

SERFF Tracking Number: LCNC-126721385 State: Arkansas  
Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 46214  
Company Tracking Number: LCN200908-2033219, LCN201006-2043257  
TOI: LTC06 Long Term Care - Other Sub-TOI: LTC06.000 Long Term Care - Other  
Product Name: Lincoln Long-Term Care Advantage - Variable Annuity Illustration  
Project Name/Number: Lincoln Long-Term Care Advantage - Variable Annuity Illustration/LCN200908-2033219, LCN201006-2043257

## Filing at a Glance

Company: The Lincoln National Life Insurance Company

Product Name: Lincoln Long-Term Care SERFF Tr Num: LCNC-126721385 State: Arkansas

Advantage - Variable Annuity Illustration

TOI: LTC06 Long Term Care - Other SERFF Status: Closed-Filed State Tr Num: 46214

Sub-TOI: LTC06.000 Long Term Care - Other Co Tr Num: LCN200908-2033219, LCN201006-2043257  
State Status: Closed

Filing Type: Advertisement

Reviewer(s): Marie Bennett, Harris Shearer

Author: Anabela Tavares

Disposition Date: 07/28/2010

Date Submitted: 07/15/2010

Disposition Status: Filed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: Lincoln Long-Term Care Advantage - Variable Annuity Illustration Status of Filing in Domicile: Authorized

Project Number: LCN200908-2033219, LCN201006-2043257

Date Approved in Domicile:

Requested Filing Mode:

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 07/28/2010

Explanation for Other Group Market Type:

State Status Changed: 07/28/2010

Deemer Date:

Created By: Anabela Tavares

Submitted By: Anabela Tavares

Corresponding Filing Tracking Number:

Filing Description:

The Lincoln National Life Insurance Company

NAIC# 020-65676 FEIN # 35-0472300

Re: NEW SUBMISSION

Advertising Filing – Variable Annuity with Long Term Care

SERFF Tracking Number: LCNC-126721385 State: Arkansas  
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**Form(s):**

LCN200908-2033219 – Lincoln ChoicePlus AssuranceSM (B Share) variable annuity - Featuring Lincoln Long-Term CareSM Advantage - Illustration

LCN201006-2043257 – American Legacy III® illustration - Featuring Lincoln Long-Term CareSM Advantage

Dear Sir or Madam:

Attached for your review and approval are the above-referenced advertising form. These forms are new and do not replace any other form previously approved by your Department.

These illustrations will be used with base contract 30070-B approved by your department on May 25, 2001 and riders AR-518(3-10) and AR-519(3-10) approved on April 20, 2010.

If you need any additional information, please contact me toll-free at 1-800-238-6252, Extension 2307. Thank you for your attention to this matter.

Sincerely,

Anabela Tavares  
Product Compliance Coordinator  
Telephone: 860-466-2307  
Fax: 860-466-1348  
E-mail: anabela.tavares@lfg.com

## Company and Contact

### Filing Contact Information

Anabela Tavares, Compliance Coordinator      anabela.tavares@lfg.com  
350 Church Street      860-466-2307 [Phone]  
Hartford , CT 06103      860-466-1348 [FAX]

### Filing Company Information

The Lincoln National Life Insurance Company	CoCode: 65676	State of Domicile: Indiana
350 Church Street - MPM1	Group Code: 20	Company Type: Life
Hartford, CT 06103-1106	Group Name:	State ID Number:
(860) 466-2899 ext. [Phone]	FEIN Number: 35-0472300	

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Lincoln National Life Insurance Company	\$100.00	07/15/2010	38005270

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Marie Bennett	07/28/2010	07/28/2010

*SERFF Tracking Number:* LCNC-126721385 *State:* Arkansas  
*Filing Company:* The Lincoln National Life Insurance Company *State Tracking Number:* 46214  
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*TOI:* LTC06 Long Term Care - Other *Sub-TOI:* LTC06.000 Long Term Care - Other  
*Product Name:* Lincoln Long-Term Care Advantage - Variable Annuity Illustration  
*Project Name/Number:* Lincoln Long-Term Care Advantage - Variable Annuity Illustration/LCN200908-2033219, LCN201006-2043257

## **Disposition**

Disposition Date: 07/28/2010

Implementation Date:

Status: Filed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Form	Lincoln ChoicePlus Assurance (B Share) Variable Annuity - featuring Lincoln Long-Term Care Advantage - Illustration		Yes
Form	American Legacy III Illustration - Featuring Lincoln Long-Term Care Advantage		Yes

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## Form Schedule

### Lead Form Number:

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	LCN200908-2033219	Advertising	Lincoln ChoicePlus Assurance (B Share) Variable Annuity - featuring Lincoln Long-Term Care Advantage - Illustration	Initial		0.000	LCN200908-2033219.pdf
	LCN201006-2043257	Advertising	American Legacy III Illustration - Featuring Lincoln Long-Term Care Advantage	Initial		0.000	LCN201006-2043257.pdf

# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) variable annuity

featuring Lincoln Long-Term Care<sup>SM</sup> Advantage

Client's name: John Smith  
Preparer: Daniel Koepke  
Address: Two South Cascade  
Suite 200  
Colorado Springs, Colorado 80903  
Phone: 719-442-6400  
Firm name:  
Date prepared: 07/06/2010

NOT FDIC or NCUA INSURED	NOT A DEPOSIT	MAY GO DOWN IN VALUE	NOT BANK GUARANTEED
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY			



Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) is issued on 30070-B and state variations by The Lincoln National Life Insurance Company, Fort Wayne, Indiana, and distributed by Lincoln Financial Distributors. The long-term care riders are form #AR-518(3-10) and #AR519(3-10) with state variations. The Lincoln National Life Insurance Company is not authorized nor does it solicit business in the state of New York. **Guarantees are backed by the claims-paying ability of the insurer.** Restrictions on issue age, purchase payments and feature availability may vary by state. This report is not complete unless all pages are included. Please read the important information on the Key Terms and Important Disclosures Page.

Contracts sold in New York are issued on contract form 30070BNYMVA3 by Lincoln Life & Annuity Company of New York, Syracuse, NY and distributed by Lincoln Financial Distributors. **The contractual obligations are backed by the claims-paying ability of Lincoln Life & Annuity Company of New York, Syracuse, NY.**

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are responsible for their own financial and contractual obligations.

LCN200908-2033219

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Page 1 of 19

# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Product Overview

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The purpose of this illustration is to demonstrate how the performance of the underlying subaccounts could affect the annuity's account value, death benefit and other optional benefits and features over an extended period of time. The hypothetical rates and values depicted on the following pages are illustrative only and are not intended to predict or project performance. The values reflect required quarterly rebalancing of the subaccounts selected if a living benefit rider is elected and the deduction of all applicable charges and expenses.

An annuity is an insurance contract helping to protect you against the risk of outliving your income. In addition, annuities can provide a hedge against inflation through access to the market, offer tax deferral, guaranteed living benefits, lifetime income, and death benefits to help meet financial needs and goals. Variable annuities are long-term investment vehicles designed for retirement purposes. You buy an annuity to provide a stream of income at some future time, usually retirement. To help your money grow faster, the government allows you to defer taxes on interest and accumulation until you take income out of an annuity. Variable annuities have limitations and expense charges. Principal value and investment return will fluctuate, so that an investor's shares/units, when redeemed, may be worth more or less than the original cost. Early withdrawals may be subject to surrender charges, commonly referred to as Contingent Deferred Sales Charges.

A variable annuity is an insurance contract designed to provide retirement income for as long as you live. Lincoln variable annuities offer:

- Tax-deferred growth - Your savings grow tax-deferred and your tax bills aren't impacted until withdrawals are made, allowing for greater growth potential.
- Lifetime income - There are several options for taking income, including an income stream for life.
- Death benefits - Your savings can be transferred to beneficiaries.
- Flexibility - You can meet your individual needs by customizing your contract's investment allocation and withdrawal options.

Keep in mind that all variable annuities are subject to market fluctuation, investment risk, and possible loss of principal. They contain both investment and insurance components, and have fees and charges, including mortality and expense, administrative, and advisory fees. Early withdrawals may be subject to surrender charges, commonly referred to as Contingent Deferred Sales Charges. The annuity's value fluctuates with the market value of the underlying investment options, and all assets accumulate tax-deferred.

