

The Lincoln Leader

September 3, 2019 – Vol. 17 Issue 18

Coming Soon – Lincoln MoneyGuard® III

Announcing newest *MoneyGuard®* offering with focus on Simplicity and Flexibility

Effective September 16, 2019, The Lincoln National Life Insurance Company (Lincoln) will introduce the latest updates to its *MoneyGuard* solutions suite with Lincoln *MoneyGuard®* III.

As part of our long-standing commitment to provide you and your clients with our strongest long-term care solutions, we are constantly reviewing and enhancing our product lineup. As a result, we are pleased to announce the launch of *MoneyGuard* III, which offers a new Long-Term Care Benefits Rider (LTCBR) design for simplified policy designs and consistent benefit period pricing.

The introduction of the Transitional Care Assistance Benefit and the Terminal Illness Rider adds additional flexibility for clients to provide for their care needs. In addition, Lincoln *MoneyGuard* III will be expanding our return of premium options, issue ages and payment options to provide more financial flexibility to clients.

Lincoln *MoneyGuard* III® complies with principle-based reserving (PBR)/2017 CSO Mortality Table regulatory adopted by the NAIC. Following a transition period, Lincoln *MoneyGuard* III will replace currently sold Lincoln *MoneyGuard®* II (2019) in all approved states.

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Product Highlights

Added Simplicity	More Flexibility	
<i>New</i>	<i>New</i>	<i>Updated</i>
<p>Single Rider Design The LTCBR is one simple rider (rather than separate riders for Acceleration and Extension), which allows for a streamlined contract structure and consistent pricing between the benefit period options.</p> <p>LTC benefit design of 3–7 years</p> <p>Updated Contract Language Conversational contract language was implemented to be more consumer-friendly</p> <p>Reduced Barriers First dollar return of premium (no need to meet threshold)</p>	<p>Transitional Care Assistance (TCA) Benefit New Covered Service that helps clients transition from informal to formal care</p> <p>The TCA allows for \$100/day for up to 180 days (no receipts required)</p> <p>Terminal Illness Rider (TIR) Lump sum between 25% to 75% of the specified amount if diagnosed as terminally ill</p> <p>Flex Pay Options Flexible premiums available to be paid up to the greater of 10 years or age 70; could be lower for higher issue ages.</p>	<p>Issue Ages Maximum issue age: 80 (previously 79)</p> <p>Minimum issue age: 30 (previously 40)</p> <p>Return of Premium Basic: 70% (previously 80%)</p> <p>Vested: 100% with an 11-year vesting schedule (previously a 6-year vesting schedule)</p> <p>International Benefits One rider design concept allows for 36 months of international benefits</p>

Pricing Updates

Due in large part to the PBR/2017 CSO Mortality Table regulatory changes and the significant headwinds presented by the current interest rate environment, we will be making pricing adjustments leading to a cost increase — the weighted average increase is about 7% between ages 50–70.

Overall, the pricing change range in this core market is between 0% to 20% depending on several factors, including age, gender, marital status and funding schedule.

With these design changes, some sales opportunities have improved for certain benefit periods and inflation options, for example, the 5-year benefit period and 5% compound inflation availability.

Availability and Transition Guidelines

For applications to qualify for the current *MoneyGuard*® II (2019), a projection of values and the completed Part I must be signed, dated and received in good order by Lincoln's Home Office by Friday, November 1, 2019.

For pending or issued business, after September 16, 2019, Lincoln will accept requests to change to *MoneyGuard*® III by submitting a revised projection of values.

- Before policy issue (or reissue if currently in issued status), a signed Terminal Illness Disclosure will be required.
- Prior to policy placement, a completed *MoneyGuard* III Part I Application will be required (in place of completing a new Part I, Lincoln can amend the current *MoneyGuard* II Part I to satisfy this requirement).
- In addition, the advisor should provide the updated Outline of Coverage to the client.

For placed business, normal internal replacement guidelines apply. Rewrites will not be accepted.

Standard *MoneyGuard* rules apply during this transition

- Ensure that you are appropriately credentialed. Clients of advisors who are not properly credentialed 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.
- 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 (or within the non-PBR/2017 CSO deadline on the next page). 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.

Illustration Systems and Requirements

As of September 16, 2019, *Lincoln DesignIt*™ Platform and WinFlex will be updated with the new product. During the transition period both the current and new products can be run.

