer coverage to individuals who may not have previously qualified for Lincoln *MoneyGuard* II.

What products are eligible in the program?

Lincoln *MoneyGuard* II only. Cases in New York are not eligible.

What types of cases will have the potential of underwriting approval up to Table 8 for mortality risk?

Cases with the greatest potential of securing approval within the expanded underwriting program would include:

- Highly rated impairments, such as coronary artery disease and diabetes
- Cases with more than one rated medical impairment, such as diabetes plus asthma or coronary disease plus diabetes with combined risks of Table 8 or better

NOTE: Lincoln's process of underwriting morbidity risk will not be impacted by this program.

Are there age or coverage amount restrictions for the program?

All submissions will be subject to standard product guidelines.

My case was declined after April 1, 2019, how do I request a reconsideration of the case?

No action is required by you for a case reconsideration. Lincoln Underwriting and New Business will automatically review all cases that were declined on or after April 1, 2019 to determine if the case may be eligible for reconsideration under the new mortality guidelines up to Table 8. If your case is eligible under this program, you will be contacted and advised of next steps. Note: Subject to Firm Requirements.

My case was declined prior to April 1, 2019, can I request a reconsideration of the case?

Yes. If the case was declined prior to April 1, 2019, you must first reach out to your wholesaler, who will work with underwriting, to determine if the case may be eligible for reconsideration up to Table 8 under the mortality guidelines. If determination is made that your client may now be eligible for Lincoln *MoneyGuard* II, they must reapply with new application paperwork and a new PHI will be required.

Please note that any final underwriting decision will be based on detailed history provided in the new PHI and any recommendation to reapply does not guarantee that the case will be approved.

Are 1035 exchanges eligible for the underwriting expansion?

Yes, and the 1035 exchange must be initiated within 90 days of the PHI. All funds must be received, and the policy placed in-force by December 31, 2019.

What will happen if my case is pending but not placed by December 31, 2019?

Lincoln *MoneyGuard* II is not PBR /2017 CSO compliant and any pending policies must be approved and placed in-force with premium no later than Tuesday, December 31, 2019, to comply with the CSO and PBR life insurance regulation updates. If the policy is not placed in-force with premium by the deadline, your client must select a product that meets the updated regulatory standards.

The Underwriting and New Business team will proactively contact producers to remind them that any pending business must be placed in-force with premiums by December 31, 2019.

Please contact your Lincoln *MoneyGuard* Underwriting team with any additional questions.

Lincoln MoneyGuard® Reserve New York product and illustration update – Effective June 24, 2019

Reprinted from the June 24, 2019 Lincoln Life Leader

Lincoln is pleased to offer additional premium options for your Lincoln MoneyGuard® Reserve cases in New York. Effective June 24, 2019:

- Single-Pay will be available for all issue ages
- Offers additional long-term care planning options for your clients ages 70-80

Illustrations will be run on the current version of the Lincoln DesignItSM illustration software (V45.0 F). If you have an active internet connection, the software will automatically update on June 24, 2019 to include this update. If you need to download the Lincoln DesignItSM illustration system, it is available on the Lincoln producer websites or from Field Office Technicians.

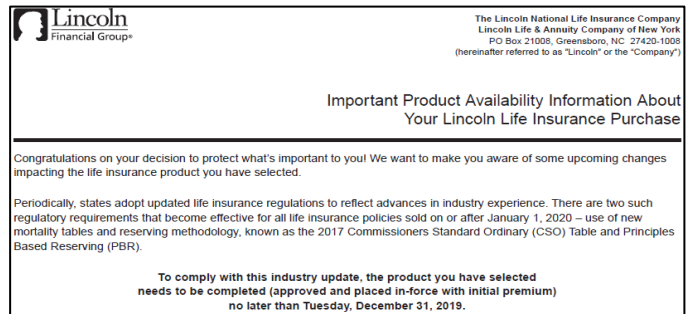
PBR/2017 CSO Client Disclosure and Compliant Product Indicators

Reprinted from the May 6, 2019 Lincoln Life Leader

In preparation for two impending regulation changes this year, Principle-Based Reserving (PBR) and the 2017 Commissioners Standard Ordinary (CSO) Table, Lincoln is updating our life product portfolio and we’re focused on making the transition as seamless as possible. Back on May 13, 2019, we **introduced a new** PBR/2017 CSO client disclosure along with special indicators on external touchpoints to clearly distinguish PBR and 2017 CSO compliant products.

Client Disclosure Form

The client disclosure, **Important Product Information About Your Lincoln Life Insurance Purchase**, is intended to educate clients and supplement advisor conversations regarding the risks associated with the withdrawal and placement deadlines of the non-PBR/2017 CSO compliant products. Effective in the *Lincoln DesignItSM Illustration System (v45.0)*, the disclosure will be located within all new and revised sales illustrations for non-compliant products and on the Lincoln Forms Tool in the required forms section. There is no signature requirement on the form, however it will be a part of any signed illustration is that is received.



PBR/2017 CSO Compliant Indicators

PBR and 2017 CSO compliant products will be made available for sale throughout 2019. To help distinguish which products are compliant we are introducing the following indicators on our external touchpoints.

	Marketing and Reference materials:	On client and advisor product specific material near the disclosures with “PBR/CSO compliant” description
PBR	DesignIt Illustration Software:	On the product templates, product drop down lists, product name banner and NB Data page
PBR	Lincoln Producer Websites:	“Product Name – PBR” In product drop down list
	State Availability Grids:	Next to product name with “PBR/CSO compliant” description in legend

State Approvals

Updates from June 24, 2019

Lincoln TermAccel® (2014) - 04/22/19

- Oregon
- Washington

[View State Availability Grids](#)

Products and features are subject to availability and may vary by state.

Contractual obligations and Guarantees are subject to the claims-paying ability of the issuing company:

- The Lincoln National Life Insurance Company of Fort Wayne, IN; or
- Lincoln Life & Annuity Company of New York of Syracuse, NY.

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The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.

Variable insurance products are sold by prospectus. Consider the investment objectives, risks, charges, and expenses of the variable product and its underlying investment options carefully before investing. The prospectus contains this and other information about the variable product and its underlying investment options. Please review the prospectus available online for additional information. Read it carefully before investing.

[Only registered representatives can sell variable products.](#)

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