

LIFE SOLUTIONS

# The Lincoln Leader

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## *Now Available – Lincoln MoneyGuard Market Advantage<sup>SM</sup>*

Effective February 16, 2021, Lincoln introduced the next generation in long-term care planning and expanded its *MoneyGuard* portfolio with the launch of Lincoln *MoneyGuard Market Advantage<sup>SM</sup>*, pending state and firm approvals. Lincoln *MoneyGuard Market Advantage<sup>SM</sup>* is a variable universal life insurance policy with a long-term care rider.

This innovative product design provides growth potential for both long-term care and death benefits through investment option performance and offers downside protection with annual lock-ins and a guaranteed minimum level of long-term care benefits.<sup>1</sup> With access to over 40 active and passive investment options from leading portfolio managers, as well as customizable and model allocations, your clients can feel more confident about staying invested in the markets and preparing for long-term care expenses.

Lincoln *MoneyGuard Market Advantage<sup>SM</sup>* is a new product offering in the *MoneyGuard* portfolio and does not replace Lincoln *MoneyGuard*® III, Lincoln *MoneyGuard*® II, or Lincoln *MoneyGuard*® II NY.

### Product Highlights

#### Long-Term Care Benefits Rider (LTCBR)

- Provides long-term care benefits based on the greatest of these three values at the time of claim:
  - **LTC Base Value** – Set at time of purchase and guarantees a 3-year minimum level of long-term care benefits regardless of investment performance.
  - **LTC Market Value** – Driven by the performance of investments, the benefit will boost the value of returns and will be 4x the accumulation value.
  - **LTC Protected Value** – Provides an additional layer of protection from substantial market losses by locking in 2.5x the accumulation value as of each policy anniversary.

<sup>1</sup> Assuming all premiums are paid, no post-issue loans, withdrawals, increases or decreases and the no-lapse funding requirements are met.

### HEADLINES

[Now Available – Lincoln MoneyGuard Market Advantage<sup>SM</sup>](#)

[Unified Product Application \(reprint\)](#)

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[Now Available – Lincoln VUL<sup>ONE</sup> \(2021\) and Lincoln SVUL<sup>ONE</sup> \(2021\)](#)

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[Electronic Lap Slip Completion](#)

[Pending Case Status Enhancements \(updated\)](#)

[IRS Form 4506-C \(reprint\)](#)

[February ONEmeeting Retraction](#)

### Value Protection Rider (VPR)

- Provides a No-Lapse Guarantee and the LTC Protected Value contingent upon premium and investment guidelines

### Broad Range of Investment Options

- 31 actively managed portfolios
- 27 Morningstar categories
- 6 target-date funds

### Death Benefit and Cash Surrender Value

- The policy's Death Benefit can grow to a value greater than the Specified Amount based on policy performance and Accumulation Value growth
  - There is also a Residual Death Benefit feature as part of the policy design
- Cash Surrender Value on the policy will be the policy's Accumulation Value less debt less any applicable Surrender Charges

### Tax Advantages

- Product design which allows clients to maximize benefit values through multiple tax advantages including income tax-deferred growth while invested, income tax-free benefits if care is needed, and a death benefit that is generally received income tax-free.

### Flexible Care Cash

- While LTC Base Value remains, this feature provides access to cash benefit for care needs.
- Allows for 50% of the maximum daily benefit to be used per occurrence (up to the IRS per diem limit).
- Cash benefit payable without providing receipts.
- Care under this feature may be provided by family members, including the spouse.

### Additional Features

- **Issue Ages 30-70**
- **Underwriting Classes of Standard or Couples Discount**
- **Premium Structure:** Single Premium or Flexible Premium. Flexible Premium design allows for premiums to be paid at any time up to age 121, within premium limits.
- **Zero Day Elimination Period**
- **Allocation Requirements**
  - Maintaining the allocation requirements noted below is required to keep the Value Protection Rider (VPR) on the Policy
  - Three tiers of funding options available. If any money is allocated to Tier 3 then at least 20% of money must be allocated to Tier 1.
    - Tier 1 – Fixed Account, Bond funds, Money Market fund
    - Tier 2 – Blended (equity/bond) funds, Asset allocation funds, Target-date funds
    - Tier 3 – Equity funds, ETFs
  - Under the allocation requirements, quarterly automatic rebalancing is required to be maintained on the policy and that the quarterly rebalancing allocations are within the allocation requirements noted above.
- **Dollar Cost Averaging:** Available at issue with a Fixed Account Interest rate to address market volatility concerns
- **Access to Lincoln Concierge Care Coordination for all policy holders**

## Availability and Transition Guidelines

Subject to state and firm approvals, applications for Lincoln *MoneyGuard Market Advantage*<sup>SM</sup> will be accepted beginning on February 16, 2021. Please see below for important information associated with Lincoln *MoneyGuard Market Advantage*<sup>SM</sup> availability.

- Effective February 16, 2021, Lincoln has updated our current *MoneyGuard* Application to provide a single, unified application to be used across Lincoln *MoneyGuard*® III and the new Lincoln *MoneyGuard Market Advantage*<sup>SM</sup>.
- When applying for Lincoln *MoneyGuard Market Advantage*<sup>SM</sup> there are two new forms that need to be completed for this variable product in addition to the standard application package: Lincoln *MoneyGuard Market Advantage*<sup>SM</sup> Allocation Form (MG12176) and Customer Identity Verification Form (33009).
- A checklist (MG12227) is available to assist Financial Professionals with the required forms.
- Pending and Issued applications for Lincoln *MoneyGuard*® III (2020) may request a product switch to the new Lincoln *MoneyGuard Market Advantage*<sup>SM</sup>
  - We will require a new Part 1 Application, illustration, Outline of Coverage, VUL Allocation Form, Customer Identity Verification Form, and any state/firm specific requirements.
    - The client will also need to be provided with the following if switching to Lincoln *MoneyGuard Market Advantage*<sup>SM</sup>; Product Prospectus and Outline of Coverage.
  - It is important to ensure proper licensing and appointment prior to submitting new/revised application 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.
- Lincoln's [Internal Replacement Guidelines](#) have been updated to reflect Lincoln *MoneyGuard Market Advantage*<sup>SM</sup>, please refer to that documentation for information on Internal Replacements.