Certain benefits or features may be added to a variable annuity and may have additional charges or expenses associated with them which may or may not be advantageous in meeting long-term goals. These additional charges and expenses should be considered carefully before purchasing.

### Overview:

This is an illustration for Lincoln Long-Term Care<sup>SM</sup> Advantage which is a living benefit rider provided by a variable annuity contract issued by The Lincoln National Life Insurance Company. Benefits and features may vary by state.

Lincoln Long-Term Care<sup>SM</sup> Advantage provides Qualified Long-Term Care (QLTC) benefits for covered long-term care services, including but not limited to adult day care, home health care, nursing home care and assisted living facilities. With the Growth Benefit option your initial guaranteed LTC Benefit may increase in the future with an increase in your Account Value.

There are three primary LTC Benefits provided by the Lincoln Long-Term Care<sup>SM</sup> Advantage with the Growth Benefit option: The Acceleration Benefit, the Growth Benefit and the Extension Benefit.

- The Acceleration Benefit, which is payment to you from your Contract Value, is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. Acceleration Benefits are payable by Lincoln even if your Contract Value is reduced to zero. There is a maximum LTC Benefit that may be paid each month.
- The Growth Benefit, which is an additional payment to you from your Contract Value and is available during the Acceleration Benefit Duration and Extension Benefit Duration. The Growth Benefit, if any, is based on the performance of the underlying subaccounts. Growth Benefits are payable by Lincoln even if your Contract Value is reduced to zero. There is a maximum LTC Benefit that may be paid each month.
- After the Acceleration Benefit is reduced to zero, the LTC Benefits will continue as Extension Benefits, which are payments provided by Lincoln during the Extension Benefit Duration. There

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## Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) Accumulation Product Overview

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is a maximum LTC Benefit that may be paid each month.

You can decide the amount of your purchase payments, within the allowable percentages, that will be allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage. While additional purchase payments may be made to the variable annuity, additional purchase payments can not be allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage after the first 90 days from the Rider Date.

Refer to the Long-Term Care Insurance Outline of Coverage form for additional information on the Lincoln Long-Term Care<sup>SM</sup> Advantage.

The values reflect required quarterly rebalancing of the subaccounts selected and the deduction of all applicable charges and expenses.

Certain benefits or features may be added to a variable annuity and may have additional charges or expenses associated with them which may or may not be advantageous in meeting long-term goals. These additional charges and expenses should be considered carefully before purchasing.

# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Key Features Overview

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**Long-Term Care Benefit** - This is the total amount available for long-term care coverage. The total Long-Term Care Benefit includes the Acceleration Benefit, Growth Benefit and Extension Benefit. The initial amount of the LTC Benefit is based on the amount of your initial purchase payment that is allocated towards Lincoln Long-Term Care<sup>SM</sup> Advantage and the LTC Benefit Duration elected.

**5<sup>th</sup> Rider Date Anniversary** - On and after the 5<sup>th</sup> rider anniversary date, the maximum annual Acceleration Benefit and Extension Benefit is provided.

**LTC Coverage Effective Date** - This is the 2<sup>nd</sup> Rider Date Anniversary. It is the date that you are eligible to receive LTC Benefits. If you receive LTC Benefits prior to the 5<sup>th</sup> Rider Date Anniversary the maximum annual Acceleration Benefit and Extension Benefit will be less than the maximum annual Acceleration and Extension Benefits available if you received LTC Benefits on or after the 5<sup>th</sup> Rider Date Anniversary. Regardless of the date you begin receiving LTC Benefits you will still have access to the total LTC Benefit.

**LTC Benefit Duration** - This duration is selected by you and is the minimum duration in which you may receive LTC Benefits. The minimum duration is 6 years and is the sum of the Acceleration Benefit Duration and the Extension Benefit Duration.

- The 2+4 LTC Benefit Duration consists of a 2 year Acceleration Benefit Duration followed by a 4 year Extension Benefit Duration.

If you receive LTC Benefits on or after the 5<sup>th</sup> Rider Date Anniversary your minimum LTC Benefit Duration would be 6 years. If you receive LTC Benefits prior to the 5<sup>th</sup> Rider Date Anniversary your minimum LTC Benefit Duration will be longer than 6 years. Regardless of your LTC Benefit Duration, you will still have access to the total LTC Benefit.

**LTC Guaranteed Amount (LTC GA)** - This is equal to the Acceleration Benefit plus the Growth Benefit.

**Acceleration Benefit** - This is the portion of your total LTC Benefit that is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. Your initial Acceleration Benefit is equal to the amount of your initial purchase payment that is allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage.

**Extension Benefit** - This is the portion of your total LTC Benefit that is available during the Extension Benefit Duration. The Extension Benefit is available after your Acceleration Benefit is reduced to zero. The Extension Benefit is based on the initial Acceleration Benefit and the LTC Benefit Duration.

- With the 2+4 LTC Benefit Duration the initial Extension Benefit is equal to two times the initial Acceleration Benefit.

The Extension Benefit is available after your Acceleration Benefit is reduced to zero.

**Growth Benefit** - This is a portion of your total LTC Benefit that you may access during the Acceleration Benefit Duration and Extension Benefit Duration. The Growth Benefit is the difference between the LTC Guaranteed Amount (LTC GA) and the Acceleration Benefit. The Automatic Step-ups of the LTC Guaranteed Amount may increase the LTC GA and total LTC Benefit every one year(s). The amount of the increase depends on the percentage of your account value you have allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage and the performance of the underlying subaccounts. After age 85 there will be no additional increases to the LTC GA. The maximum LTC GA is \$800,000.

**Annual LTC Benefit** - This is the maximum annual amount of LTC Benefit available to you.

**Maximum Monthly LTC Benefit** - There is a maximum LTC Benefit you may receive each month which is equal to the Annual LTC Benefit divided by 12. The Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. The Maximum Monthly LTC Benefit is reduced by 50% if the Covered Life is receiving other Qualified

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Key Features Overview

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Long-Term Care services due to Chronic Illness.

Conforming Withdrawal is the amount you may withdraw annually without reducing your LTC Benefit. Conforming Withdrawals equal 5% of the difference between the Account Value and LTC Guaranteed Amount on your Benefit Year Anniversary. If your LTC GA is equal to or greater than your Account Value on your Benefit Year anniversary, all withdrawals will be considered Excess Withdrawals.

Excess Withdrawal - Excess Withdrawals are those withdrawals that exceed the Conforming Withdrawal limit. Excess Withdrawals may substantially reduce or eliminate your LTC Benefits. For each Excess Withdrawal, the LTC Benefits will be reduced in the same proportion that the Withdrawal reduced the Account Value.

- Withdrawals may affect taxation. Withdrawals are subject to ordinary income tax and may be subject to a 10% federal penalty tax if taken prior to age 59½. Conforming Withdrawals and any LTC Benefit payment that reduces your Account Value will reduce the free withdrawal amount allowed by the contract, if applicable.
- The Account Value will be reduced by the dollar amount withdrawn for all Acceleration Benefit and Growth Benefit payments. ExtensionBenefit payments will not reduce your Account Value.
- The Account Value death benefit will be reduced by the amount of any Acceleration Benefit and Growth Benefit payment. All other available death benefits will be reduced by the same percentage that the Account Value is reduced for any Acceleration Benefit and Growth Benefit payment. This means the reduction in the death benefit may be more or less than the actual amount withdrawn. The death benefit will also be reduced by the amount of any Conforming Withdrawal or Excess Withdrawal.

Optional Non-forfeiture Benefit - An optional feature is the Optional Non-forfeiture Benefit. This benefit provides a minimum LTC Benefit if the contract is surrendered after three years, the rider is terminated after three years, the contract is annuitized prior to the maturity date or an Annuity Payout Option is elected after the rider has been in effect for three years.

When i4LIFE<sup>®</sup> Advantage is elected, Lincoln Long-Term Care<sup>SM</sup> Advantage and its benefits will be terminated.

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Key Terms

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Lincoln Long-Term Care<sup>SM</sup> Advantage is a Qualified Long-Term Care Insurance Contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended. The benefits provided by Lincoln Long-Term Care<sup>SM</sup> Advantage qualify as Qualified Long-Term Care insurance (QLTCi).

The QLTCi rider charges are deducted from the contract value on each quarterly rider anniversary. Section 7702B(b) treats this QLTCi rider as a separate contract, and the deductions from the contract value to pay the LTC Charges are treated as distributions from the variable annuity contract.

