



You're In Charge®

LINCOLN FIXED INDEXED ANNUITIES

# Plan to live your dream

Capturing America's opportunities



LINCOLN ANNUITIES

Not a deposit	Not FDIC-insured	May go down in value
Not insured by any federal government agency		
Not guaranteed by any bank or savings association		

Insurance products issued by:  
The Lincoln National Life Insurance Company

*Lincoln OptiBlend*<sup>SM</sup>  
Fixed Indexed Annuity

## Client Guide



# Reach tomorrow's potential

You pursued your life's goals by seeking out opportunities. You built your dream, and now it's time to set your sights on your next destination—retirement. There's so much more to enjoy. And to make sure you can live life to the fullest, you need a plan that will help protect and grow your assets. It should produce income that will last, and help you overcome the challenges that could affect you years from now.

## Tax uncertainty

What will be your tax exposure in retirement? You can't predict what tax laws will be in place years from now and how legislative changes may impact your income and investments. Just in the recent past, retirees were caught by surprise by their rising taxes, and many regretted not planning for taxes before retirement.

## The risk of outliving your savings

Will you have enough money for the years ahead? Americans are living longer these days. This means there's a good possibility you could spend 20 to 30 years in retirement. Currently, one member of a 65-year couple has a 50% chance of living to age 90.

Society of Actuaries, Simple Life Expectancy Calculator, [www.soa.org](http://www.soa.org).

## Inflation

Can your retirement income keep pace with increasing prices? During your career, salary increases can help you keep pace with rising costs. But if you retire with a fixed income and the inflation rate rises, you may need to spend down your savings faster. Even a low inflation rate of 2% could reduce your buying power by 32% in 15 years.

Bureau of Labor Statistics, 2014.

## Market risk

How can you avoid volatility and create sustainable income? A market downturn could impact your portfolio's ability to generate the income you'll need. Yet, market exposure can provide growth opportunities to help you increase your retirement savings. So if interest rates remain low, will you need to sacrifice growth for safety?



## Plan to accomplish your retirement goals

Look forward to the future knowing that you can take on the challenges. Start protecting the wealth you've created and accumulate more for your retirement with a *Lincoln OptiBlend*<sup>SM</sup> flexible premium fixed indexed annuity. It blends the safety of principal protection with upside market potential. So you don't have to sacrifice growth to avoid risk. That's more than you can expect from traditional deposit products.

Plus, a *Lincoln OptiBlend* fixed indexed annuity gives you these advantages:

- Tax-deferred growth opportunities from your choice of four crediting accounts
- The ability to create lasting income that can help you keep pace with inflation
- Financial protection from market downturns
- Access to your money if you need it for unexpected expenses
- A death benefit for your loved ones

Today, many Americans believe that protecting wealth is more important than the growth potential of the markets. With a *Lincoln OptiBlend* fixed indexed annuity, you can have the best of both worlds.