[Click here](#) to view the current MoneyGuard product availability grid.

## Prospectus

The prospectus can be found on LFG.com under Industry Professional > Performance and prospectus center > MoneyGuard. [Click here](#) to view a copy of the prospectus.

## Illustration Capabilities

Lincoln's *DesignIt*<sup>SM</sup> (v52.0) and WinFlex illustration systems have been updated with illustration capability effective February 16, 2021. Notable items associated with the Lincoln *MoneyGuard Market Advantage*<sup>SM</sup> illustration include:

- Introduction of a purposely designed illustration with consumer-friendly language and important values/product features prominently displayed.
- Designed for in-person and virtual presentations.
- Access to a variety of additional reports enhancing the sales process: Historical Report, What Care Costs Report, Concierge Care Report, Internal Rate of Return Report and Policy Expense and Analysis Report.

## Agent Licensing

Prior to soliciting business, Financial Professionals must be licensed and appointed to sell a variable life insurance product. Most states require a health license and/or long-term care continuing education to solicit and sell life insurance with a long-term care rider. Failure to secure the proper licensing credentials prior to application submission could result in a processing delay and/or require additional client signatures.

## Reference Materials

The Reference Materials are available on the various Lincoln producer websites.

### Technical Training Guide

- [Lincoln MoneyGuard Market Advantage<sup>SM</sup> Product Reference Guide](#)
- [Lincoln MoneyGuard Market Advantage<sup>SM</sup> Product Summary](#)

### Specimen Contracts

- [Lincoln MoneyGuard Market Advantage<sup>SM</sup>](#) (visit producer website for appropriate state variation)

## Marketing Materials

Marketing materials for this product are available for viewing on the various Lincoln websites and for order from the Lincoln Literature Fulfillment Center. Materials will be available on February 16, 2021 or shortly thereafter.

Materials	Audience	Order Code
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Interactive Client Guide	Client	<a href="#">MG-MMA-IBR001</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Client Guide	Client	<a href="#">MG-MMA-BLV001</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Investment Guide	Client	<a href="#">MG-INVST-BRC001</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Fact Sheet	Client	<a href="#">MG-FACT-FST004</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Client Seminar	Client	<a href="#">MG-MGMA-PPT001</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Financial Professional Guide	Financial Professional	<a href="#">MG-MMA-BLV003</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> Financial Professional Presentation	Financial Professional	<a href="#">MG-MGMA-PPT002</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> – Case Study High net worth	Financial Professional	<a href="#">MG-MMA-FLI003</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> – Case Study High income earners	Financial Professional	<a href="#">MG-MMA-FLI004</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> – Case Study Young professional	Financial Professional	<a href="#">MG-MMA-FLI005</a>
<i>MoneyGuard Market Advantage<sup>SM</sup></i> – Case Study Mass affluent	Financial Professional	<a href="#">MG-MMA-FLI006</a>

## Unified Product Application

**For Lincoln MoneyGuard<sup>®</sup> III and Lincoln MoneyGuard Market Advantage<sup>SM</sup>**

***Reprinted from the February 3, 2021 Lincoln Life Leader***

On February 16, 2021, Lincoln will launch a new unified application for Lincoln MoneyGuard<sup>®</sup> III and Lincoln MoneyGuard Market Advantage<sup>SM</sup> to improve the agent and client experience. The application design and question wording has been updated throughout the forms package to align with Optical Character Recognition (OCR) technology, creating more efficient processing of paperwork.

View this [agent guide](#) for the Application Summary Package Summary and an overview of key changes.

Beginning February 16, 2021, the new Lincoln MoneyGuard forms package may be accessed via the Lincoln Forms Tool or wherever you currently access forms. Please retrieve the updated application packet prior to submitting a new case.

For Lincoln *MoneyGuard*® III paper applications, there will be a 90-day transition window from February 16, 2021 in which Lincoln will accept either the current application or the new paper application for all states that have approved the new application. For states that have not approved the new application as of February 16, 2021, the 90-day transition will begin when the new application is approved.

For electronic application submissions, effective February 16, 2021, only the new unified application paperwork will be available.

## Lincoln *MoneyGuard*® eCapabilities

Lincoln is committed in its efforts to expand and enhance digital capabilities to further improve the client and agent experience with soliciting, submitting, and placing business. Conducting business digitally with Lincoln *MoneyGuard*® Solutions is a great opportunity to distinguish your business from the competition.

In coordination with the launch of the Lincoln *MoneyGuard* Unified Application and Lincoln *MoneyGuard Market Advantage*™, we have made updates to our training and reference materials. Please click on the links below to review our guides.

eCapability Resources	
<a href="#">MoneyGuard eCapabilities</a>	<a href="#">MoneyGuard Online PHI Agent Overview</a>
<a href="#">Policy Submission Summary</a>	<a href="#">MoneyGuard Personal History Interview Agent FAQ</a>
<a href="#">Policy Submission Guide</a>	<a href="#">MoneyGuard Online PHI Agent Training Brainshark</a>
<a href="#">MoneyGuard iGO eApp Overview Article</a>	<a href="#">MoneyGuard Online PHI Client Training Brainshark</a>
<a href="#">MoneyGuard iGO eApp Flier</a>	<a href="#">MoneyGuard III Interview Prep Tool</a>
<a href="#">MoneyGuard iGO eApp Agent Brainshark</a>	<a href="#">MoneyGuard Market Advantage Interview Prep Tool</a>
<a href="#">eNIGO Agent Overview</a>	<a href="#">Policy Delivery Summary</a>
<a href="#">eNIGO Agent FAQ</a>	<a href="#">Policy Delivery Guide</a>
<a href="#">eNIGO Agent Training</a>	<a href="#">eCapabilities State Approvals</a>