Also effective on September 16, 2019, the **Acknowledgement & Important Product Information About Your Lincoln Life Insurance Purchase** [Form LF11922] will require a client signature and will be included with all new and revised sales illustrations within the *Lincoln DesignIt*™ Illustration System and will also be available on the Lincoln Forms Tool:

- The client signature on Form LF11922 will be a requirement for placement of your policy
- For 1035 exchanges, Form LF11922 must be signed by the client and submitted to Lincoln in good-order prior to initiating the 1035 exchange

Available Riders/Endorsements

The following riders/endorsements are available on *MoneyGuard*® III (19-MG890, ICC19-MG890);

- Long-Term Care Benefits Rider: (LTCBR-890, ICC19LTCBR-890)
- Value Protection Endorsement: (END-10534, ICC19END-10534)
- Terminal Illness Acceleration of Death Benefit Rider: (TIR-891, ICC19TIR-891)

[Click here](#) to view a stand-alone flier regarding this information.

Best Practices for “In Good Order” Lincoln MoneyGuard® Submissions

Lincoln’s Underwriting and New Business team is dedicated to streamlining the submissions process to help you place your Lincoln MoneyGuard cases more quickly. Please reach out to your dedicated MoneyGuard Underwriting and New Business team with any additional questions.



To improve your in-good-order submissions and help expedite the Underwriting and New Business process, [please download and reference the MoneyGuard submission tips and best practices >>](#)



For Life Insurance Best Practices for in-good-order submissions, [click here](#).

Spectra Quick Quote Tool – NOW AVAILABLE

Reprinted from the August 26, 2019 Lincoln Life Leader

Lincoln is pleased to introduce **Spectra**, a new online quick quote tool leveraging Lincoln’s Underwriting Rule Book to provide accurate quick quotes across a wide variety of medical, avocational and occupational risks. Partners can now provide real-time underwriting quick quotes for their clients – and have confidence in the accuracy of the quote.

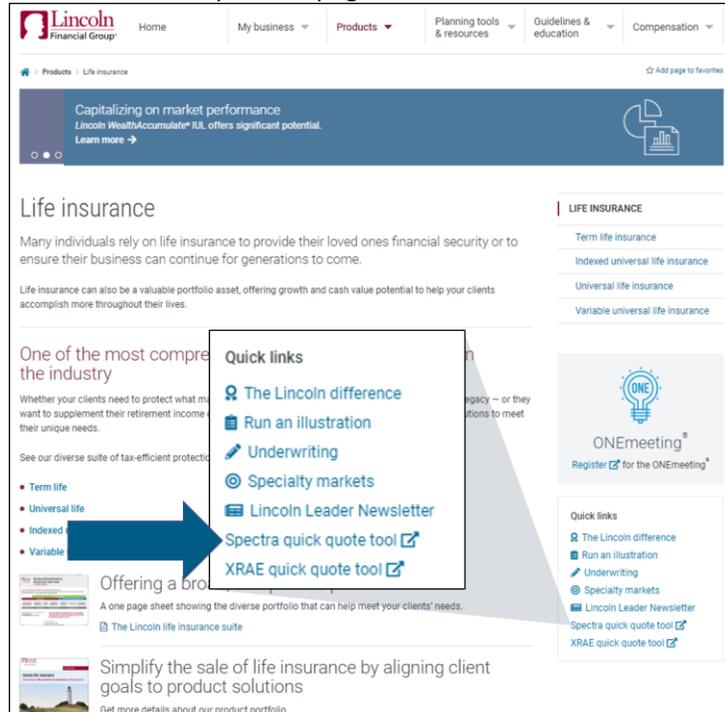
Key Benefits of Spectra

- Leverages Lincoln’s existing automated underwriting rules leading to increased accuracy of quotes
- 24/7 access to generate quotes through Lincoln’s producer website and results are instantaneous
- Quotes for over 220 impairments are available, including medical impairments, occupational and avocational risks
- A range of quotes will be provided, even if full details of client’s impairment(s) are not known
- Simple and intuitive online interface allows for easy data entry
- Available for Lincoln Universal Life, Indexed Universal Life, Variable Universal Life and *Lincoln LifeElements*® Level Term

How to access

Spectra is available directly from your Lincoln producer website and can be found in the Life Insurance “Quick Links” and on each life product page. If you are not a registered producer website user, please contact your Lincoln Underwriter for access.

