

Term Conversion Changes – Summary Grid

In Force and Pipeline Business				
Term Conversion Application Received *		Products Available for Conversion ¹	Commissions Paid on Permanent Policy ²	
Prior to 1/ 1/17 [#]		Full Product Portfolio for entire conversion period		
			<i>Term policy year at conversion</i>	
			1	First year commission reduced by 100% of the commission paid on the term policy. Full renewal commission.
			2+	Full first year and renewal commission.
On or after 1/1/17	Term Policy Effective Date			
	Prior to 9/12/16	Full Product Portfolio for entire conversion period		
			<i>Term policy year at conversion</i>	
			1	First year commission reduced by 100% of the commission paid on the term policy. Full renewal commission.
			2	First year commission reduced by 50% of the commission paid on the term policy. Full renewal commission.
			3	First year commission reduced by 25% of the commission paid on the term policy. Full renewal commission.
			4-5	Full first year and renewal commission.
			6-7	First year commission up to target reduced by 50%, including any rollover target paid in renewal years. Full excess and renewal commission.
			8+	No first year commission up to target, including any rollover target paid in renewal years. Full excess and renewal commission.

*Applications must be signed, dated and received in good order in Lincoln's Home Office.

[#]Permanent policy must be placed no later than March 1, 2017, otherwise the rules for "On or after January 1, 2017" will apply.

New Business

Term Conversion Application Received			Products Available for Conversion ¹	Commissions Paid on Permanent Policy ²	
On or after 1/1/17	Term Policy Effective Date	Term Policy Form			
	On or after 9/12/16	Lincoln LifeElements® and Lincoln TermAccel® with Conversion Products Amendment	Full Product Portfolio for policy years 1 – 7 Limited Product Portfolio for policy year 8 – end of the conversion period	Term policy year at conversion	
				1	First year commission reduced by 100% of the commission paid on the term policy. Full renewal commission.
				2	First year commission reduced by 50% of the commission paid on the term policy. Full renewal commission.
				3	First year commission reduced by 25% of the commission paid on the term policy. Full renewal commission.
				4+	Full first year and renewal commission.
		Lincoln LifeElements® with Conversion Products Enhancement (additional cost)	Full Product Portfolio for entire conversion period	Term policy year at conversion	
				1	First year commission reduced by 100% of the commission paid on the term policy. Full renewal commission.
				2	First year commission reduced by 50% of the commission paid on the term policy. Full renewal commission.
				3	First year commission reduced by 25% of the commission paid on the term policy. Full renewal commission.
4+				Full first year and renewal commission.	

¹ **Products available for conversion:** Subject to the convertibility clauses in each term contract, Lincoln reserves the right to limit and change the products it makes available for conversion at any time.

Full Product Portfolio: Includes any single universal life and variable universal life policies available for new sales at the time of conversion except policies:

- Without surrender charges or with riders and/or benefits that waive surrender charges or enhance surrender values (i.e. Lincoln AssetEdge® Exec VUL, Lincoln LifeReserve® UL & Lincoln LifeReserve® Indexed UL Accumulator with the Exec Rider, Lincoln VUL^{ONE}, Lincoln AssetEdge® VUL with the Enhanced Surrender Value Rider, Lincoln WealthAdvantage® IUL with the Surrender Value Enhancement Endorsement).
- Sold within the *Guaranteed Issue* or *Simplified Issue* underwriting classification
- That include riders and/or benefits that provide optional long-term care coverage (i.e. Lincoln MoneyGuard® product suite)

Limited Product Portfolio: Includes at least one single life individual permanent life insurance policy made available for the purpose of conversion at the time of conversion.

² **Commission paid on permanent policy:** Lincoln reserves the right to change the commissions paid on term conversions at any time. Cannot choose the Limited Product Portfolio in order to receive higher compensation.

Please note that this Term Conversion Changes - Summary Grid is subject to all the definitions, rules and clarifications contained in the Lincoln Product Term Conversion Guidelines.

Contractual Changes to Conversion Provision - Term Policy Effective Dates on or after 9/12/16

New Business																			
	Conversion Provision	Products	Cost	Issue Ages															
Conversion Products Amendment	Guarantees full product portfolio access during the first 7 policy years	Subject to state availability, Amendment automatically included at issue with: <ul style="list-style-type: none">Lincoln LifeElements® Level TermLincoln TermAccel®Level Term	No additional cost	Same as base policy															
Lincoln LifeElements with Conversion Products Enhancement	Guarantees full product portfolio access during the entire conversion period	New Lincoln LifeElements Level Term product, subject to state availability. <ul style="list-style-type: none">Not available on Lincoln TermAccel .Will not be made available in New York.Same commission rates as standard LifeElements product.Only Illustrate through DesignItSM and Winflex as a Conversion Products Enhancement option within the standard LifeElements product.	Approximately 20-50% higher cost than standard LifeElements product depending on issue age, risk class and term period.	Maximum issue ages will be limited to ensure the enhanced conversion period does not end prior to the level premium period. Therefore, there will be no years that “extra” premium is paid for an enhanced conversion right after the conversion period ends. <table><tr><th>Term Period</th><th>Max Issue Age</th><th>Years of Enhanced Conversion</th></tr><tr><td>10 year</td><td>60</td><td>3 (10-7)</td></tr><tr><td>15 year</td><td>55</td><td>8 (15-7)</td></tr><tr><td>20 year</td><td>50</td><td>13 (20-7)</td></tr><tr><td>30 year</td><td>40</td><td>23 (30-7)</td></tr></table>	Term Period	Max Issue Age	Years of Enhanced Conversion	10 year	60	3 (10-7)	15 year	55	8 (15-7)	20 year	50	13 (20-7)	30 year	40	23 (30-7)
Term Period	Max Issue Age	Years of Enhanced Conversion																	
10 year	60	3 (10-7)																	
15 year	55	8 (15-7)																	
20 year	50	13 (20-7)																	
30 year	40	23 (30-7)																	

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New York policies are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. Contractual obligations are subject to the claims-paying ability of Lincoln Life & Annuity Company of New York.

Product and features subject to state availability. Limitations and exclusions may apply.