# Internal Replacement Guidelines

## Lincoln MoneyGuard Market Advantage<sup>SM</sup>

With the launch of Lincoln's innovative *MoneyGuard Market Advantage<sup>SM</sup>* product, Lincoln is outlining the internal replacement rules for exchanges of existing *MoneyGuard* policies. For *MoneyGuard* cases that are less than 12 months old the following is available:

- **Credit for premium paid.** This offer is available for existing *MoneyGuard*® policies within a 1-year contract window from the policy date. After year one, the rollover amount is the surrender value of the policy.
- **Eligible *MoneyGuard*® policies for full premium credit.** This applies to Lincoln *MoneyGuard*® III, Lincoln *MoneyGuard*® II, or Lincoln *MoneyGuard*® II NY (if no longer living in New York and/or California) policies that have not exercised any benefits under the contract including: withdrawals, loans, policy changes or claims. Rollover amount will be the same as total premium paid (surrender charge or return of premium does not apply).
- **Limited underwriting requirements.** Personal History Interview (PHI) will be valid for one year (currently it is valid for 90 days). All applicants will be required to provide a statement of health.
- **Forms required.** For an internal exchange into *MoneyGuard Market Advantage<sup>SM</sup>*, a new application package (including 1035 exchange and all solicitation forms), statement of health and point-in-time illustration is required.
- **Current internal exchange compensation rules apply.** See detailed rules below and in the full Internal Replacement Guidelines.
- **Increased benefits.** If a client would like to increase their benefits as part of the exchange that is possible. However, if the coverage or premiums increase the client will need to go through full underwriting.

### Example: Underwriting Requirements

Lincoln *MoneyGuard*® III application signed July 15, 2020

PHI completed August 1, 2020

Policy date is September 1, 2020

NEW *MoneyGuard Market Advantage<sup>SM</sup>* application received March 1, 2021:

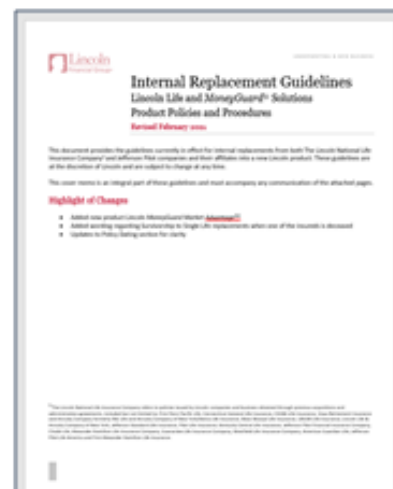
- Eligible for full premium credit
- New PHI is NOT required (original PHI was conducted within one year ago)
- A statement of health is required

### Compensation for Lincoln MoneyGuard Market Advantage<sup>SM</sup>

For any policy that is less than 12 months old, total commissions will be charged back on the exchanging policy and regular full commissions will be paid on the rollover plus any new money.

### Reference Materials

For more in-depth information regarding Lincoln's Internal Replacement Guidelines – [View Here](#)



## Now Available – Lincoln VUL<sup>ONE</sup> (2021) and Lincoln SVUL<sup>ONE</sup> (2021)

Effective February 16, 2021, subject to state availability, Lincoln is pleased to introduce the newest products in its variable universal life portfolio, *Lincoln VUL<sup>ONE</sup> (2021)* and *Lincoln SVUL<sup>ONE</sup> (2021)*.

The new *Lincoln VUL<sup>ONE</sup> (2021)* and *Lincoln SVUL<sup>ONE</sup> (2021)* continue to offer guaranteed lifetime death benefit protection with market-driven growth potential, while also offering options that can reduce cost and increase your cash value and death benefit protection. These products replace the existing *Lincoln VUL<sup>ONE</sup> (2019)* and *Lincoln SVUL<sup>ONE</sup> (2019)* versions with the focus of maintaining a consistent leadership position while adding optionality into the product through two lifetime guaranteed minimum death benefit protection options and a **NEW Bonus Rider!**

### Product Highlights

#### Guaranteed Lifetime Protection – No Matter How the Market Performs

Two lifetime Guaranteed Minimum Death Benefit (GMDB) protection options:

- 100% Lifetime Guaranteed Death Benefit
- **NEW!** Premium Reduction Option via Lifetime Guaranteed Death Benefit with 50% drop at age 90
  - For *Lincoln VUL<sup>ONE</sup> (2021)* this option reduces premium by 16% on average over the 100% Lifetime Guaranteed Death Benefit Option
  - For *Lincoln SVUL<sup>ONE</sup> (2021)* this option reduces premium by 25% on average over the 100% Lifetime Guaranteed Death Benefit Option

#### Growth Opportunities

Market growth potential with more than 75 investment options and no restrictions

- Tax-deferred growth potential
- The freedom to craft policy portfolios from conservative to aggressive
- Passive or hybrid management, without impacting the guaranteed protection
- Automatic rebalancing

#### Options to Enhance Protection and Cash Value Potential

**NEW!** Bonus Rider

- The Bonus Rider gives the policy holder the option to utilize cash value within the policy to pursue increased upside potential through indexed features. The rider takes an annualized charge from the Separate Account to purchase an uncapped option on the S&P 500 with a 0% floor and a participation rate (set at the time of option purchase). This rider includes an additional No-Lapse Value premium load.