For tax years beginning after December 31, 2009, deductions from the contract value to pay QLTCi premiums will not be reported as taxable distributions from the variable annuity contract. Further, any QLTC Benefit paid under this Rider that does not exceed the greater of (1) the expenses actually incurred for Qualified Long-Term Care Services, or (2) a maximum per diem limit as prescribed by law, will not be reported as taxable income to you. The current maximum per diem limit as prescribed by law is \$280 per day or \$102,200 annually.

The deductions from the contract value to pay QLTCi premiums will reduce the contract value and the investment in the contract (cost basis), but not below zero. The QLTC Benefits that are paid to you will reduce the investment in the contract (cost basis), but not below zero.

Please consult and rely on the advice of a qualified tax advisor.

### Accumulation Key Terms:

**Account Value** is the sum of premiums and earnings in an annuity contract minus withdrawals and applicable LTC Benefit payments.

**Annual Return** during the accumulation period represents the annual rate of return realized on the investment for the total portfolio. This rate reflects the deduction of all applicable contract fees and charges.

**Annualized Return** represents the internal rate of return realized on the investment taking into account all premiums and withdrawals from the initial purchase payment date through the period illustrated. This rate reflects the deduction of all applicable contract fees and charges.

**Cost Basis** is the after-tax portion of the purchase payment and is reflected as non-taxable income.

**Death Benefit** is the amount payable upon the death of the owner or annuitant. Death benefits vary depending on the death benefit option selected. The death benefit illustrated is the Guarantee of Principal. Tax treatment on death benefits of the annuity contract differs from the tax treatment of a life insurance policy. The Account Value death benefit, which is provided at no additional charge, is reduced by the dollar amount of the withdrawal. The Guarantee of Principal death benefit (GOP) provides a death benefit which is the greater of account value or total amount of purchase payments. If Lincoln Long-Term Care<sup>SM</sup> Advantage is elected, the GOP death benefit will be reduced proportionately for all withdrawals and LTC Benefit payments that reduce the account value.

**LTC Benefit** is the total amount you may receive for Qualified LTC services by selecting the Lincoln Long-Term Care<sup>SM</sup> Advantage.

**Surrender Charge** is the declining percentage charge applied to the amount withdrawn based upon the period of time a purchase payment has been in the account.

**Surrender Value** is the value of the account after the deduction of applicable surrender charges commonly referred to as Contingent Deferred Sales Charges.

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary

### Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) (NQ)

Prepared For	Gender - Age	Start Date	State
John Smith	Male 60	January 1, 1985	Colorado
Purchase Payment	Cost Basis	Living Benefit Rider	Death Benefit
\$100,000	\$100,000	Lincoln Long-Term Care <sup>SM</sup> Advantage	Guarantee of Principal
Acceleration Benefit	Extension Benefit	LTC Benefit Duration	LTC Benefit Option
\$100,000	\$200,000	2+4 (6 years)	Growth Benefit

### Investment Allocations

70% American Funds Insurance Series Growth-Income Fund      30% LVIP Delaware Bond

### Accumulation of Assets

Account Values					
Age	Period Ending	Purchase Payments	Account Value	Annual Returns	Surrender Value
			\$100,000		
60	12/1985	\$100,000	\$129,141	29.14%	\$122,141
61	12/1986	\$0	\$152,173	17.83%	\$145,173
62	12/1987	\$0	\$151,203	(0.64%)	\$145,203
63	12/1988	\$0	\$165,642	9.55%	\$159,642
64	12/1989	\$0	\$196,622	18.70%	\$191,622
65	12/1990	\$0	\$192,185	(2.26%)	\$188,185
66	12/1991	\$0	\$228,897	19.10%	\$225,897
67	12/1992	\$0	\$241,046	5.31%	\$241,046
68	12/1993	\$0	\$264,264	9.63%	\$264,264
69	12/1994	\$0	\$258,254	(2.27%)	\$258,254
70	12/1995	\$0	\$324,793	25.76%	\$324,793
71	12/1996	\$0	\$360,566	11.01%	\$360,566
72	12/1997	\$0	\$425,614	18.04%	\$425,614
73	12/1998	\$0	\$484,800	13.91%	\$484,800
74	12/1999	\$0	\$507,778	4.74%	\$507,778

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	N/A	N/A
\$329,141	N/A	N/A
\$352,173	\$23,478	15 years
\$352,173	\$29,348	12 years
\$365,642	\$40,627	9 years
\$396,622	\$66,104	6 years
\$396,622	\$66,104	6 years
\$428,897	\$71,483	6 years
\$441,046	\$73,508	6 years
\$464,264	\$77,377	6 years
\$464,264	\$77,377	6 years
\$524,793	\$87,465	6 years
\$560,566	\$93,428	6 years
\$625,614	\$104,269	6 years
\$684,800	\$114,133	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$129,141
\$152,173
\$151,203
\$165,642
\$196,622
\$192,185
\$228,897
\$241,046
\$264,264
\$258,254
\$324,793
\$360,566
\$425,614
\$484,800
\$507,778

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary

### Accumulation of Assets

Account Values					
Age	Period Ending	Purchase Payments	Account Value	Annual Returns	Surrender Value
75	12/2000	\$0	\$541,139	6.57%	\$541,139
76	12/2001	\$0	\$556,546	2.85%	\$556,546
77	12/2002	\$0	\$491,233	(11.74%)	\$491,233
78	12/2003	\$0	\$599,942	22.13%	\$599,942
79	12/2004	\$0	\$640,668	6.79%	\$640,668
80	12/2005	\$0	\$658,937	2.85%	\$658,937
81	12/2006	\$0	\$723,911	9.86%	\$723,911
82	12/2007	\$0	\$747,992	3.33%	\$747,992
83	12/2008	\$0	\$525,232	(29.78%)	\$525,232
84	12/2009	\$0	\$656,794	25.05%	\$656,794
<b>Cumulative:</b>		<b>\$100,000</b>		<b>7.82%<sup>1</sup></b>	

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$707,778	\$117,963	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$541,139
\$556,546
\$491,233
\$599,942
\$640,668
\$658,937
\$723,911
\$747,992
\$525,232
\$656,794

Information shown for the *Lincoln ChoicePlus Assurance<sup>SM</sup>* (B Share) Variable Annuity and the subaccounts selected reflects the deduction of all applicable contract fees and charges, including the Lincoln Long-Term Care<sup>SM</sup> Advantage fees. This includes an annual charge to the daily net asset value of 1.300% for administration and for mortality and expense risk; asset management fees, any applicable 12b-1 fees which vary by subaccount; and any annual contract fee. It does not reflect any state premium tax deducted upon surrender, if applicable. Specific fees and expenses can be found in the prospectus.

Lincoln Long-Term Care<sup>SM</sup> Advantage has an annual expense charge assessed on a quarterly basis and is equal to the sum of Acceleration Benefit Charge, the Extension Benefit Charge and the Optional Nonforfeiture Benefit Charge, if elected. The Acceleration Benefit charge is currently 0.60% and is subject to a maximum of 1.50%. The Acceleration Benefit charge is based on your LTC Guaranteed Amount. The Extension Benefit charge is currently 0.38% and is based on your Extension Benefit. If elected, the Optional Non-forfeiture Benefit charge is 0.06% and is based on your Extension Benefit.

Lincoln Long-Term Care<sup>SM</sup> Advantage end of year values are effective at the beginning of the next contract year.

Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

<sup>1</sup>Represents the cumulative annualized return for the illustration period.

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

\*The annual LTC Benefit is the portion of the total LTC Benefit available to you each year. Your annual benefit amount is based on the year you begin receiving LTC Benefit payments. It is available if the Covered Life is in a Nursing Home or is receiving Hospice Care and is subject to the Maximum Monthly LTC Benefit. The available benefit is reduced by 50% if the Covered Life

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary

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is receiving other Qualified Long-Term Care services due to Chronic Illness. The LTC Benefit is not available until two years after the rider date.

\*\*The LTC Benefit Duration is the minimum number of Benefit Years that you may access the LTC Benefit. This benefit duration is based on the year you begin receiving LTC Benefit payments. If you receive LTC Benefit payments on or after the 5<sup>th</sup> Rider Date Anniversary, your minimum LTC Benefit Duration would be 6 years and would provide the maximum annual Acceleration Benefit and Extension Benefit. Regardless of your LTC Benefit Duration, you will have access to the total LTC Benefit.

