

LIFE SOLUTIONS

The Lincoln Leader

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Coming Soon – Lincoln MoneyGuard® Product Suite Updates

Announcing updates to the MoneyGuard® suite of life insurance product offerings

Effective June 14, 2021, Lincoln Financial will be implementing product updates to Lincoln MoneyGuard® III, Lincoln MoneyGuard® II and Lincoln MoneyGuard® II NY.

For MoneyGuard® III, Lincoln is excited to announce an enhancement to our Transitional Care Assistance Benefit with the introduction of the **Flexible Care Cash Amendment**. This amendment provides clients additional benefit flexibility with access to receipt-free cash to help cover informal care needs at home. As part of this enhancement, there will now be an opportunity for a spouse to provide the care in addition to the increase of eligible long-term care benefits under this feature.

The product changes for Lincoln MoneyGuard® III, Lincoln MoneyGuard® II and Lincoln MoneyGuard® II NY will **address recent 7702 regulations** by providing for updates to the policies' 7-Pay interest rates and CVAT Factors. It is important to note that these are not pricing related changes (i.e. resulting in increases/decreases).

After a transition period, currently sold MoneyGuard® products will be replaced by the following:

- Lincoln MoneyGuard® III (2021) will replace currently sold Lincoln MoneyGuard® III (2020) – 06/15/20.
- Lincoln MoneyGuard® II (2020) – 06/14/21 will replace currently sold Lincoln MoneyGuard® II (2020) – 06/15/20 in the state of California.
- Lincoln MoneyGuard® II NY – 06/14/21 will replace currently sold Lincoln MoneyGuard® II NY – 06/15/20 in the state of New York.

Availability

Please see below for information pertaining to the transition guidelines associated with these June 14, 2021 product updates;

- For applications to qualify for the current product offering, a projection of values and the completed Part 1 must be signed, dated and received in-good-order by Lincoln's home office by Friday, June 25, 2021.

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- For pending or issued business, on or after June 14, 2021, Lincoln will accept requests with a revised projection of values to change to new product offerings. Please note the updated Long-Term Care Insurance Outline of Coverage should be provided to the client.
- For placed business, normal internal replacement guidelines apply. Rewrites will not be accepted.
- As of June 14, 2021, *Lincoln DesignItSM* and WinFlex will be updated with the new product version. During the transition period both versions can be run.
- Ensure that you are appropriately credentialed. Clients of financial professionals who are not properly credentialed to solicit business when the paperwork is submitted will be subject to the product in effect on the date when the financial professional becomes properly credentialed and resubmits the paperwork.
- Remember that once an application 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. If these conditions are not met, the case will be closed out. If a case is reopened, a new Part 1 must be submitted, and the case will be subject to the product available at that time.
- **New York Reg 187**: Please note that effective February 1, 2020, financial professionals are now required to complete two presale training courses prior to soliciting new business or servicing existing business in New York. Specifically, the trainings include:
 1. NY Regulation 187 Best Interests Training; AND
 2. Carrier Specific Product Training

You will **not** need to retake these trainings if you have already completed them (this rate change does not require any additional product training). In accordance with NY Regulation 187, the enhanced documentation and suitability review **are still required** before policy issue.

Illustration Capabilities

Lincoln DesignItSM and WinFlex illustration systems will be updated with illustration capability effective June 14, 2021.

Reference and Marketing Materials

All impacted materials will be updated and made available for viewing on the various Lincoln websites and for order from the Lincoln Literature Fulfillment Center.

Professional Advantage Program Expansion

Now available for Term and with lower minimum income requirements

Effective June 1, 2021, Lincoln's Underwriting & New Business team is pleased to expand the offering of the Professional Advantage Program to now include ***Lincoln LifeElements® Level Term***. Additionally, the **annual income** requirement for professional clients has been decreased to a **minimum of \$100,000**, from the previous minimum of \$200,000. As a reminder, there is no minimum net worth requirement for clients applying through this program.

Key Benefits

- Up to \$20 million in coverage with no exams or labs
- Available for *Lincoln LifeElements®* Term, Indexed UL and Variable UL products including survivorship
- Minimum annual income of \$100,000
- NO minimum Net Worth requirement
- Available for personal or business insurance coverage

Eligibility Requirements

Face amount	Up to \$20 million
Issue ages	25-65
Product availability	<i>Lincoln LifeElements</i> Level Term, IUL/SIUL, VUL/SVUL; no rider restrictions
Income	\$100,000 or greater
Net Worth	No minimum net worth required
Occupation	Knowledge-intensive professional
Citizenship	U.S. citizens or green card holders only
Spousal benefit	Coverage offered up to \$20,000,000; must meet detailed physical exam requirements
Underwriting class	Preferred plus, preferred, standard rate classes only
APS requirement	Attending physician statement (APS) is required; must include all detailed physical exam requirements noted below
Detailed physical exam	Exam within the past 18 months, which includes a minimum of Lincoln's required criteria