Access Spectra from the Life Insurance product pages:



Resources

Description	
Spectra Agent Overview & FAQ	VIEW
Spectra Agent Training Brainshark	VIEW
SPECTRA User Guide (download from quoting tool)	

Current Quote Summary

[How to use SPECTRA](#)

Basic Quote Information

Please enter basic quote information. All fields are required

My Client is a years old who is approx inches tall and weighs lbs. They are applying for a \$ policy in .

parents/siblings died from Coronary Artery Disease (CAD) or Stroke.

They tobacco or nicotine products.

If known, enter disclosures

They have

They do

They work as

PBR/2017 CSO Client Disclosure Form New Signature Requirement

Form LF11922

Reprinted from the August 12, 2019 Lincoln Life Leader

Earlier this year, Lincoln introduced a new disclosure form intended to educate clients and supplement conversations regarding the risks associated with the withdrawal and placement deadlines of non-PBR/2017 CSO compliant products. This form is included with all new and revised sales illustrations for non-compliant products and it is also located on the Lincoln Forms Tool in the required forms section.

Based on feedback received from our Partners, Lincoln is implementing a new client signature requirement on this PBR/2017 CSO client disclosure form [LF11922] for all non-compliant life insurance product submissions, including Lincoln *MoneyGuard*[®]. The client's signature will be required beginning on the following dates:

- **August 12, 2019** | Non-PBR/2017 CSO compliant Term, UL, IUL, VUL policies
- **September 16, 2019** | Non-PBR/2017 CSO compliant Lincoln *MoneyGuard*[®] policies

Additionally, Lincoln will be adding a new "Memo to Agent" pending status notification for all non-PBR/2017 CSO compliant products as a reminder that all cases must be placed in-force with premium and all placement restrictive requirements no later than Tuesday, December 31, 2019.

Why we are doing this

Lincoln is committed to helping you and your client meet the December 31, 2019 placement deadline and will do everything we can to complete underwriting and issue your policy in a timely manner. However, in some cases, obtaining final requirements may be outside our control and result in your policy missing the deadline. These requirements may include, but are not limited to, obtaining medical records and/or external 1035 exchange proceeds received from another insurance company.

This new signature requirement on the client disclosure form will provide added protection for our partner firms, our producers, for Lincoln and for our mutual clients – helping to ensure all clients are fully aware of this important industry update and the impact if their pending policy is not placed with premiums and any pending restrictive requirements by December 31, 2019.

What you need to know

- The updated **Acknowledgement & Important Product Information About Your Lincoln Life Insurance Purchase** [Form LF11922] with client signature line will be included with all new and revised sales illustrations within the *Lincoln DesignIt*SM *Illustration System* will also be available on the Lincoln Forms Tool as a required form beginning:
 - August 12, 2019 | Non-PBR/2017 CSO compliant Term, UL, IUL, VUL policies
 - September 16, 2019 | Non-PBR/2017 CSO compliant Lincoln *MoneyGuard*[®] policies
- The client signature on Form LF11922 will be a requirement for placement of your policy
- **For 1035 exchanges, Form LF11922 must be signed by the client and submitted to Lincoln in good-order prior to initiating the 1035 exchange**

- Lincoln will be implementing two new status updates within your pending policy details for all non-PBR/2017 CSO compliant products:

Beginning August 12, 2019:

- 1. Memo to Agent: TIME SENSITIVE WARNING:** This policy must be placed in-force with premium no later than December 31, 2019, to comply with 2017 CSO Tables and PBR regulation changes. If all placement restrictive requirements and premium are not received IN GOOD ORDER by the deadline, your client must select a PBR compliant product. This deadline is industry wide and is NOT Lincoln-imposed. REWRITES ARE NOT ALLOWED. Access 2019 Year-End CSO and PBR Transition and Placement Guidelines here: www.lfg.com/YearEnd2019.

Beginning September 16, 2019:

- 2. Form Requirement:** Acknowledgement and Important Product Availability Information About Your Lincoln Life Insurance Purchase, Form#LF11922 7/19. This form must be signed in order to initiate a 1035 exchange, if applicable. This standalone form also generates within illustration versions 46.0 or later.

For complete 2019 Year-end Transition guidelines and details, please visit www.lfg.com/YearEnd2019.