This illustration is hypothetical. The start date for this illustration is January 1, 1985. See the Key Terms section for additional information.

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

Accumulation  
Portfolio Summary Max Charge

## Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) (NQ)

Prepared For	Gender - Age	Start Date	State
John Smith	Male 60	January 1, 1985	Colorado
Purchase Payment	Cost Basis	Living Benefit Rider	Death Benefit
\$100,000	\$100,000	Lincoln Long-Term Care <sup>SM</sup> Advantage	Guarantee of Principal
Acceleration Benefit	Extension Benefit	LTC Benefit Duration	LTC Benefit Option
\$100,000	\$200,000	2+4 (6 years)	Growth Benefit

### Investment Allocations

70% American Funds Insurance Series Growth-Income Fund      30% LVIP Delaware Bond

### Accumulation of Assets

Account Values					
Age	Period Ending	Purchase Payments	Account Value	Annual Returns	Surrender Value
			\$100,000		
60	12/1985	\$100,000	\$128,132	28.13%	\$121,132
61	12/1986	\$0	\$149,801	16.91%	\$142,801
62	12/1987	\$0	\$147,606	(1.47%)	\$141,606
63	12/1988	\$0	\$160,305	8.60%	\$154,305
64	12/1989	\$0	\$188,739	17.74%	\$183,739
65	12/1990	\$0	\$182,724	(3.19%)	\$178,724
66	12/1991	\$0	\$215,762	18.08%	\$212,762
67	12/1992	\$0	\$225,151	4.35%	\$225,151
68	12/1993	\$0	\$244,694	8.68%	\$244,694
69	12/1994	\$0	\$236,855	(3.20%)	\$236,855
70	12/1995	\$0	\$295,410	24.72%	\$295,410
71	12/1996	\$0	\$325,073	10.04%	\$325,073
72	12/1997	\$0	\$380,518	17.06%	\$380,518
73	12/1998	\$0	\$429,725	12.93%	\$429,725
74	12/1999	\$0	\$446,088	3.81%	\$446,088

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	N/A	N/A
\$328,132	N/A	N/A
\$349,801	\$23,320	15 years
\$349,801	\$29,150	12 years
\$360,305	\$40,034	9 years
\$388,739	\$64,790	6 years
\$388,739	\$64,790	6 years
\$415,762	\$69,294	6 years
\$425,151	\$70,859	6 years
\$444,694	\$74,116	6 years
\$444,694	\$74,116	6 years
\$495,410	\$82,568	6 years
\$525,073	\$87,512	6 years
\$580,518	\$96,753	6 years
\$629,725	\$104,954	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$128,132
\$149,801
\$147,606
\$160,305
\$188,739
\$182,724
\$215,762
\$225,151
\$244,694
\$236,855
\$295,410
\$325,073
\$380,518
\$429,725
\$446,088

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary Max Charge

### Accumulation of Assets

Account Values					
Age	Period Ending	Purchase Payments	Account Value	Annual Returns	Surrender Value
75	12/2000	\$0	\$471,154	5.62%	\$471,154
76	12/2001	\$0	\$480,299	1.94%	\$480,299
77	12/2002	\$0	\$419,889	(12.58%)	\$419,889
78	12/2003	\$0	\$508,142	21.02%	\$508,142
79	12/2004	\$0	\$538,242	5.92%	\$538,242
80	12/2005	\$0	\$549,222	2.04%	\$549,222
81	12/2006	\$0	\$598,879	9.04%	\$598,879
82	12/2007	\$0	\$614,515	2.61%	\$614,515
83	12/2008	\$0	\$427,865	(30.37%)	\$427,865
84	12/2009	\$0	\$530,099	23.89%	\$530,099

**Cumulative:** **\$100,000**

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$646,088	\$107,681	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$471,154
\$480,299
\$419,889
\$508,142
\$538,242
\$549,222
\$598,879
\$614,515
\$427,865
\$530,099

Information shown for the *Lincoln ChoicePlus Assurance<sup>SM</sup>* (B Share) Variable Annuity and the subaccounts selected reflects the deduction of all applicable contract fees and charges, including the Lincoln Long-Term Care<sup>SM</sup> Advantage fees. This includes an annual charge to the daily net asset value of 1.300% for administration and for mortality and expense risk; asset management fees, any applicable 12b-1 fees which vary by subaccount; and any annual contract fee. It does not reflect any state premium tax deducted upon surrender, if applicable. Specific fees and expenses can be found in the prospectus.

Lincoln Long-Term Care<sup>SM</sup> Advantage has an annual expense charge assessed on a quarterly basis and is equal to the sum of Acceleration Benefit Charge, the Extension Benefit Charge and the Optional Nonforfeiture Benefit Charge, if elected. The Acceleration Benefit charge is currently 1.50% and is subject to a maximum of 1.50%. The Acceleration Benefit charge is based on your LTC Guaranteed Amount. The Extension Benefit charge is currently 0.38% and is based on your Extension Benefit. If elected, the Optional Non-forfeiture Benefit charge is 0.06% and is based on your Extension Benefit.

Lincoln Long-Term Care<sup>SM</sup> Advantage end of year values are effective at the beginning of the next contract year.

Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

<sup>1</sup>Represents the cumulative annualized return for the illustration period.

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

\*The annual LTC Benefit is the portion of the total LTC Benefit available to you each year. Your annual benefit amount is based on the year you begin receiving LTC Benefit payments. It is available if the Covered Life is in a Nursing Home or is receiving Hospice Care and is subject to the Maximum Monthly LTC Benefit. The available benefit is reduced by 50% if the Covered Life

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary Max Charge

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is receiving other Qualified Long-Term Care services due to Chronic Illness. The LTC Benefit is not available until two years after the rider date.

\*\*The LTC Benefit Duration is the minimum number of Benefit Years that you may access the LTC Benefit. This benefit duration is based on the year you begin receiving LTC Benefit payments. If you receive LTC Benefit payments on or after the 5<sup>th</sup> Rider Date Anniversary, your minimum LTC Benefit Duration would be 6 years and would provide the maximum annual Acceleration Benefit and Extension Benefit. Regardless of your LTC Benefit Duration, you will have access to the total LTC Benefit.

This illustration is hypothetical. The start date for this illustration is January 1, 1985. See the Key Terms section for additional information.  
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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

Accumulation  
Portfolio Summary 0%

## Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) (NQ)

Prepared For	Gender - Age	Start Date	State
John Smith	Male 60	January 1, 2010	Colorado
Purchase Payment	Cost Basis	Living Benefit Rider	Death Benefit
\$100,000	\$100,000	Lincoln Long-Term Care <sup>SM</sup> Advantage	Guarantee of Principal
Acceleration Benefit	Extension Benefit	LTC Benefit Duration	LTC Benefit Option
\$100,000	\$200,000	2+4 (6 years)	Growth Benefit

Hypothetical Assumptions  
Gross Rate 0.00% / Net Rate (2.27%)\*\*\*

### Accumulation of Assets

Account Values					
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value
			\$100,000		
60	1	\$100,000	\$96,343	(3.66%)	\$89,343
61	2	\$0	\$92,769	(3.71%)	\$85,769
62	3	\$0	\$89,276	(3.77%)	\$83,276
63	4	\$0	\$85,863	(3.82%)	\$79,863
64	5	\$0	\$82,527	(3.89%)	\$77,527
65	6	\$0	\$79,267	(3.95%)	\$75,267
66	7	\$0	\$76,081	(4.02%)	\$73,081
67	8	\$0	\$72,968	(4.09%)	\$72,968
68	9	\$0	\$69,925	(4.17%)	\$69,925
69	10	\$0	\$66,952	(4.25%)	\$66,952
70	11	\$0	\$64,046	(4.34%)	\$64,046
71	12	\$0	\$61,206	(4.43%)	\$61,206
72	13	\$0	\$58,431	(4.53%)	\$58,431
73	14	\$0	\$55,719	(4.64%)	\$55,719
74	15	\$0	\$53,069	(4.76%)	\$53,069

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	N/A	N/A
\$300,000	N/A	N/A
\$300,000	\$20,000	15 years
\$300,000	\$25,000	12 years
\$300,000	\$33,333	9 years
\$300,000	\$50,000	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary 0%