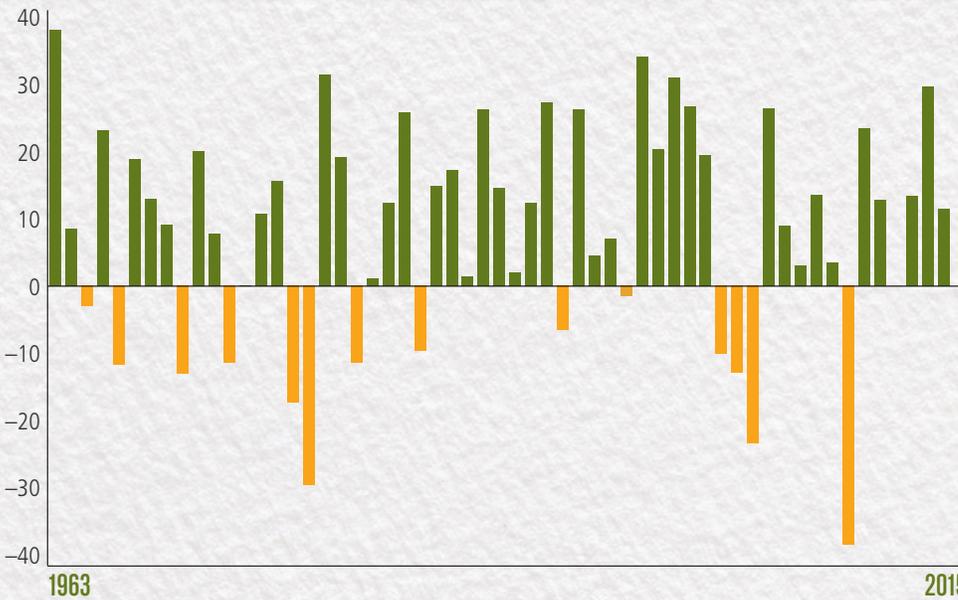
# Capitalize on the strength of America

Rely on an American financial leader that provides solutions to help Americans take charge of their future. The *Lincoln OptiBlend*<sup>SM</sup> fixed indexed annuity gives you the opportunity to enhance your retirement savings by tapping into the performance of the U.S. markets. You can experience growth tied to the S&P 500 Index.

If you believe in the potential of American economy, look forward to capitalizing on the best barometer of the

nation's large cap equity market—the S&P 500 Index. Plan to do more for your future by participating in the return of the index of the top 500 American companies in the country's dominant industry sectors. Many of the leading brands you know and trust are listed on this Index, including General Mills, Microsoft, Procter & Gamble, Mattel, Visa, Tyson Foods, Johnson & Johnson and Wal-Mart.

## Capture the market's upside opportunities without exposure to downside risk



With a *Lincoln OptiBlend* fixed indexed annuity even when the S&P 500 Index is down, you'll never experience a loss.\*

← You're tied to growth.

← Not this.

Data source: S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, February 2015.

\*A fixed indexed annuity credits 0% in down years and has the potential to credit indexed interest in up years, as provided by the contract. You cannot directly invest in any index. Past performance does not guarantee future results.

## Find better returns in today's low interest rate environment

Because interest rates have remained historically low, it's been a challenge to find alternative options that offer growth opportunities. Over the past three years, the average earnings you could expect from CDs, money markets or a savings account was less than 1 percent.<sup>1</sup> And that's not very promising when you are trying to increase your retirement savings.

The *Lincoln OptiBlend* fixed indexed annuity offers an innovative crediting account option that can provide the safety you want and higher returns than you can expect from other conservative vehicles. The option is tied to the performance of the S&P 500 Daily Risk Control 5% Index. It gives you market upside potential with less exposure to market volatility.

<sup>1</sup> Source: www.fdic.gov.

**S&P 500 Daily Risk Control**  
5% Index performance (past year)\*\*

Return

**8.02%**

\*\*Source: S&P Dow Jones Indices LLC. Data as of August 17, 2017. The S&P 500 Daily Risk Control 5% Index was launched on Sept. 9, 2010. Total Return in the USD version of the index is used. Past performance is no guarantee of future results.

# Feel confident with the strength of Lincoln

When it comes to your financial future, know that you're in good company. Millions of Americans like you have turned to us to help them secure retirement income, prepare for the unexpected and protect their savings.

For over 100 years, we've proven the strength of our commitment as an American financial services company. Founded on the ideals of honesty, dependability and integrity, we've remained strong through the Great

Depression and two world wars. At a time when thousands of financial institutions failed, we continued to make good on our commitments.

Lincoln has long been recognized for its disciplined financial and risk management. And this is one of the many reasons why you can rely on our solutions to help you achieve your retirement goals.

## Americans have relied on Lincoln for more than a century

During the Great Depression, Lincoln reaches \$1 billion of insurance in-force.



Expanding into new markets, Lincoln introduces its first variable annuity and first retirement plan.

The Philadelphia Eagles' home stadium becomes Lincoln Financial Field.



Lincoln Life and Annuity Company of New York is started in Syracuse.



Lincoln celebrates 50 years since its variable annuity was first introduced to the marketplace (1967).

1905      1929 — 1933      1955      1967      1983      1996      1998      2002      2006      2014      Today and tomorrow

Abraham Lincoln's son grants permission to use his father's name and likeness for the formation of the Lincoln National Life Insurance Company.



Lincoln becomes the ninth largest U.S. life insurance company and the second largest reinsurer in the world.

Lincoln surpasses the milestone of \$100 billion of insurance in-force.

A new marketing name "Lincoln Financial Group" is introduced, beginning the corporation's rise as a nationally recognized financial services company.



Lincoln merges with Jefferson Pilot Financial to become one of the country's largest public life insurance companies.