#### Permanent Rewards for Strong Performance with the Accumulation Value Threshold

If the policy exceeds a pre-determined threshold, the policy's Death Benefit is guaranteed, and excess cash value can be accessed without impacting the guarantee.

### Product Updates

The first-year premium limit of \$500,000 previously imposed on *Lincoln VUL<sup>ONE</sup> (2019)* and *Lincoln SVUL<sup>ONE</sup> (2019)* will not apply to *Lincoln VUL<sup>ONE</sup> (2021)* and *Lincoln SVUL<sup>ONE</sup> (2021)*.

## Available Riders

The following riders are available, subject to state availability, on *Lincoln VUL<sup>ONE</sup>* (2021):

- Bonus Rider (*NEW!*)
- Accelerated Benefits Rider (with critical illness)
- Accelerated Benefits Rider
- Long-Term Care Rider (LTC Rider)
- *Lincoln LifeAssure*® Accelerated Benefits Rider
- *Lincoln LifeEnhance*® Accelerated Benefits Rider
- Enhanced Surrender Value Rider
- Change of Insured Rider
- Waiver of Monthly Deductions
- Optimal No-Lapse Enhancement Rider (included automatically)
- Overloan Protection Rider (included automatically)
- Premium Reserve Rider (included automatically in approved states)

The following riders are available, subject to state availability, on *Lincoln SVUL<sup>ONE</sup>* (2021):

- Bonus Rider (*NEW!*)
- Enhanced Surrender Value Rider
- Estate Protection Rider
- Optimal No-Lapse Enhancement Rider (included automatically)
- Overloan Protection Rider (included automatically)
- Premium Reserve Rider (included automatically in approved states)

## Product Availability

New Business applications will be accepted on February 16, 2021 in approved states. [Click here](#) to view the current Variable Universal Life product availability grid. Please note, the new products will not be filed in New York.

## Prospectus

There is a new prospectus for each of these products. *Lincoln VUL<sup>ONE</sup>* (2021), dated February 8, 2021, and *Lincoln SVUL<sup>ONE</sup>* (2021), dated February 8, 2021, can be found on LFG.com under Industry Professionals > Performance and prospectus center > VUL.

- [Click here](#) for a copy of the *Lincoln VUL<sup>ONE</sup>* (2021) prospectus
- [Click here](#) for a copy of the *Lincoln SVUL<sup>ONE</sup>* (2021) prospectus

## Transition Guidelines

For states that are approved at rollout there is a 14-day transition period which begins on **February 16, 2021 and ends on March 1, 2021.**

- **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 by the end of the transition period to qualify.
- **For pending business or policies already issued**, Lincoln will accept a written request and a revised illustration to change to the *Lincoln VUL<sup>ONE</sup>* (2021) or *Lincoln SVUL<sup>ONE</sup>* (2021)
- **For policies already placed**, normal internal replacement guidelines apply. Rewrites will not be allowed.
- **For states approved after rollout**, the above will automatically apply based on the availability date.



## Illustrations

**NEW!** An industry leading, re-imagined illustration tells the *Lincoln VUL<sup>ONE</sup>* (2021) and *Lincoln SVUL<sup>ONE</sup>* (2021) story through words, numbers and pictures.

- See a quick synopsis of the product and the individualized design with new Overview pages.
- A new Interest Accumulation Detail Report.
- A new Quick Quote Tool Report to provide a side by side look at the 4 different pricing options available within the product (both GMDDB options alone and both GMDDB options with the Bonus Rider included). The Quick Quote tool will be available as an optional report within the illustration and also available in the right panel under “Special Features”.

Illustrations for *Lincoln VUL<sup>ONE</sup>* (2021) and *Lincoln SVUL<sup>ONE</sup>* (2021) will be run on the *Lincoln DesignIt<sup>SM</sup>* Illustration System (v52.0). If you have an active internet connection, the software will automatically update to include the new rates on February 16, 2021. If you need to download the *Lincoln DesignIt<sup>SM</sup>* illustration system, it will be available on the Lincoln producer websites or from Field office Technicians.

## Reference Materials

The following reference materials are available from the Lincoln Producer websites, *Lincoln VUL<sup>ONE</sup>* (2021) product details tab, or click on the names of the piece below.

### Technical Training Guide

- [Lincoln VUL<sup>ONE</sup> \(2021\) Product Reference Guide](#)

### Side-by-side Comparison

- [Lincoln VUL<sup>ONE</sup> \(2021\) vs Lincoln VUL<sup>ONE</sup> \(2019\)](#)

### Specimen Contract

- [Lincoln VUL<sup>ONE</sup> – Fully Loaded \(20-VUL689\)](#)

The following reference materials are available from the Lincoln Producer websites, *Lincoln SVUL<sup>ONE</sup>* (2021) product details tab, or click on the names of the piece below.

### Technical Training Guide

- [Lincoln SVUL<sup>ONE</sup> \(2021\) Product Reference Guide](#)

### Side-by-side Comparison

- [Lincoln SVUL<sup>ONE</sup> \(2021\) vs Lincoln SVUL<sup>ONE</sup> \(2019\)](#)

### Specimen Contract

- [Lincoln SVUL<sup>ONE</sup> 2021 \(20-SVUL622\)](#)

## Marketing Materials

Marketing materials for these products are available for viewing on the various Lincoln websites and for order from the Lincoln Literature Fulfillment Center. Materials will be updated and available on February 16, 2021 or shortly thereafter.