Physical Exam Requirements

A detailed physical with lab work that covers all aspects of the client's history and current health, **completed within the last 18 months**, must be submitted with the APS. A family physician may perform the physical exam as long as it covers all the required information in Lincoln's checklist below:

- ☐ **Comprehensive health assessment** with personalized review and written evaluation
- ☐ **Medical history review**
- ☐ **Lab testing, including:** Complete blood count (CBC), Basic metabolic panel (BMP), Lipid screening, Liver panel, TSH, HbA1c)
- ☐ **Urinalysis**
- ☐ **Physical examination with vitals, including** height, weight, blood pressure, pulse reading
- ☐ **Cardiovascular assessment and counseling, with *one* or more of the following:** Resting ECG, Stress testing, Echocardiogram, EKG or treadmill EKG, CT-coronary calcium score, Carotid artery testing

For consideration into this program, include a cover letter to the underwriter stating: "Professional Advantage Program case — exam and vitals not required."

Underwriting & New Business Glossary and Acronym Guide

Is your case with the CTR and DCA IGO? Is the DOI outstanding on your issued policy? Ever wonder what these acronyms stand for or need a quick definition? Check out the new Lincoln Life [UW/NB Glossary of Terms and Acronyms](#) guide for a listing of the most common terms.

Lincoln VUL^{ONE} Suite Enhanced Underwriting Program

Available for a limited time only

Updated from the 5/24/21 Lincoln Life Leader

Lincoln is committed to finding new ways to help our partners grow their business and reach new customers and we're pleased to announce, effective immediately, Lincoln is offering an enhanced underwriting program to provide even more value with our suite of *Lincoln VUL^{ONE}* product solutions.

What You Need to Know

Lincoln VUL^{ONE} and *SVUL^{ONE}* cases received at Lincoln by September 3, 2021, and subject to full underwriting, will receive a one-class underwriting upgrade. Any case placed inforce prior to May 20, 2021 is not eligible.

Product eligibility	• <i>Lincoln VUL^{ONE}</i> • <i>Lincoln SVUL^{ONE}</i>
Case submission guidelines & eligibility	• New submissions must be received at Lincoln, in-good-order, by September 3, 2021 • All cases eligible for the one-class underwriting upgrade must be placed inforce, or 1035 exchange initiated, by December 31, 2021 • <i>LincXpress</i> ticket, eApp and traditional application submissions are eligible • Cases in a pending status as of May 20, 2021 are eligible • 1035 exchanges in process as of May 20, 2021 are eligible
Issue age/face amounts	• Issue ages 20-80 • All specified amounts • Subject to age/risk class guidelines based on product applied for • Per current guidelines, backdating from age 81 to age 80 will not be permitted to qualify
Underwriting qualifications	• Fully underwritten cases are eligible, subject to current underwriting guidelines • Substandard rated cases are eligible, subject to current underwriting guidelines • <i>LincXpress</i> lab-free cases are eligible • Underwritten internal exchanges are eligible • All formal or trial offers are eligible
Exclusions	<u>Not eligible</u> for the enhanced underwriting program: • Policies placed inforce prior to May 20, 2021 • New submissions received at Lincoln after September 3, 2021 • Cases assessed at standard through the Table Reduction Program (TRP) • The one-class underwriting upgrade cannot be used to be eligible for TRP consideration • Cases currently postponed under the COVID-19 temporary underwriting guidelines • Term Riders • Term Conversions

For complete details and frequently asked questions, view the [Agent Guide](#).

Revised COVID-19 Life Insurance Underwriting Guidelines

Updated from the May 10, 2021 Lincoln Life Leader

Last year, Lincoln implemented temporary underwriting guideline changes applicable to all pending and new submissions of Lincoln individual life insurance policies, including Lincoln *MoneyGuard*®. These changes were put into place to effectively navigate the risks associated with the pandemic. As we continue to monitor the external environment, we remain committed to upholding our leading-edge underwriting principles while ensuring we're operating responsibly.

Effective May 10, 2021, Lincoln's Underwriting team is pleased to announce the following modifications to our COVID-19 temporary underwriting guidelines:

- **The Table Reduction Program (TRP) is now available!** Consideration for up to \$10 million maximum face amount, through age 70, for Table 3 to Standard rate classes for permanent life insurance products
- **Internal Retention Limits have been increased** up to \$20 million for permanent life insurance products
- **Substandard ratings, up to Table 4, will be considered** for all ages through 80
- **Cases assessed with a Flat Extra up to \$10.00 per \$1000** will be considered
- **Table Rated and Flat Extra combo cases will be considered** with up to Table 2 (150%) with a Flat Extra up to \$10.00 per \$1000
- **Lincoln *MoneyGuard*® cases for ages 71 and up** will now be considered for the following products:
 - Lincoln *MoneyGuard*® III, ages 71 – 80
 - Lincoln *MoneyGuard*® II, ages 71 – 79
 - Lincoln *MoneyGuard*® II NY, ages 71 – 79

For any pending case that was submitted prior to May 10, 2021 and was impacted by the prior temporary underwriting guidelines, please work directly with your dedicated Lincoln Underwriting team for guidance according to the revised guidelines on a case-by-case basis.