With a proven history of strength and innovation, Lincoln is the industry leader committed to delivering strategies and products for the creation, protection and enjoyment of wealth.

# Help control your financial destiny with your choice of growth and protection options

With a *Lincoln OptiBlend*<sup>SM</sup> fixed indexed annuity, you decide how much growth potential you want to pursue with your choice of a Fixed Account, two interest crediting strategies tied to the performance of the S&P 500 Index, and one tied to the S&P 500 Daily Risk Control 5% Index.

## From the very beginning, you're in control.

- 1 Choose where to allocate your money in any combination of crediting strategies.
- 2 If your growth strategy changes you can reallocate every year on your contract anniversary.
- 3 Feel assured that no matter which crediting strategy you choose, your principal is protected.
- 4 Know that you'll never lose what you've earned.
- 5 Access your money or take income when you want.

### 1-Year Fixed Account Fixed Account

#### Your money has guaranteed growth

- You have a guaranteed rate of growth not tied to market performance.
- The rate is guaranteed for 1 year; afterwards renewal rates are declared annually.
- The interest is credited and compounded daily.

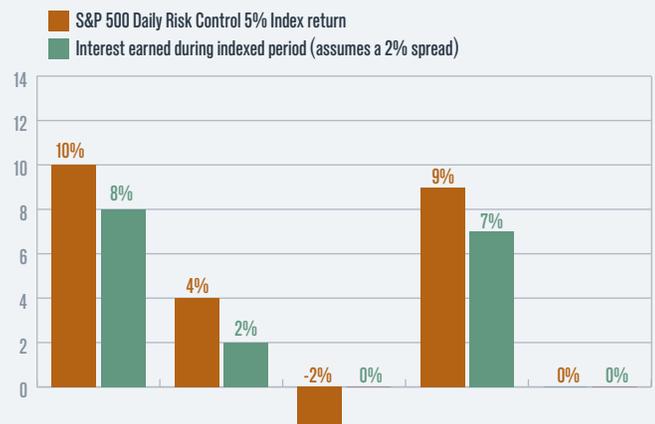
Rates shown for illustrative purposes only and could be higher or lower depending on the time of purchase.

### 1-Year Point-to-Point Indexed Account with Spread S&P 500 Daily Risk Control 5% Index

#### A spread is applied to your growth

- The value of the Index at the end of the year is compared to its value at the beginning of the year.
- If the percentage change is positive, your account will earn the percentage change minus a spread.
- If the Index is negative or flat, or the percentage change is less than the spread, your account earns 0%. You will not lose any money.

#### Hypothetical example



Guarantees are subject to the claims-paying ability of The Lincoln National Life Insurance Company.

Indexed accounts are subject to state availability. Applicable indexed interest is credited at the end of the indexed term. Amounts withdrawn (including amounts paid as death benefit) before the end of an indexed term will not receive indexed interest for that indexed term.

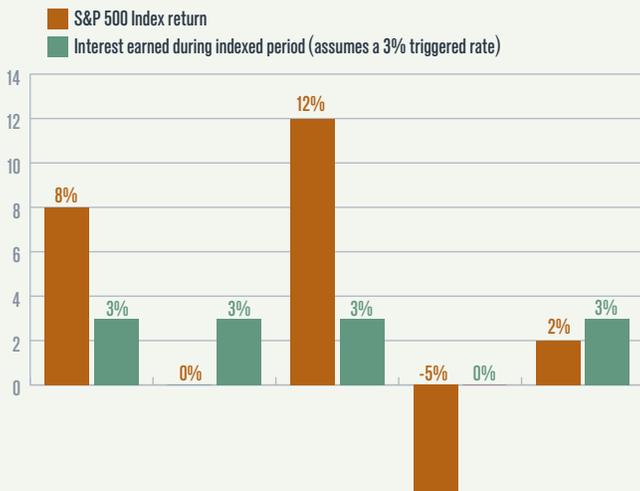
Interest rates, specified rates and caps and spreads are declared annually by the issuing company at its discretion. Subsequent interest rates, specified rates, caps and spreads may be higher or lower than the initial ones and may be different from those used for new contracts.

## 1 Year Performance Triggered Account S&P 500 Index

### You can earn a specified rate

- If the Index has a positive change or remains flat over the year, at the end of the year, your account is credited a specified rate.
- If the Index is negative, your account earns 0%. You will not lose any money.