Materials	Audience	Order Code
<i>Lincoln VUL<sup>ONE</sup></i> (2021) Client Guide	Client	<a href="#">V1-CLT-BRC002</a>
<i>Lincoln VUL<sup>ONE</sup></i> (2021) Fact Sheet	Client	<a href="#">V1-FACT-FST005</a>
<i>Lincoln SVUL<sup>ONE</sup></i> (2021) Fact Sheet	Client	<a href="#">V1-FACT-FST004</a>
<i>Lincoln VUL<sup>ONE</sup></i> (2021) Landing Page (for additional materials)		<a href="#">Microsite</a>

## Pricing Update – *Lincoln VUL<sup>ONE</sup>* (2019) – 02/16/21 and *Lincoln SVUL<sup>ONE</sup>* (2019) – 02/16/21

As our industry continues to operate in a challenging and changing environment, Lincoln remains committed to operating responsibly through our disciplined approach to financial and risk management. Guided by our long-term objective of honoring commitments to policyholders, thoughtful and deliberate business decisions enable Lincoln to remain dedicated to the life insurance market, maintain a consistent industry-leadership position, and meet customer and advisor needs.

As part of this approach, effective February 16, 2021 and in conjunction with the launch of *Lincoln VUL<sup>ONE</sup>* (2021) and *Lincoln SVUL<sup>ONE</sup>* (2021), Lincoln is announcing pricing updates on the current *Lincoln VUL<sup>ONE</sup>* (2019) and *Lincoln SVUL<sup>ONE</sup>* (2019) to align with the 2021 product pricing.

***Lincoln VUL<sup>ONE</sup>* (2019) – 02/16/21 will be available only in those states that have not approved *Lincoln VUL<sup>ONE</sup>* (2021). *SVUL<sup>ONE</sup>* (2019) – 02/16/21 will be available only in those states that have not approved *Lincoln SVUL<sup>ONE</sup>* (2021).**

While premium increases are necessary due to conditions of the current environment, our goal is to remain competitive and as such **the first-year premium limit of \$500,000 for *Lincoln VUL<sup>ONE</sup>* (2019) and *Lincoln SVUL<sup>ONE</sup>* (2019) will not apply to *Lincoln VUL<sup>ONE</sup>* (2019) – 02/16/21 and *Lincoln SVUL<sup>ONE</sup>* (2019) – 02/16/21.** Lincoln remains committed to the guaranteed Variable Universal Life market, and these adjustments help ensure we maintain market presence and remain a trusted and reliable partner.

### Pricing Changes

The following pricing updates apply:

#### ***Lincoln VUL<sup>ONE</sup>* (2019) – 02/16/21**

- Premiums have increased 9% on average across all funding patterns
  - Level pay premiums increased 8% on average
  - Single and 10-pay premiums increased 10% on average
- There are no impacts to Target premiums
- No first-year premium limit

#### ***Lincoln SVUL<sup>ONE</sup>* (2019) – 02/16/21**

- Premiums have increased 12% on average across all funding patterns
  - 11% increase on average at younger ages
  - Up to 14% increase on average at older ages
- There are no impacts to Target premiums
- No first-year premium limit

### Prospectus

There are no new prospectuses for these product updates. See below for a copy of the prospectuses.

- [\*Lincoln VUL<sup>ONE</sup>\* \(2019\) – 02/16/21](#)
- [\*Lincoln SVUL<sup>ONE</sup>\* \(2019\) – 02/16/21](#)

### State Availability

These products will only be available in the states where *Lincoln VUL<sup>ONE</sup>* (2021) and/or the *Lincoln SVUL<sup>ONE</sup>* (2021) are **not** approved at launch. These products will not be made available in New York.

[Click here](#) to view the current Variable Universal Life product availability grid.

## Transition Guidelines

For states that are approved at rollout (i.e. those states that have not yet approved the *Lincoln VUL<sup>ONE</sup>* (2021) and/or the *Lincoln SVUL<sup>ONE</sup>* (2021)), there is a 14-day transition period which begins on **February 16, 2021 and ends on March 1, 2021.**

- **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 by the end of the transition period to qualify.
- **For pending business or policies already issued**, Lincoln will accept a written request and a revised illustration to change to the *Lincoln VUL<sup>ONE</sup>* (2019) – 02/16/21 or *Lincoln SVUL<sup>ONE</sup>* (2019) – 02/16/21.
- **For policies already placed**, normal internal replacement guidelines apply. Rewrites will not be allowed.

## Illustrations

Illustrations for *Lincoln VUL<sup>ONE</sup>* (2019) – 02/16/21, and *Lincoln SVUL<sup>ONE</sup>* (2019) – 02/16/21 will be run on the *Lincoln DesignIt<sup>SM</sup>* Illustration System (v52.0). If you have an active internet connection, the software will automatically update to include the new rates on February 16, 2021. If you need to download the *Lincoln DesignIt<sup>SM</sup>* Illustration System, it will be available on the Lincoln producer websites or from Field office Technicians.

## Reference and Marketing Materials

All impacted materials will be/have been updated and made available on the Lincoln Producer Websites and for order from the Lincoln Literature Fulfillment Center.

## VUL Fund Allocations Now Integrated in LincXpress® eTicket Submission Process

**Beginning February 16, 2021**, we are pleased to integrate the **Fund Allocations** for variable universal life (VUL) insurance submissions within the *LincXpress®* eTicket platform on *iPipeline®*. This new process will save time and eliminate the need for our partners to upload and attach a PDF copy of this form in the "Additional Information section" at the end of the electronic ticket submission process.

### Fund Allocations

Within the **Fund Allocations** section in the *iPipeline* eTicket platform, selections may be made in whole percentages and must total 100%. There are three pages in which fund selections may be made, as shown below.

### Uploading Additional Documents

For **variable life insurance** products, you can upload any VUL specific documents in the "**Additional Information**" section and the attachment(s) will accompany the packet that is sent to Lincoln. Attachments must be in PDF format, and may include the following:

- Customer Identity Verification
- VUL Product Illustration
- Trust Information
- Cover Letter
- and, more...