### Accumulation of Assets

Account Values					
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value
75	16	\$0	\$50,479	(4.88%)	\$50,479
76	17	\$0	\$47,948	(5.01%)	\$47,948
77	18	\$0	\$45,474	(5.16%)	\$45,474
78	19	\$0	\$43,057	(5.32%)	\$43,057
79	20	\$0	\$40,694	(5.49%)	\$40,694
80	21	\$0	\$38,385	(5.67%)	\$38,385
81	22	\$0	\$36,129	(5.88%)	\$36,129
82	23	\$0	\$33,924	(6.10%)	\$33,924
83	24	\$0	\$31,770	(6.35%)	\$31,770
84	25	\$0	\$29,664	(6.63%)	\$29,664
<b>Cumulative:</b>		<b>\$100,000</b>		<b>(4.74%)<sup>1</sup></b>	

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	\$50,000	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000

\*\*\*The Net Rate reflects the deduction of all charges including the i4LIFE<sup>®</sup> Advantage Rider charge (if applicable). All other Rider/Option charges are excluded from the calculation. If there are any Riders/Options (other than i4LIFE<sup>®</sup> Advantage) added to the contract, the actual net rate of return will be lower than what is noted. Rider/Option charges are not included because they are assessed against the Guaranteed Amount which can change regularly due to account activity (i.e. value fluctuation, additional deposits, withdrawals).

Performance information shown (table) for the Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) Variable Annuity is hypothetical only. It assumes a 0.00% gross investment rate of return. Values reflect the deduction of the following charges: (1) annual charges to the daily net asset value of 1.30% for administration and mortality and expense risk; (2) 0.74% average asset management fee, (3) 0.26% average 12b-1 fee; and (4) Rider/Option charges. Surrender values reflect surrender charges, but do not reflect any state premium tax (if applicable) deducted upon surrender. An explanation of all fees and expenses can be found in the prospectus.

Lincoln Long-Term Care<sup>SM</sup> Advantage has an annual expense charge assessed on a quarterly basis and is equal to the sum of Acceleration Benefit Charge, the Extension Benefit Charge and the Optional Nonforfeiture Benefit Charge, if elected. The Acceleration Benefit charge is currently 0.60% and is subject to a maximum of 1.50%. The Acceleration Benefit charge is based on your LTC Guaranteed Amount. The Extension Benefit charge is currently 0.38% and is based on your Extension Benefit. If elected, the Optional Non-forfeiture Benefit charge is 0.06% and is based on your Extension Benefit.

Lincoln Long-Term Care<sup>SM</sup> Advantage end of year values are effective at the beginning of the next contract year.

Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Accumulation Portfolio Summary 0%

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\*The annual LTC Benefit is the portion of the total LTC Benefit available to you each year. Your annual benefit amount is based on the year you begin receiving LTC Benefit payments. It is available if the Covered Life is in a Nursing Home or is receiving Hospice Care and is subject to the Maximum Monthly LTC Benefit. The available benefit is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care services due to Chronic Illness. The LTC Benefit is not available until two years after the rider date.

\*\*The LTC Benefit Duration is the minimum number of Benefit Years that you may access the LTC Benefit. This benefit duration is based on the year you begin receiving LTC Benefit payments. If you receive LTC Benefit payments on or after the 5<sup>th</sup> Rider Date Anniversary, your minimum LTC Benefit Duration would be 6 years and would provide the maximum annual Acceleration Benefit and Extension Benefit. Regardless of your LTC Benefit Duration, you will have access to the total LTC Benefit.

This illustration is hypothetical. The start date for this illustration is January 1, 2010. See the Key Terms section for additional information.

THIS IS A HYPOTHETICAL ILLUSTRATION ONLY. IT DOES NOT PREDICT FUTURE PERFORMANCE.

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## Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) Accumulation Subaccount Performance

### Subaccount Value

As of 3/31/2010, this illustration shows the performance of the specific subaccounts you have selected from those available in the *Lincoln ChoicePlus Assurance<sup>SM</sup>* (B Share) Variable Annuity. Dividends and capital gains are reinvested. The subaccount values will fluctuate due to the investment performance of the selected subaccount. These values reflect the deduction of all applicable contract fees and charges including any rider fees. They do not reflect surrender charges or any state premium tax deducted upon surrender, if applicable.

Subaccount	Allocation	Purchase Payment	Year 1	Year 5	Year 10
American Funds Insurance Series Growth-Income Fund	70%	\$70,000	\$93,166	\$136,142	\$179,729
LVIP Delaware Bond	30%	\$30,000	\$35,974	\$60,480	\$78,525

Past performance does not guarantee future results. Principal value and investment returns will fluctuate, so that an investor's share/units, when redeemed, may be worth more or less than the original cost. Quoted performance data represents past performance. Current performance may be lower or higher than the performance data quoted. To view current month-end performance for this variable annuity and subaccounts, please go to [www.LFG.com](http://www.LFG.com) or ask your registered representative. Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

### Non-Standardized Annualized Total Returns

As of 3/31/2010, a one time investment of \$1,000 would have generated the following returns (taking into consideration all charges excluding Lincoln Long-Term Care<sup>SM</sup> Advantage fees but without regard to taxes). If these Lincoln Long-Term Care<sup>SM</sup> Advantage fees would be reflected, the performance return would be lower. These returns are measured from the inception date of the subaccount and predate the offering of the fund as an investment option in the variable annuity. Therefore, they are hypothetical performance. This hypothetical representation depicts how the variable annuity might have reacted had the fund been available in the variable annuity during the time period. These returns assume the contract was not surrendered.

Non-Standard Performance without Surrender	Inception Date	1 Year	5 Year	10 Year	Since Inception
American Funds Insurance Series Growth-Income Fund	2/8/1984	45.23%	0.84%	2.01%	9.26%
LVIP Delaware Bond	12/28/1981	19.35%	4.52%	5.43%	7.40%

### Non-Standardized Annualized Total Returns with Surrender Charges

As of 3/31/2010, a one time investment of \$1,000 would have generated the following returns (taking into consideration all charges excluding Lincoln Long-Term Care<sup>SM</sup> Advantage fees but without regard to taxes). If these Lincoln Long-Term Care<sup>SM</sup> Advantage fees would be reflected, the performance return would be lower. These returns are measured from the inception date of the subaccount and predate the offering of the fund as an investment option in the variable annuity. Therefore, they are hypothetical performance. This hypothetical representation depicts how the variable annuity might have reacted had the fund been available in the variable annuity during the time period. These returns assume a surrender of the contract occurred in the year noted.

Non-Standard Performance with Surrender	Inception Date	1 Year	5 Year	10 Year	Since Inception

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## Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share) Accumulation Subaccount Performance

### Non-Standardized Annualized Total Returns with Surrender Charges

As of 3/31/2010, a one time investment of \$1,000 would have generated the following returns (taking into consideration all charges excluding Lincoln Long-Term Care<sup>SM</sup> Advantage fees but without regard to taxes). If these Lincoln Long-Term Care<sup>SM</sup> Advantage fees would be reflected, the performance return would be lower. These returns are measured from the inception date of the subaccount and predate the offering of the fund as an investment option in the variable annuity. Therefore, they are hypothetical performance. This hypothetical representation depicts how the variable annuity might have reacted had the fund been available in the variable annuity during the time period. These returns assume a surrender of the contract occurred in the year noted.

Non-Standard Performance with Surrender	Inception Date	1 Year	5 Year	10 Year	Since Inception
American Funds Insurance Series Growth-Income Fund	2/8/1984	38.09%	(0.26%)	1.95%	9.22%
LVIP Delaware Bond	12/28/1981	12.22%	3.56%	5.36%	7.36%

### Standardized Annualized Total Returns

As of 3/31/2010, a one time investment of \$1,000 would have generated the following returns (taking into consideration all charges excluding Lincoln Long-Term Care<sup>SM</sup> Advantage fees but without regard to taxes). If these Lincoln Long-Term Care<sup>SM</sup> Advantage fees would be reflected, the performance return would be lower. These returns are measured from the date the subaccount was available to the product and assume the surrender of the contract occurred in the year noted.