### Hypothetical example



## 1 Year Point-to-Point Indexed Account with Cap S&P 500 Index

### Your money can grow up to a cap

- The value of the Index at the end of the year is compared to its value at the beginning of the year.
- If the percentage change is positive, your account will earn the percentage change, up to a cap.
- If the Index is negative or flat, your account earns 0%. You will not lose any money.

### Hypothetical example



# Experience the added advantage of tax-deferred growth

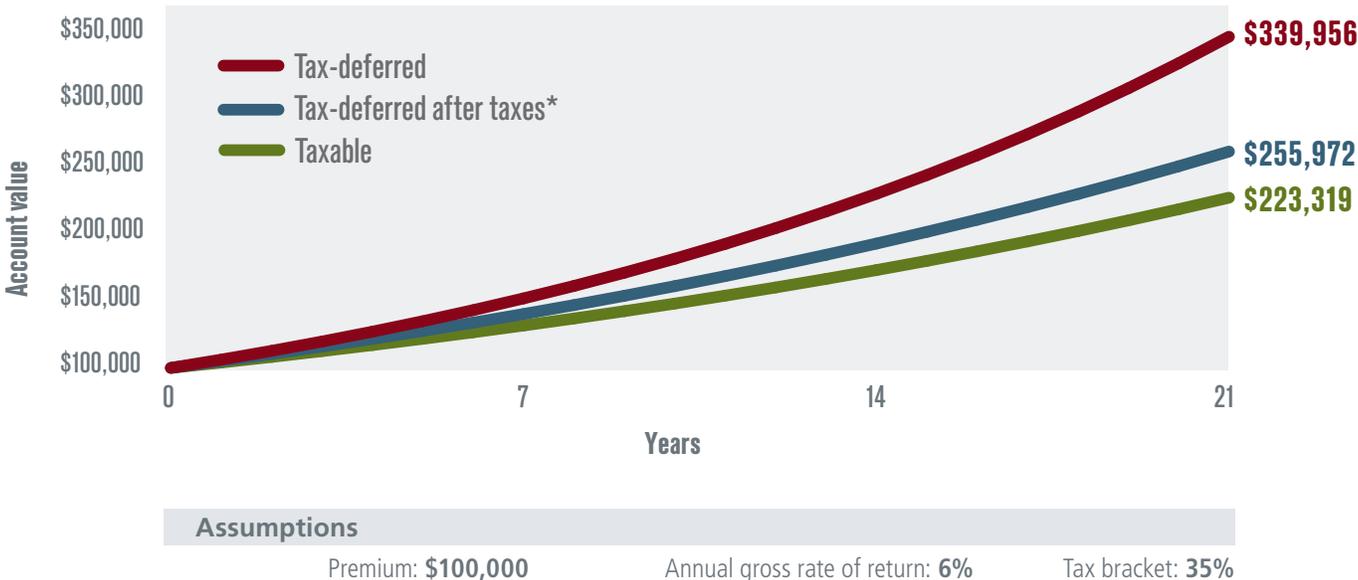
Taxes can make a significant difference in the long-term growth of your investments. Some portfolio assets may be taxed for short- and long-term capital gains, dividends, transfers and earned interest.

A smart way to help protect your savings from tax erosion is to choose financial solutions that provide tax-deferred growth opportunities, such as a *Lincoln OptiBlend*<sup>SM</sup> fixed indexed annuity. It can help you accumulate even more for your future because you won't be taxed on any earnings as your money continues to grow.

The longer you stay invested, the bigger the effect that tax deferral and compounding can have on your retirement savings. And since you don't pay taxes until you take withdrawals, the rest of the funds in your annuity can continue to work for you.

This graph compares the growth of tax-deferred and taxable solutions over time. As you can see, after 21 years of tax-deferred growth a \$100,000 premium is worth \$116,000 more than a taxable contract.

## Tax deferral for potential growth



\*Withdrawals of earnings are taxable as ordinary income and, if taken prior to age 59½, may be subject to an additional 10% federal tax. This example is hypothetical and for illustrative purposes only. The hypothetical rates of return shown in this example are not guaranteed and should not be viewed as indicative of the past or future performance of any particular investment. This example is based on a hypothetical situation assuming taxable and tax-deferred growth of \$100,000 a 6% annual rate of return and a 35% tax rate over a 20-year period. Changes in tax rates and tax treatment of investment earnings may impact the hypothetical example. Lower maximum tax rates on capital gains and dividends would make the investment return for the taxable investment more favorable, thereby reducing the difference in performance between the accounts shown. Investors should consider their individual investment time horizon and income tax brackets, both current and anticipated, when making an investment decision, as these may further impact the results of the comparison.