The screenshot shows the Lincoln Financial Group application interface. The left sidebar contains a menu with items like 'Insured Information', 'EFT Information', 'Fund Allocations', 'Fund Allocations Cont.', 'Dollar Cost Averaging (...)', 'Transfer/Allocation/Cha...', 'Temporary Life Insuranc...', 'Existing Insurance', 'Suitability Review', and 'Agent Information'. The 'Fund Allocations' menu item is highlighted with a red box. A red arrow points to the 'Fund Allocations Cont.' link. The main content area is titled 'Fund Allocations' and shows 'Premium Payment Allocations'. It includes a section for 'Automatic Rebalancing S/VUL ONE policies' and a table of fund allocations. A modal window is open, showing the details for 'Northern Lights Variable Trust' with a list of funds and their allocations, and a 'Total' of 100%.

## Reminder! *iPipeline*® Users Must Add New Products to iGO

Having trouble finding the new VUL products in your *iPipeline*® Account? As a reminder, when new life insurance products become available, *iPipeline*® users must add any new products to their account within iGO and iService. If you have specific questions or need instructions, you can access additional information from the *iPipeline*® [Customer Portal](#):

The screenshot shows the iPipeline Customer Portal iService page. The header includes the iPipeline logo and navigation links: PRODUCTS, RESOURCES, COLLABORATE, SUPPORT, LOG IN, REGISTER. The main content area is titled 'iService' and includes a search bar and a list of trending searches. Below the search bar, there are two main sections: 'Forms Configuration' and 'iGO Configuration'. The 'iGO Configuration' section contains a list of links: 'Configure iGO within iService', 'Add Products to iGO', and 'Update an Agent's Case Manager'. A red arrow points to the 'Add Products to iGO' link. At the bottom, there is a link to 'iService Getting Started'.

## Latest on Sections 7702 and 7702A Updates

The Consolidated Appropriations Act, 2021 (the “Act”), which was enacted at the end of 2020, contained a change to the definition of life insurance contracts that will have a significant impact on the life insurance industry. More specifically, the Act changed the minimum statutory interest rate assumptions used in calculating the premium limits under sections 7702 and 7702A of the Internal Revenue Code from fixed rates to allow the rates used for new policies to change as often as once per year, along with a change to the rates for 2021.

Lincoln, like all insurance companies, is carefully studying the new law and assessing the impact on our business. Because this proposal was developed within the life insurance industry, Lincoln was aware of the potential change to the statute and took certain proactive steps to prepare to update our newer products to reflect the change. The following products that will be launched in February will have updated premium limits under sections 7702 and 7702A: *VUL<sup>ONE</sup>* (2021), *SVUL<sup>ONE</sup>* (2021) and *MoneyGuard Market Advantage<sup>SM</sup>*.

We are also working to determine which of our current product offerings need to be adjusted to reflect the new statutory rates. Since calculations completed using the old rates are more conservative than under the new rates, contracts issued based on the old rates will continue to comply with 7702 and 7702A going forward. Therefore, any Lincoln products issued prior to the product changes will continue to comply with the requirements of section 7702. Our goal is to meet our customer’s life insurance needs and remain a leader in the industry.

For additional information, please visit [Lincoln’s Regulatory Round-Up web page](#).

## Lincoln Policies and Procedures

### Guidelines reviewed and updated as of February 16, 2021

Lincoln’s policies and procedural guidelines have been reviewed and updated effective February 16, 2021, where applicable. Key changes are noted in the chart below and you may access the guidelines by clicking on the document name.

Key Changes	
<a href="#">Internal Replacement Guidelines</a>	<ul style="list-style-type: none"><li>Added new product Lincoln <i>MoneyGuard Market Advantage<sup>SM</sup></i></li><li>Added wording regarding Survivorship to Single Life replacements when one of the insureds is deceased</li><li>Updates to Policy Dating section for clarity</li></ul>
<a href="#">Lincoln <i>MoneyGuard Market Advantage<sup>SM</sup></i></a>	New
<a href="#">Internal Replacement Guidelines Overview</a>	
<a href="#">Term Conversion Guidelines</a>	<ul style="list-style-type: none"><li>Added disclosure regarding the conversion into a COLI policy is not allowed</li><li>The Term Conversion policy and premium dating rules for VUL have been updated to align with Life</li><li>Added two new questions in the Q &amp; A section<ul style="list-style-type: none"><li>Can a term policy be fully or partially converted into multiple policies?</li><li>Can a term policy be partially converted multiple times during the life of the term policy?</li></ul></li></ul>

Key Changes ( <i>Continued</i> )	
<a href="#">Term Conversion Guidelines Matrix</a>	<i>No changes</i>
<a href="#">Commission Recall (Chargeback) Guidelines</a>	<i>No changes</i>
<a href="#">Compensation on Face Increase Guidelines</a>	<ul style="list-style-type: none"> <li>Added example for Lincoln <i>MoneyGuard Market Advantage</i><sup>SM</sup></li> </ul>

## Electronic Lab Slip Completion

Lincoln is pleased to introduce **eSlip** – Electronic Lab Slip Completion. This expanded capability is available through APPS Para Medical Services and enables examiners to complete all labslip and HIV forms electronically via a laptop/tablet, while meeting face-to-face with the client.

### Key Benefits of eSlip

- eSlip is an electronic labslip process streamlining the experience by reducing overall cycle times and touchpoints with the client after their appointment
- Digital data entry ensures all requirements are completed in one visit
- Reduces the need for delivery requirements
- eSlips are completed and e-signed by the applicant and examiner during the appointment
- Available at **NO COST** for producers or clients

When physical measurements are ordered for Lincoln through APPS, the eSlip process will automatically be followed. No opt-in is required.