Standard Performance with Surrender	Inception Date	1 Year	5 Year	10 Year/ Since Inception
American Funds Insurance Series Growth-Income Fund	2/22/2000	38.09%	(0.29%)	1.93%
LVIP Delaware Bond	11/20/1998	12.22%	3.53%	5.35%

Performance information shown for the *Lincoln ChoicePlus Assurance<sup>SM</sup>* (B Share) Variable Annuity and the subaccounts selected reflects the deduction of all applicable contract fees and charges, excluding Lincoln Long-Term Care<sup>SM</sup> Advantage fees. If these Lincoln Long-Term Care<sup>SM</sup> Advantage fees would be reflected, the performance return would be lower. This includes an annual charge to the daily net asset value of 1.300% for administration and for mortality and expense risk; asset management fees, any applicable 12b-1 fees which vary by subaccount; and any annual contract fee. It does not reflect any state premium tax deducted upon surrender, if applicable. Specific fees and expenses can be found in the prospectus.

# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Important Disclosures

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### Performance, fees and charges

*This material must be preceded or accompanied by both a current product prospectus and fund prospectuses for the variable investment options available for the contract. Prospectuses contain investment objectives, risks, charges, and expenses of the variable product and its underlying investment options. Please read carefully before investing or sending money.*

This illustration may not include all available investment options. To view current month-end performance for this variable annuity and available subaccounts, please go to [www.LFG.com](http://www.LFG.com) or ask your registered representative.

Performance information shown for the *Lincoln ChoicePlus Assurance<sup>SM</sup>* (B Share) Variable Annuity and the subaccounts selected reflects the deduction of all applicable contract fees and charges, excluding Lincoln Long-Term Care<sup>SM</sup> Advantage fees. If these Lincoln Long-Term Care<sup>SM</sup> Advantage fees would be reflected, the performance return would be lower. This includes an annual charge to the daily net asset value of 1.300% for administration and for mortality and expense risk; asset management fees, any applicable 12b-1 fees which vary by subaccount; and any annual contract fee. It does not reflect any state premium tax deducted upon surrender, if applicable. Specific fees and expenses can be found in the prospectus.

Lincoln Long-Term Care<sup>SM</sup> Advantage has an annual expense charge assessed on a quarterly basis and is equal to the sum of Acceleration Benefit Charge, the Extension Benefit Charge and the Optional Nonforfeiture Benefit Charge, if elected. The Acceleration Benefit charge is currently 0.60% and is subject to a maximum of 1.50%. The Acceleration Benefit charge is based on your LTC Guaranteed Amount. The Extension Benefit charge is currently 0.38% and is based on your Extension Benefit. If elected, the Optional Non-forfeiture Benefit charge is 0.06% and is based on your Extension Benefit.

Ask your registered representative for additional sales material which will provide more detail about this variable annuity product, including fees and charges.

### Tax Considerations

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

This material was prepared to support the promotion and marketing of insurance products. Lincoln Financial Group® affiliates, their distributors, and their respective employees, representatives, and/or insurance producers do not provide tax, accounting, or legal advice. Any tax statements contained herein were not intended or written to be used, and cannot be used for the purpose of avoiding U.S. federal, state or local tax penalties. Please consult with your own independent advisor as to any tax, accounting or legal statements made herein.

### General Annuity Information

With the election of a variable annuity rider, you will be subject to investment requirements. Lincoln will automatically rebalance values on a quarterly basis.

This annuity was available for sale beginning 05/19/2003, subject to state approval.

### Investment Risks

Significant differences exist in risk among investment asset classes. Be aware that some investments have principal and yield that will fluctuate, some with extreme volatility. Consider

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# Lincoln ChoicePlus Assurance<sup>SM</sup> (B Share)

## Important Disclosures

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personal investment horizons and income tax brackets, both current and anticipated, when making an investment decision as these may further impact results. Other investment vehicles may offer lower maximum income tax rates on capital gains and dividends which may lead to more favorable returns on taxable investments.

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# American Legacy III<sup>®</sup> illustration

featuring Lincoln Long-Term Care<sup>SM</sup> Advantage

Invest for the long term with American Legacy variable annuities

Client's name: John Smith  
Preparer: Daniel Koepke  
Address: Two South Cascade  
Suite 200  
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Page 1 of 20

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American Legacy III<sup>®</sup> is issued on 30070-B, 28618 & 28618-A and state variations by The Lincoln National Life Insurance Company, Fort Wayne, Indiana, and distributed by Lincoln Financial Distributors. The long-term care riders are form #AR518(3-10) and #AR519(3-10) with state variations. The Lincoln National Life Insurance Company is not authorized nor does it solicit business in the state of New York. **Guarantees are backed by the claims-paying ability of the insurer.** Restrictions on issue age, purchase payments and feature availability may vary by state. This report is not complete unless all pages are included. Please read the important information on the Key Terms and Important Disclosures Page.

Contracts sold in New York are issued on contract form NY28618-A by Lincoln Life & Annuity Company of New York, Syracuse, NY and distributed by Lincoln Financial Distributors. **The contractual obligations are backed by the claims-paying ability of Lincoln Life & Annuity Company of New York, Syracuse, NY.**

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# American Legacy III®

## Hypothetical Accumulation Product Overview

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The purpose of this illustration is to demonstrate how the performance of the underlying subaccounts could affect the annuity's account value, death benefit and other optional benefits and features over an extended period of time. The hypothetical rates and values depicted on the following pages are illustrative only and are not intended to predict or project performance. The values reflect required quarterly rebalancing of the subaccounts selected if a living benefit rider is elected and the deduction of all applicable charges and expenses.

An annuity is an insurance contract helping to protect you against the risk of outliving your income. In addition, annuities can provide a hedge against inflation through access to the market, offer tax deferral, guaranteed living benefits, lifetime income, and death benefits to help meet financial needs and goals. Variable annuities are long-term investment vehicles designed for retirement purposes. You buy an annuity to provide a stream of income at some future time, usually retirement. To help your money grow faster, the government allows you to defer taxes on interest and accumulation until you take income out of an annuity. Variable annuities have limitations and expense charges. Principal value and investment return will fluctuate, so that an investor's shares/units, when redeemed, may be worth more or less than the original cost. Early withdrawals may be subject to surrender charges, commonly referred to as Contingent Deferred Sales Charges.

A variable annuity is an insurance contract designed to provide retirement income for as long as you live. Lincoln variable annuities offer:

- Tax-deferred growth - Your savings grow tax-deferred and your tax bills aren't impacted until withdrawals are made, allowing for greater growth potential.
- Lifetime income - There are several options for taking income, including an income stream for life.
- Death benefits - Your savings can be transferred to beneficiaries.
- Flexibility - You can meet your individual needs by customizing your contract's investment allocation and withdrawal options.

Keep in mind that all variable annuities are subject to market fluctuation, investment risk, and possible loss of principal. They contain both investment and insurance components, and have fees and charges, including mortality and expense, administrative, and advisory fees. Early withdrawals may be subject to surrender charges, commonly referred to as Contingent Deferred Sales Charges. The annuity's value fluctuates with the market value of the underlying investment options, and all assets accumulate tax-deferred.

Certain benefits or features may be added to a variable annuity and may have additional charges or expenses associated with them which may or may not be advantageous in meeting long-term goals. These additional charges and expenses should be considered carefully before purchasing.

### Overview:

This is an illustration for Lincoln Long-Term Care<sup>SM</sup> Advantage which is a living benefit rider provided by a variable annuity contract issued by The Lincoln National Life Insurance Company. Benefits and features may vary by state.

Lincoln Long-Term Care<sup>SM</sup> Advantage provides Qualified Long-Term Care (QLTC) benefits for covered long-term care services, including but not limited to adult day care, home health care, nursing home care and assisted living facilities. With the Level Benefit option your initial guaranteed LTC Benefit will not increase. Growth beyond the initial LTC purchase payment is not available as additional LTC Benefits.

There are two primary LTC Benefits provided by the Lincoln Long-Term Care<sup>SM</sup> Advantage with the Level Benefit option: The Acceleration Benefit and the Extension Benefit.

- The Acceleration Benefit, which is payment to you from your Contract Value, is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. Acceleration Benefits are payable by Lincoln even if your Contract Value is reduced to zero. There is a maximum LTC Benefit that may be paid each month.
- After the Acceleration Benefit is reduced to zero, the LTC Benefits will continue as Extension Benefits, which are payments provided by Lincoln during the Extension Benefit Duration. There is a maximum LTC Benefit that may be paid each month.