# An all-American way to save for retirement

## A *Lincoln OptiBlend* fixed indexed annuity story

### Meet Betty and Sam

They're in their fifties and look forward to retiring in the next 10 or so years. They love the outdoors and want to travel around the country. Betty and Sam know that it's time to begin taking steps to secure the income they'll need for a lifetime of adventure. So, they meet with their advisor to discuss what they should do.

### Their goals

- Making sure that their savings will produce the income they need in retirement
- Finding an investment option that can give them growth without risk of loss

### Their concerns

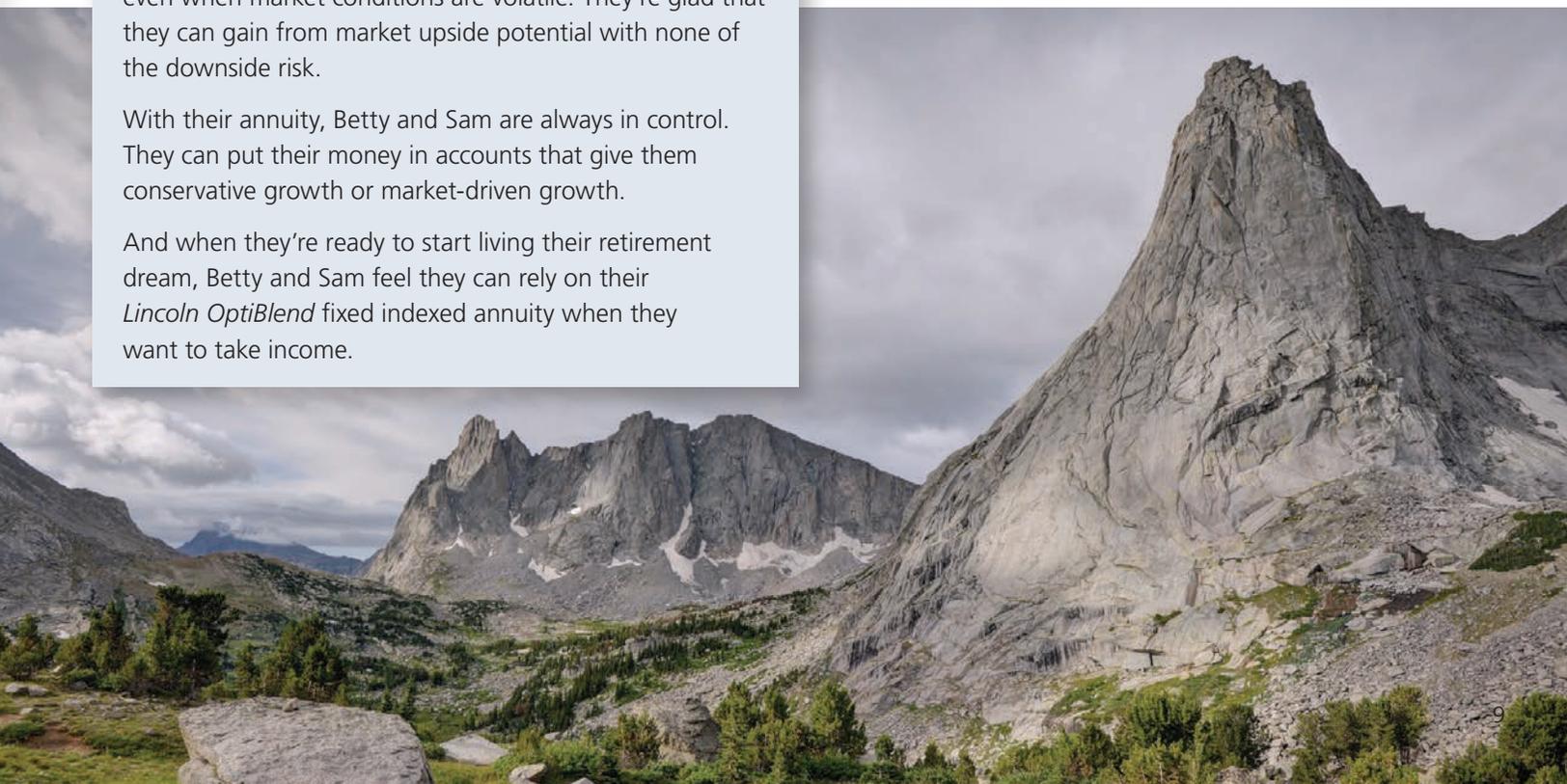
- Market risk
- Outliving their savings
- Future tax uncertainty