### Reminder - SmartParaMed

As a reminder, Lincoln also utilizes SmartParaMed, with APPS Para Medical Services, for Digital Paramedical Exam Completion. This capability enables examiners to complete all life insurance paramedical exams electronically via a laptop/tablet, while meeting face-to-face with the client. [Learn more.](#)

Please contact your dedicated Lincoln Underwriting and New Business team for additional information.

## Pending Case Status Enhancements

**Updated from the January 25, 2021 Lincoln Life Leader**

Lincoln's Underwriting & New Business team is committed to continuous improvement of our pending case processes, based on feedback from our Partners. This quarter, we're pleased to make the following enhancements for your life insurance cases, including Lincoln *MoneyGuard*® Solutions:

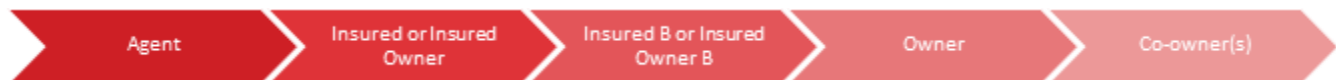


January 25	New eNIGO Signing Order
February 16	Firm Communication Preferences
February 16	Pending Website Field Response for Underwriting Decision
February 16	Follow-up Email Formatting

### eNIGO Signing Order

Beginning January 25, 2021, our eNIGO signer workflow process will begin with the **agent first**. This update will enable the writing agent to review and pre-fill any missing information on the form before it goes to the client for review. The client will have the ability to edit any client information entered by the agent prior to signing. This process update will improve the overall agent and client experience and increase in-good-order document submissions.

#### Signing order workflow



The eNIGO process can be initiated directly from the Lincoln producer pending website, or through the link included in the case status email notification. Once all forms are signed, the agent will receive a confirmation email which will include a link to view and download the completed documents. This process helps to reduce in-person client touchpoints after application submission and results in quicker turnaround times and reduced exception requests. For additional information, please review the following resources:

- [eNIGO Overview](#)
- [eNIGO Agent Training BrainShark](#)
- [eNIGO Frequently Asked Questions](#)

### Firm Level Communication Preferences for Pending Case Status

Communications Preferences was introduced in November 2020 to enable Case Managers and Financial Professionals to customize email notifications regarding case status updates. **On February 16, 2021**, our pending case status Communication Preferences tool will be available for customization at the **Firm/Agency level**.

Email notifications can be customized by product type, face amount, and frequency. If no preferences are set, email notifications will continue as they do today— on average every 5-7 days and/or as the policy status changes.

#### What you need to know about Firm Level Preferences

- The Primary Firm Contact user will have the ability to delegate and/or set office level communications preferences for one or multiple Tax ID Numbers (TINs)
- Preferences set at the firm level will override individual preferences set by a **case manager**
- Preferences set at the firm level will not override preferences set by a **Financial Professional**

For Financial Professionals who are registered with Lincoln, you may access your preference settings via Lincoln's Producer Pending Website.

For a step-by-step guide on how to customize your communication preferences, please view our [Guide to Customized Communications](#) as well as our [Pending Case Status Tools](#) training Brainshark.

### Pending Website Field Response for Underwriting Decision

Lincoln offers enhanced two-way communication tools within the *Pending Business* tab on the pending website to enable our Partners to quickly satisfy outstanding questions and requirements on a case. The **Field Response** feature offers the ability to communicate directly with the assigned Underwriter or New Business Contact.

Beginning **February 16, 2021**, the **Underwriting Decision** requirement will have Field Response capability, to allow our Partners to accept or decline an Underwriting offer online. The Field Response feature can be accessed directly from the **Policy Details** page on the Lincoln pending website:

1. Review the Underwriting offer in the **Comment** section of the **UW Decision** requirement
2. To respond to the offer, click the **UW Decision** link in the requirement column (indicated with an arrow)
3. The **Field Response** screen will display where Partners can type in a response (accept or decline) and any other comments regarding the Underwriting offer
4. The response is sent back to the New Business Associate to continue working the case

The screenshot displays the 'OUTSTANDING REQUIREMENTS' section of the Lincoln Pending Website. It features a table with columns: CLIENT NAME, REQUIREMENT, REQUIREMENT DATE, STATUS, STATUS DATE, and COMMENT. Three requirements are listed: 'Blood - 4Hfast', 'Paramed Exam', and 'UW Decision'. The 'UW Decision' requirement is highlighted with a blue arrow pointing to a 'Field response' modal window.

CLIENT NAME	REQUIREMENT	REQUIREMENT DATE	STATUS	STATUS DATE	COMMENT
Client, Valued	Blood - 4Hfast	07/06/2020	● Needed for Issue	07/06/2020	
Client, Valued	Paramed Exam	07/06/2020	● Needed for Issue	07/06/2020	
Client, Valued	UW Decision	12/07/2020	● Needed for Issue	12/07/2020	This policy has been approved at Preferred Plus Non-Tobacco.

The 'Field response' modal window shows the following details:

- Policy Number: UL00000000X
- Client: Client, Valued
- QUOTE: UW Decision
- Buttons: Sent responses, Submit a new response
- Text input area: Offer accepted
- Character limit: Maximum characters allowed are 2,000. Your message shouldn't contain HTML, or invalid special characters. Only these special characters are allowed: &, #, \$, %, ^, \*, &#39;, dash (-), apostrophe ('), comma, period.
- Buttons: SEND, Cancel

### Case Status Follow-up Email Updates

In addition to the automated email notifications sent to Partners on their pending case status, our New Business Associates often send "on-demand" case status update emails. We're pleased to update the formatting of these on-demand emails to make them easier to read – requirements are now grouped in sections based on requirement type. This new formatting will be consistent with what our Partners already see in the automated email notifications.