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# American Legacy III®

## Hypothetical Accumulation Product Overview

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You can decide the amount of your purchase payments, within the allowable percentages, that will be allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage. While additional purchase payments may be made to the variable annuity, additional purchase payments can not be allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage after the first 90 days from the Rider Date.

Refer to the Long-Term Care Insurance Outline of Coverage form for additional information on the Lincoln Long-Term Care<sup>SM</sup> Advantage.

Certain benefits or features may be added to a variable annuity and may have additional charges or expenses associated with them which may or may not be advantageous in meeting long-term goals. These additional charges and expenses should be considered carefully before purchasing.

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# American Legacy III®

## Key Features Overview

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**Long-Term Care Benefit** - This is the total amount available for long-term care coverage. The total Long-Term Care Benefit includes the Acceleration Benefit and Extension Benefit. The initial amount of the LTC Benefit is based on the amount of your initial purchase payment that is allocated towards Lincoln Long-Term Care<sup>SM</sup> Advantage and the LTC Benefit Duration elected.

**5<sup>th</sup> Rider Date Anniversary** - On and after the 5<sup>th</sup> rider anniversary date, the maximum annual Acceleration Benefit and Extension Benefit is provided.

**LTC Coverage Effective Date** - This is the 2<sup>nd</sup> Rider Date Anniversary. It is the date that you are eligible to receive LTC Benefits. If you receive LTC Benefits prior to the 5<sup>th</sup> Rider Date Anniversary the maximum annual Acceleration Benefit and Extension Benefit will be less than the maximum annual Acceleration and Extension Benefits available if you received LTC Benefits on or after the 5<sup>th</sup> Rider Date Anniversary. Regardless of the date you begin receiving LTC Benefits you will still have access to the total LTC Benefit.

**LTC Benefit Duration** - This duration is selected by you and is the minimum duration in which you may receive LTC Benefits. The minimum duration is 6 years and is the sum of the Acceleration Benefit Duration and the Extension Benefit Duration.

- The 2+4 LTC Benefit Duration consists of a 2 year Acceleration Benefit Duration followed by a 4 year Extension Benefit Duration.

If you receive LTC Benefits on or after the 5<sup>th</sup> Rider Date Anniversary your minimum LTC Benefit Duration would be 6 years. If you receive LTC Benefits prior to the 5<sup>th</sup> Rider Date Anniversary your minimum LTC Benefit Duration will be longer than 6 years. Regardless of your LTC Benefit Duration, you will still have access to the total LTC Benefit.

**LTC Guaranteed Amount (LTC GA)** - This is equal to the Acceleration Benefit.

**Acceleration Benefit** - This is the portion of your total LTC Benefit that is available during the Acceleration Benefit Duration and is the first benefit paid out once you are eligible for LTC Benefits. Your initial Acceleration Benefit is equal to the amount of your initial purchase payment that is allocated to Lincoln Long-Term Care<sup>SM</sup> Advantage.

**Extension Benefit** - This is the portion of your total LTC Benefit that is available during the Extension Benefit Duration. The Extension Benefit is available after your Acceleration Benefit is reduced to zero. The Extension Benefit is based on the initial Acceleration Benefit and the LTC Benefit Duration.

- With the 2+4 LTC Benefit Duration the initial Extension Benefit is equal to two times the initial Acceleration Benefit.

The Extension Benefit is available after your Acceleration Benefit is reduced to zero.

**Annual LTC Benefit** - This is the maximum annual amount of LTC Benefit available to you.

**Maximum Monthly LTC Benefit** - There is a maximum LTC Benefit you may receive each month which is equal to the Annual LTC Benefit divided by 12. The Maximum Monthly LTC Benefit is payable only if the Covered Life is in a Nursing Home or is receiving Hospice Care. The Maximum Monthly LTC Benefit is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care services due to Chronic Illness.

**Conforming Withdrawal** is the amount you may withdraw annually without reducing your LTC Benefit. Conforming Withdrawals equal 5% of the difference between the Account Value and LTC Guaranteed Amount on your Benefit Year Anniversary. If your LTC GA is equal to or greater than your Account Value on your Benefit Year anniversary, all withdrawals will be considered Excess Withdrawals.

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# American Legacy III®

## Key Features Overview

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**Excess Withdrawal** - Excess Withdrawals are those withdrawals that exceed the Conforming Withdrawal limit. Excess Withdrawals may substantially reduce or eliminate your LTC Benefits. For each Excess Withdrawal, the LTC Benefits will be reduced in the same proportion that the Withdrawal reduced the Account Value.

- Withdrawals may affect taxation. Withdrawals are subject to ordinary income tax and may be subject to a 10% federal penalty tax if taken prior to age 59½. Conforming Withdrawals and any LTC Benefit payment that reduces your Account Value will reduce the free withdrawal amount allowed by the contract, if applicable.
- The Account Value will be reduced by the dollar amount withdrawn for all Acceleration Benefit payments. ExtensionBenefit payments will not reduce your Account Value.
- The Account Value death benefit will be reduced by the amount of any Acceleration Benefit payment. All other available death benefits will be reduced by the same percentage that the Account Value is reduced for any Acceleration Benefit payment. This means the reduction in the death benefit may be more or less than the actual amount withdrawn. The death benefit will also be reduced by the amount of any Conforming Withdrawal or Excess Withdrawal.

**Optional Non-forfeiture Benefit** - An optional feature is the Optional Non-forfeiture Benefit. This benefit provides a minimum LTC Benefit if the contract is surrendered after three years, the rider is terminated after three years, the contract is annuitized prior to the maturity date or an Annuity Payout Option is elected after the rider has been in effect for three years.

When i4LIFE® Advantage is elected, Lincoln Long-Term Care<sup>SM</sup> Advantage and its benefits will be terminated.

# American Legacy III®

## Hypothetical Key Terms

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Lincoln Long-Term Care<sup>SM</sup> Advantage is a Qualified Long-Term Care Insurance Contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended. The benefits provided by Lincoln Long-Term Care<sup>SM</sup> Advantage qualify as Qualified Long-Term Care insurance (QLTCi).

The QLTCi rider charges are deducted from the contract value on each quarterly rider anniversary. Section 7702B(b) treats this QLTCi rider as a separate contract, and the deductions from the contract value to pay the LTC Charges are treated as distributions from the variable annuity contract.

For tax years beginning after December 31, 2009, deductions from the contract value to pay QLTCi premiums will not be reported as taxable distributions from the variable annuity contract. Further, any QLTC Benefit paid under this Rider that does not exceed the greater of (1) the expenses actually incurred for Qualified Long-Term Care Services, or (2) a maximum per diem limit as prescribed by law, will not be reported as taxable income to you. The current maximum per diem limit as prescribed by law is \$280 per day or \$102,200 annually.

The deductions from the contract value to pay QLTCi premiums will reduce the contract value and the investment in the contract (cost basis), but not below zero. The QLTC Benefits that are paid to you will reduce the investment in the contract (cost basis), but not below zero.

Please consult and rely on the advice of a qualified tax advisor.

### Accumulation Key Terms:

Account Value is the sum of premiums and earnings in an annuity contract minus withdrawals and applicable LTC Benefit payments.

Cost Basis is the after-tax portion of the purchase payment and is reflected as non-taxable income.

Death Benefit is the amount payable upon the death of the owner or annuitant. Death benefits vary depending on the death benefit option selected. The death benefit illustrated is the Guarantee of Principal. Tax treatment on death benefits of the annuity contract differs from the tax treatment of a life insurance policy. The Account Value death benefit, which is provided at no additional charge, is reduced by the dollar amount of the withdrawal. The Guarantee of Principal death benefit (GOP) provides a death benefit which is the greater of account value or total amount of purchase payments. If Lincoln Long-Term Care<sup>SM</sup> Advantage is elected, the GOP death benefit will be reduced proportionately for all withdrawals and LTC Benefit payments that reduce the account value.

LTC Benefit is the total amount you may receive for Qualified LTC services by selecting the Lincoln Long-Term Care<sup>SM</sup> Advantage.

Surrender Charge is the declining percentage charge applied to the amount withdrawn based upon the period of time a purchase payment has been in the account.

Surrender Value is the value of the account after the deduction of applicable surrender charges commonly referred to as Contingent Deferred Sales Charges.