### Why Betty and Sam like the *Lincoln OptiBlend* fixed indexed annuity

They know that their principal will be safe. Their *Lincoln OptiBlend* fixed indexed annuity gives them multiple ways to capitalize on U.S. stock market growth opportunities—even when market conditions are volatile. They're glad that they can gain from market upside potential with none of the downside risk.

With their annuity, Betty and Sam are always in control. They can put their money in accounts that give them conservative growth or market-driven growth.

And when they're ready to start living their retirement dream, Betty and Sam feel they can rely on their *Lincoln OptiBlend* fixed indexed annuity when they want to take income.



# Get the income you want when you need it

When you want access to cash, you have the following choices.

## ① Take a free withdrawal

Up to 10% of your contract value is available each year, starting year one, without charge.

If you take more than the 10% free withdrawal amount before the end of the surrender charge period, it may be subject to surrender charges and a Market Value Adjustment (MVA)<sup>3</sup>. The MVA is a positive or negative adjustment based on the current interest rate environment at the time of the surrender. It does not apply to withdrawals after the surrender charge period, 10% free withdrawals, the death benefit, annuitization or contracts issued in selected states.

## ② Annuitize<sup>1</sup>

You'll receive income payments for life, and you can choose to take either:

- **Life only**—to receive income payments for a lifetime
- **Life with a guaranteed period**—to receive income payments for a lifetime, guaranteeing that your payments will continue for a certain period of time. If you die before that period, your beneficiary will continue to receive the income payments until the period ends.
- **Life with installment refund**—to receive income payments for life and provide income payments for beneficiary if you die before receiving at least the value of your premiums as income.

Just remember that once you start taking income, it cannot be stopped.

## Know that there's built-in protection for you and your loved ones

### A safety net if the unexpected happens

If you experience qualifying medical issues, your *Lincoln OptiBlend*<sup>SM</sup> fixed indexed annuity has a nursing home and terminal illness provision that allow you to access your money without charge, after the first contract year.<sup>2</sup>

### A death benefit for your heirs

Before your contract is annuitized, any remaining contract value will pass to your beneficiaries.

<sup>1</sup> Annuitization can occur after the fifth contract year or after the first for Florida.

Withdrawals (including amounts paid as a death benefit) and any charges are deducted first from the Fixed Account. Money taken from the Fixed Account will reduce the actual amount of interest credited. After the Fixed Account is exhausted, withdrawals (including amounts paid as a death benefit) and any charges are deducted proportionally from the indexed interest accounts. Money taken from an indexed interest account will not receive any indexed interest for that indexed term.

You have the right to cancel your *Lincoln OptiBlend* fixed indexed annuity contract within 20 days after you receive your contract (state variations apply). To cancel your contract, send a written request for cancellation to The Lincoln National Life Insurance Company Home Office. We will return your premium paid upon receipt of your written request. Canceling your contract voids it from the beginning. If you cancel your contract, you will not be permitted to purchase another Lincoln fixed annuity product for a period of six months.

<sup>2</sup> Nursing Home Rider not available from contracts issued in Massachusetts.

<sup>3</sup> In California there is no Market Value Adjustment and the surrender charges are different.



# Get even more growth and income — with added protection

If you want an extra boost for retirement, with an income stream that will increase over time, consider adding *Lincoln Lifetime Income*<sup>SM</sup> Edge for an additional cost.<sup>3</sup> This optional feature delivers guaranteed growth for your future income—no matter how your indexed accounts perform.

## Keep up with rising costs

You'll have an income base to provide future income payments, which will grow at a guaranteed rate each year—even when the market is down.