Lincoln
Financial Group

The Lincoln National Life Insurance Company
Lincoln Life & Annuity Company of New York
200 West 100th Street, Suite 1000
(hereinafter referred to as "Lincoln" or the "Company")

**Acknowledgement & Important Product Availability Information
About Your Lincoln Life Insurance Purchase**

Congratulations on your decision to protect what's important to your life and to make you aware of some upcoming changes impacting the life insurance product you have selected.

Periodically, states adopt updated life insurance regulations to reflect advances in industry experience. There are two such regulatory requirements that become effective for all life insurance policies sold on or after January 1, 2019, and of new policies' sales and existing policyholders, known as the 2017 Commissioners Standard Ordinary (CSO) Table and Principle Based Reserving (PBR).

To comply with this industry update, the product you have selected needs to be completed (approved and placed in-force with initial premium) no later than **Tuesday, December 31, 2019**.

Your advisor will work closely with you to help ensure that:

- Your formal application is received in good order at Lincoln on or before the product transition end date.
- Any outstanding medical and/or financial requirements, and your initial premium have been received in good order at Lincoln on or before Tuesday, December 31, 2019.

Lincoln is committed to helping you meet this deadline. We will do everything we can to complete underwriting and issue your policy as a timely transfer.

However, it's important to note that in some cases obtaining final requirements may be outside our control and result in your policy missing the December 31, 2019 deadline. These requirements may include, but are not limited to:

- Medical records and/or
- External 1035 exchange processes received from another insurance company.

If your coverage is not funded by this deadline, we will be unable to provide you with the product for which you have applied.

A new product version and/or other Lincoln products will be available but may not be as suitable in meeting your financial needs. We appreciate your business and look forward to assisting you with your life insurance needs.

Signatory Section

Signature of Agent/Broker/Producer
Provide the Printed Name of a Corporation

Signature of Applicant/Insured/Policyowner
Provide the Printed Name of a Corporation

Signature of Licensed Producer, Broker or Regulatory Representative

Printed Name of Proposed Insured

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.
LF11922 7/19

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2019 Transition and Placement Guidelines

Applicable for any Lincoln life insurance product, including *MoneyGuard*®, not PBR and/or CSO compliant
Reprinted from the July 15, 2019 Lincoln Life Leader

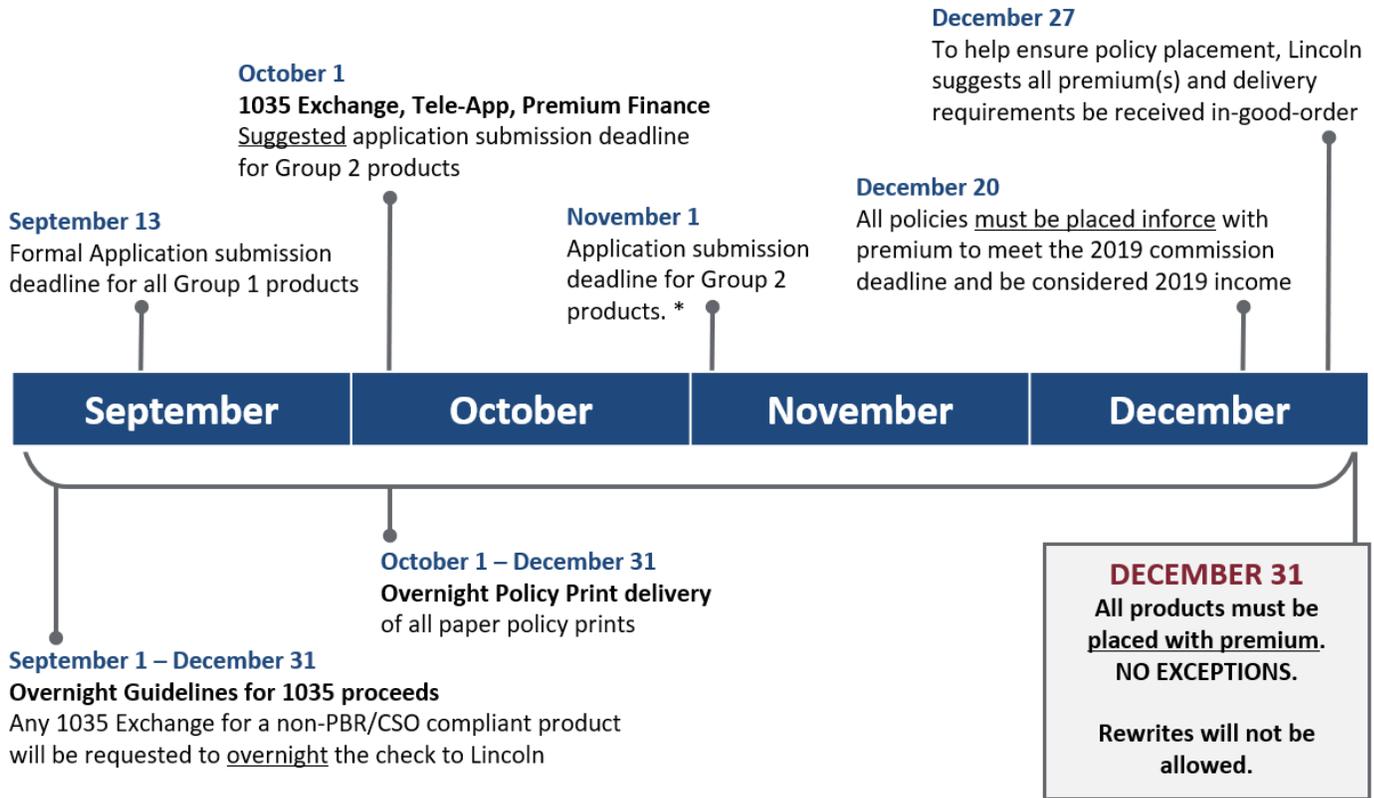
Lincoln’s Underwriting & New Business department is committed to helping you meet your year-end goals and objectives. To comply with the new impending regulation changes this year, Principle-Based Reserving (PBR) and the 2017 Commissioners Standard Ordinary (CSO) Table, Lincoln is focused on making the transition as seamless as possible for you and your clients.