Requirements will be grouped into the following categories:

- Underwriting Requirements Needed
- Administrative Requirements Needed
- Available for eNIGO (link will initiate the eNIGO process)



Requirement restrictions will be grouped in the following order:

- Needed for Issue
- Needed for Placement
- Needed for File Completion

#### Sample On-Demand Email

Subject    VULXXXXXX J SMITH		
For your convenience, a list of outstanding requirements is provided below.		
<b>Underwriting Requirements Needed for J. Smith</b>		
Blood - 4Hfast		Needed for Issue
Motor Vehicle Report		Needed for Issue
Paramed Exam		Needed for Issue
Urinalysis		Needed for Issue
Answer to question on app	Proposed Insured State of Birth	Needed for File Completion
Answer to question on app	Proposed Insured DL #	Needed for File Completion
Answer to question on app	Proposed Insured DL State	Needed for File Completion
Beneficiary	Beneficiary Information	Needed for File Completion
Signed Application Part I	ICC18LFF11693 Application for Individual Life Insurance	Needed for File Completion
<b>Administrative Requirements Needed for J. Smith</b>		
* Allocations Form	LF06641_5-20 VUL/SVUL Allocations	Needed for Issue
* Customer Identity Verification Form	33009 Customer Identity Verification	Needed for Issue
* HIPAA Authorization	LF02896 Authorization for Release of Information	Needed for Placement
HIV Form	BJ-7918 HIV Notice and Consent	Needed for File Completion
* Signed ABR Disclosure Stmt	BJF-01010-01 Disclosure Statement for Accelerated Benefits Rider	Needed for File Completion
* Available for <a href="#">eNIGO</a>		
Thank you for choosing Lincoln Financial for your life insurance needs.		

## IRS Form 4506-C

### Updated Form for Tax Request Verification

*Reprinted from the February 3, 2021 Lincoln Life Leader*

We have been notified that the Internal Revenue Service (IRS) has updated the Form 4506 to the Form 4506-C and will only accept this version effective March 1, 2021. This form is used to initiate a tax return transcript request from a third-party, such as Lincoln Financial. Form 4506-C will replace both the 4506-T and 4506T-EZ forms.

This form will be accessible on all platforms starting **February 16, 2021**. For assistance with completing the tax request form, please download “Completing the 4506-C” [Lincoln Form LF10559] from the Lincoln Forms Tool or your firm platform.

For additional information, please review the answers to some commonly asked questions below:

Question	Answer
Can I use the Form 4506-C now?	Yes, this form is available for immediate use. Starting March 1, 2021, all requests received by the IRS must be on Form 4506-C.
Can I still use the Form 4506-T?	Through February 28, 2021 you may send requests on Form 4506-T (September 2018 and March 2019 versions only) and Form 4506T-EZ. You cannot use the June 2019 revision of Form 4506-T requests.  <u>The last day that the IRS will accept Form 4506-T or Form 4506T-EZ will be February 28, 2021.</u>
What happens if I send a Form 4506-T or Form 4506T-EZ on or after March 1, 2021?	The IRS will reject the form back to the requester and Form 4506-C will need to be completed
Will the IRS be releasing a Form 4506C-EZ for IVES participants to use?	No, the IRS will be not be releasing a Form 4506C-EZ.
What are the differences between the Form 4506-T and Form 4506-C?	There are some minor differences between the Form 4506-T and Form 4506-C. These include: <ul style="list-style-type: none"><li>• The Caution language below Line 5b was updated to be limited for IVES requests. The Caution underneath Line 5b instructs the taxpayer to make sure that Lines 5 through 8 are completed before signing</li><li>• Date formatting instructions were added for Line 8 entries</li><li>• A field was added below the signature lines to print or type the name(s) of the individual(s) signing the form</li><li>• Notification language for designated recipients and taxpayers was added to advise that a designated recipient will be subject to penalties for unauthorized access, other use, or redisclosure of the taxpayer’s information without the taxpayer’s express permission and authorization</li></ul>
Is the taxpayer’s phone number a required entry on the Form 4506-C?	No, the phone number is not required for the Form 4506-C to be processed.

## February ONEmeeting Retraction

During our February 9, 2021 ONEmeeting, it was shared that we reintroduced Table Reduction Program (TRP). That was incorrect, the TRP was suspended on June 22, 2020 and remains suspended until further notice.

# State Approvals

Updates since January 25, 2021

## Initial Rollout

- Lincoln MoneyGuard Market Advantage<sup>SM</sup>
- Lincoln VUL<sup>ONE</sup> (2021) – including the Optimal No-Lapse Enhancement Rider (ONER)
- Lincoln SVUL<sup>ONE</sup> (2021) – Including the Optimal No-Lapse Enhancement Rider (ONER)
- Lincoln VUL<sup>ONE</sup> (2019) – 02/16/21 – including the Optimal No-Lapse Enhancement Rider (ONER)
- Lincoln SVUL<sup>ONE</sup> (2019) – 02/16/21 – including the Optimal No-Lapse Enhancement Rider (ONER)
- Bonus Rider – available on both Lincoln VUL<sup>ONE</sup> (2021) & Lincoln SVUL<sup>ONE</sup> (2021)
- Long-Term Care Services Rider (LTC Rider) LTC-7090 for use with Lincoln VUL<sup>ONE</sup> (2021) & Lincoln VUL<sup>ONE</sup> (2019) – 02/16/21

## Arizona, Delaware, Indiana, and South Dakota

- Long-Term Care Services Rider (LTC Rider) LTC-7090 for use with Lincoln AssetEdge<sup>®</sup> VUL (2020) – 01/11/21 and Lincoln AssetEdge<sup>®</sup> Exec VUL (2020) – 01/11/21

[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

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LCN-3449147-021121

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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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