Age-based income factors <sup>4</sup>			
Age bands	Less than 5 years	Age bands	Less than 5 years
60	4.50%	66	5.10%
61	4.60%	67	5.20%
62	4.70%	68	5.30%
63	4.80%	69	5.40%
64	4.90%	70	5.50%
65	5.00%	71	5.60%

The chart above is a sample of the age-based income factors available. Age-based income factors range from ages 50 – 95+.



### Earn a bonus

If you delay taking withdrawals for 5 years, you'll get a .75% bonus added to your lifetime income.

### Earn a bigger bonus

If you delay taking withdrawals for 10 years, you'll get a 1.25% bonus added to your lifetime income.

## Lincoln Lifetime Income Edge can give you:

### 1 Guaranteed growth

Your income base will increase by a 5% enhancement percentage each year that you delay taking income.

### 2 A bonus if you delay taking income

You'll receive more lifetime income if you keep your money in your annuity for 5 years or more.<sup>5</sup>

### 3 Nursing home enhancement

You'll have added financial protection if you ever need nursing home care. Your withdrawal rate would automatically increase to 10% of your income base.<sup>6</sup>

<sup>3</sup> *Lincoln Lifetime Income*<sup>SM</sup> Edge is an optional Guaranteed Lifetime Withdrawal Benefit (GLWB) rider (form AE-245 or state variations) available for an additional 0.95% charge (1.50% maximum) and subject to rider issue age limits, which may differ from the contract issue age limits. May not be available in all states. Limitations and exclusions may apply.

<sup>4</sup> Lifetime withdrawal rates shown in the chart reflect a single life. For joint lives, reduce the payment percentages shown by 0.50%. If a withdrawal is taken before starting lifetime income payments, your income bonus rate will be based on when this withdrawal was taken and not when the income payments start.

<sup>5</sup> If a withdrawal is taken before starting lifetime income payments, your Income Bonus Rate will be based on when this withdrawal was taken and not when the income payments start. Withdrawals taken prior to electing an income withdrawal method under the income rider benefit will impact the amount of the LBA provided with the rider. Income taxes are due upon withdrawal and if withdrawn before age 59½, an additional 10% federal tax may apply.

<sup>6</sup> In order to qualify for the nursing home enhancement, you must be 65, you cannot be in a nursing home the year prior to rider election or for five years after, you must have a minimum 90-consecutive day stay and your account value must be greater than zero. With joint life, the first person to qualify and file would receive the enhancement. Not available in all states.

## Plan to do more for your future

Ask your representative how a *Lincoln OptiBlend*<sup>SM</sup> fixed indexed annuity can help you reach your retirement goals.

### Important information:

The S&P 500 Index and the S&P 500 Daily Risk Control 5% Index (the "Index") are products of S&P Dow Jones Indices LLC ("SPDJI"), and have been licensed for use by The Lincoln National Life Insurance Company. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by The Lincoln National Life Insurance Company. The Lincoln National Life Insurance Company's product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index or the S&P 500 Daily Risk Control 5% Index.

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A fixed indexed annuity is intended for retirement or other long-term needs. It is intended for a person who has sufficient cash or other liquid assets for living expenses and other unexpected emergencies, such as medical expenses. A fixed indexed annuity is not a registered security or stock market investment and does not directly participate in any stock or equity investments, or index. The index used is a price index and does not reflect dividends paid on the underlying stocks.

*Lincoln OptiBlend*<sup>SM</sup> fixed indexed annuities (contract form 15-619 and state variations) are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Contractual obligations are subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

The exact terms of the annuity are contained in the contracts and any attached riders, endorsements and amendments, which will control the issuing company's contractual obligations. For more information about the annuity, please contact your representative. Income taxes are due upon withdrawal and if withdrawn before age 59½, an additional 10% federal tax may apply. Withdrawals and surrenders may be subject to surrender charges and a Market Value Adjustment.

There is no additional tax-deferral benefit for contracts purchased in an IRA, since they are already afforded tax-deferred status. Product and features are subject to state availability. Limitations and exclusions may apply. Not available in New York.

*Lincoln Lifetime Income*<sup>SM</sup> Edge is an optional Guaranteed Lifetime Withdrawal Benefit (GLWB) rider (form AE-245 or state variations) available for an additional 0.95% charge (1.50% maximum) and subject to rider issue age limits, which may differ from the contract issue age limits. May not be available in all states. Limitations and exclusions may apply.

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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