The following submission and placement guidelines will apply to any product that is not PBR and/or 2017 CSO compliant.

Non-Compliant Products [Non-NY Products not compliant with PBR and 2017 CSO]		Formal Application Submission Deadline	Placed with Premium Deadline		
GROUP 1	Lincoln VUL ^{ONE} (2014) Lincoln Conversion SM UL [Non-NY] Lincoln LifeReserve® UL (2009) [Nationwide & NY] Lincoln LifeElements® Term with CPE †	September 13, 2019	December 31, 2019		
	GROUP 2*	Lincoln AssetEdge®/Exec VUL (2015) Lincoln LifeCurrent® UL Lincoln LifeGuarantee® UL (2013) Lincoln LifeGuarantee® SUL (2013) Lincoln MoneyGuard® II (2019) Lincoln PreservationEdge® Survivorship VUL Lincoln SVUL ^{ONE} (2016) ‡ Lincoln WealthAccumulate® IUL (2019)-2/11/19 Lincoln WealthPreserve® IUL (2017)-2/11/19 Lincoln WealthPreserve® Survivorship IUL	November 1, 2019 For all 1035 Exchanges, Tele-App submissions and Premium Finance cases, Lincoln suggests application submission by October 1, 2019	December 31, 2019 To help ensure policy placement, Lincoln suggests all premium(s) and delivery requirements be received in-good-order by December 27, 2019	
		Non-Compliant Products – New York [NY Products not compliant 2017 CSO]		Formal Application Submission Deadline	Placed with Premium Deadline
		NEW YORK	Lincoln AssetEdge®/Exec VUL (2015) Lincoln LifeCurrent® UL Lincoln LifeReserve® IUL Accumulator (2014) Lincoln WealthAdvantage® IUL Lincoln WealthPreserve® Survivorship IUL	November 1, 2019 For all 1035 Exchanges, Tele-App submissions and Premium Finance cases, Lincoln suggests application submission by October 1, 2019	December 31, 2019 To help ensure policy placement, Lincoln suggests all premium(s) and delivery requirements be received in-good-order by December 27, 2019

† Conversion Products Enhancement.
‡ Includes Lincoln SVUL^{ONE} (2013) in PA.

Key Dates and Transition Timeline



* Subject to ICC/State Approval.

Reference Material

Click on the images or links below to view.

<p>2019 PBR/CSO Transition Guidelines Webpage</p>	<p>Lincoln PBR and 2017 CSO Agent FAQ</p>	<p>Life Product Submission Best Practices</p>
 <p>www.lfg.com/YearEnd2019</p>		

State Approvals

Updates from August 26, 2019

No new 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.

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.

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

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