Lincoln Underwriting does not ask about immunizations (for any virus/disease) through the application process and has no plans to ask about the COVID-19 vaccine. The COVID-19 vaccine is not a factor in the underwriting process.

The following temporary underwriting guidelines will continue to remain in effect for all life insurance products, including Term, UL, IUL and VUL:

- **All cases meeting the following criteria will be postponed:**
 - All ages, rated Table 5 and higher
 - Ages 81-85, all rate classes
 - All cases assessed with a Flat Extra greater than \$10.00 per \$1000
 - All cases assessed at Table 3 or higher with a Flat Extra greater than \$10.00 per \$1000
- **The Declaration of Insurability (DOI) Form [ICC18LFF11709] is required for all underwritten life insurance policies**

PLEASE NOTE: *The guidelines above are subject to change and will override any underwriting guidelines currently published in Lincoln's marketing or reference material. Lincoln will continue to re-evaluate our position with changes in the current environment, as the COVID-19 pandemic evolves and/or as the Centers for Disease Control and Prevention (CDC) and World Health Organization (WHO) give further guidance.*

Access the latest news, COVID-19 Temporary Underwriting Guidelines, FAQs and other resources from Lincoln Underwriting & New Business and Customer Service at www.LFG.com/GoDigital.

Extension of Maturity Offer Expanding to Include Variable Universal Life Products

Phase 3 beginning

Reprinted from the 5/24/21 Lincoln Life Leader

Lincoln is broadening the range of products eligible for an extension of the policy maturity date. The offer applies mostly to older products in the Lincoln suite, as newer products often contain a maturity extension feature as part of the base contract. The effort to extend maturity dates on additional Lincoln products is part of a phased approach that now includes variable universal life (VUL) policies.

- Phase 1 rollout focused on whole life policies
- Phase 2 included most universal life policies that have a maturity value equal to the cash value
- Phase 3 focuses on variable universal life policies. As with the first two phases, these older products most often mature on or after attained age 95

As life insurance policies reach maturity, the “maturity benefit” is typically the cash surrender value, paid to the policy owner on the maturity date. At that time, disbursements are treated as distributions for tax reporting purposes (with gains reported in the same manner as other taxable distributions). If extension is elected, benefits will be paid on the earlier of the date the policy is surrendered or the date of death of the Insured (or surviving insured if a survivorship policy). There may be tax consequences to either surrendering the policy on or after the original maturity date or continuing the policy past the maturity age of the applicable insured(s). Owners electing extension of maturity should contact their tax counsel for implications in their situation.

Offer Highlights

Prior to the original maturity date, Lincoln will send the following to the affected policyowners and copies to the servicing agent:

- An offer letter stating the ability to extend the contract for the life of the insured(s)
- Extension of Maturity Date Amendment (Form AMD-7099 – CV)

In order for an extension election to be valid:

- The policy owner must sign, date, and return the Amendment to Policy form at least **30 days prior** to the original maturity date of the policy.
- Policies **cannot be extended after** the original maturity date has been reached.

Amendment Availability

Products:

This phase will extend the initial offering of the extension of maturity to include historic Lincoln National Life Insurance Company VUL policies, subject to actual policy contract language. Most VUL policies will be eligible for the extension amendment.

Not currently available/applicable on policies written through:

- Lincoln Life & Annuity Company of New York
- Jefferson Pilot Financial Insurance Company
- CIGNA (automatically available without amending the original policy)
- First-Penn Pacific Life Insurance Company
- Aetna

Jurisdictions:

The Amendment has been filed and **approved in all jurisdictions EXCEPT:**

- | | | | |
|-----------------------------|----------------|----------------------------|------------------|
| ▪ District of Columbia (DC) | ▪ Hawaii | ▪ Illinois | ▪ Maryland |
| ▪ Mississippi | ▪ New York | ▪ Northern Mariana Islands | ▪ Oregon |
| ▪ Puerto Rico | ▪ Rhode Island | ▪ Utah | ▪ Virgin Islands |
| ▪ Virginia | ▪ Washington | ▪ Wyoming | |

Mailings:

There will be a mailing in June 2021 for all policies maturing August 2021 through December 2022. Subsequent mailings will occur each spring to all policyowners whose policy qualifies and has a maturity date through December of the following year.

State Approvals

Updates since May 24, 2021

No Updates

[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.

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

Variable products distributed by Lincoln Financial Distributors, Inc., Members of Lincoln Financial Group.

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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