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# American Legacy III®

## Hypothetical Accumulation Portfolio Summary

### American Legacy III® (NQ)

Prepared For	Gender - Age	Start Date	State
John Smith	Male 60	January 1, 2010	Colorado
Purchase Payment	Cost Basis	Living Benefit Rider	Death Benefit
\$100,000	\$100,000	Lincoln Long-Term Care <sup>SM</sup> Advantage	Guarantee of Principal
Acceleration Benefit	Extension Benefit	LTC Benefit Duration	LTC Benefit Option
\$100,000	\$200,000	2+4 (6 years)	Level Benefit

Hypothetical Assumptions  
Gross Rate 7.65% / Net Rate 5.46%\*\*\*

### Accumulation of Assets

Hypothetical Account Values					
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value
			\$100,000		
60	1	\$100,000	\$104,374	4.37%	\$97,374
61	2	\$0	\$108,987	4.42%	\$101,987
62	3	\$0	\$113,851	4.46%	\$107,851
63	4	\$0	\$118,981	4.51%	\$112,981
64	5	\$0	\$124,391	4.55%	\$119,391
65	6	\$0	\$130,095	4.59%	\$126,095
66	7	\$0	\$136,111	4.62%	\$133,111
67	8	\$0	\$142,456	4.66%	\$142,456
68	9	\$0	\$149,146	4.70%	\$149,146
69	10	\$0	\$156,201	4.73%	\$156,201
70	11	\$0	\$163,641	4.76%	\$163,641
71	12	\$0	\$171,487	4.79%	\$171,487
72	13	\$0	\$179,761	4.82%	\$179,761
73	14	\$0	\$188,487	4.85%	\$188,487
74	15	\$0	\$197,688	4.88%	\$197,688

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	N/A	N/A
\$300,000	N/A	N/A
\$300,000	\$20,000	15 years
\$300,000	\$25,000	12 years
\$300,000	\$33,333	9 years
\$300,000	\$50,000	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$104,374
\$108,987
\$113,851
\$118,981
\$124,391
\$130,095
\$136,111
\$142,456
\$149,146
\$156,201
\$163,641
\$171,487
\$179,761
\$188,487
\$197,688

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# American Legacy III®

## Hypothetical Accumulation Portfolio Summary

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Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

\*The annual LTC Benefit is the portion of the total LTC Benefit available to you each year. Your annual benefit amount is based on the year you begin receiving LTC Benefit payments. It is available if the Covered Life is in a Nursing Home or is receiving Hospice Care and is subject to the Maximum Monthly LTC Benefit. The available benefit is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care services due to Chronic Illness. The LTC Benefit is not available until two years after the rider date.

\*\*The LTC Benefit Duration is the minimum number of Benefit Years that you may access the LTC Benefit. This benefit duration is based on the year you begin receiving LTC Benefit payments. If you receive LTC Benefit payments on or after the 5<sup>th</sup> Rider Date Anniversary, your minimum LTC Benefit Duration would be 6 years and would provide the maximum annual Acceleration Benefit and Extension Benefit. Regardless of your LTC Benefit Duration, you will have access to the total LTC Benefit.

This illustration is hypothetical. The start date for this illustration is January 1, 2010. See the Key Terms section for additional information.

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# American Legacy III®

## Hypothetical Accumulation Portfolio Summary Max Charge

### American Legacy III® (NQ)

Prepared For	Gender - Age	Start Date	State
John Smith	Male 60	January 1, 2010	Colorado
Purchase Payment	Cost Basis	Living Benefit Rider	Death Benefit
\$100,000	\$100,000	Lincoln Long-Term Care <sup>SM</sup> Advantage	Guarantee of Principal
Acceleration Benefit	Extension Benefit	LTC Benefit Duration	LTC Benefit Option
\$100,000	\$200,000	2+4 (6 years)	Level Benefit

Hypothetical Assumptions  
Gross Rate 7.65% / Net Rate 5.46%\*\*\*

#### Accumulation of Assets

Hypothetical Account Values					
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value
			\$100,000		
60	1	\$100,000	\$103,150	3.15%	\$96,150
61	2	\$0	\$106,472	3.22%	\$99,472
62	3	\$0	\$109,975	3.29%	\$103,975
63	4	\$0	\$113,669	3.36%	\$107,669
64	5	\$0	\$117,564	3.43%	\$112,564
65	6	\$0	\$121,673	3.49%	\$117,673
66	7	\$0	\$126,005	3.56%	\$123,005
67	8	\$0	\$130,574	3.63%	\$130,574
68	9	\$0	\$135,391	3.69%	\$135,391
69	10	\$0	\$140,472	3.75%	\$140,472
70	11	\$0	\$145,830	3.81%	\$145,830
71	12	\$0	\$151,480	3.87%	\$151,480
72	13	\$0	\$157,439	3.93%	\$157,439
73	14	\$0	\$163,722	3.99%	\$163,722
74	15	\$0	\$170,348	4.05%	\$170,348

#### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	N/A	N/A
\$300,000	N/A	N/A
\$300,000	\$20,000	15 years
\$300,000	\$25,000	12 years
\$300,000	\$33,333	9 years
\$300,000	\$50,000	6 years

#### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$103,150
\$106,472
\$109,975
\$113,669
\$117,564
\$121,673
\$126,005
\$130,574
\$135,391
\$140,472
\$145,830
\$151,480
\$157,439
\$163,722
\$170,348

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# American Legacy III®

## Hypothetical Accumulation Portfolio Summary Max Charge

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Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

\*The annual LTC Benefit is the portion of the total LTC Benefit available to you each year. Your annual benefit amount is based on the year you begin receiving LTC Benefit payments. It is available if the Covered Life is in a Nursing Home or is receiving Hospice Care and is subject to the Maximum Monthly LTC Benefit. The available benefit is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care services due to Chronic Illness. The LTC Benefit is not available until two years after the rider date.

\*\*The LTC Benefit Duration is the minimum number of Benefit Years that you may access the LTC Benefit. This benefit duration is based on the year you begin receiving LTC Benefit payments. If you receive LTC Benefit payments on or after the 5<sup>th</sup> Rider Date Anniversary, your minimum LTC Benefit Duration would be 6 years and would provide the maximum annual Acceleration Benefit and Extension Benefit. Regardless of your LTC Benefit Duration, you will have access to the total LTC Benefit.

This illustration is hypothetical. The start date for this illustration is January 1, 2010. See the Key Terms section for additional information.

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# American Legacy III®

## Hypothetical Accumulation Portfolio Summary 0%

### American Legacy III® (NQ)

Prepared For	Gender - Age	Start Date	State
John Smith	Male 60	January 1, 2010	Colorado
Purchase Payment	Cost Basis	Living Benefit Rider	Death Benefit
\$100,000	\$100,000	Lincoln Long-Term Care <sup>SM</sup> Advantage	Guarantee of Principal
Acceleration Benefit	Extension Benefit	LTC Benefit Duration	LTC Benefit Option
\$100,000	\$200,000	2+4 (6 years)	Level Benefit

Hypothetical Assumptions  
Gross Rate 0.00% / Net Rate (2.04%)\*\*\*

#### Accumulation of Assets

Hypothetical Account Values					
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value
			\$100,000		
60	1	\$100,000	\$96,909	(3.09%)	\$89,909
61	2	\$0	\$93,881	(3.12%)	\$86,881
62	3	\$0	\$90,915	(3.16%)	\$84,915
63	4	\$0	\$88,010	(3.20%)	\$82,010
64	5	\$0	\$85,163	(3.23%)	\$80,163
65	6	\$0	\$82,375	(3.27%)	\$78,375
66	7	\$0	\$79,643	(3.32%)	\$76,643
67	8	\$0	\$76,967	(3.36%)	\$76,967
68	9	\$0	\$74,346	(3.41%)	\$74,346
69	10	\$0	\$71,778	(3.45%)	\$71,778
70	11	\$0	\$69,263	(3.50%)	\$69,263
71	12	\$0	\$66,799	(3.56%)	\$66,799
72	13	\$0	\$64,385	(3.61%)	\$64,385
73	14	\$0	\$62,020	(3.67%)	\$62,020
74	15	\$0	\$59,704	(3.74%)	\$59,704

#### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	N/A	N/A
\$300,000	N/A	N/A
\$300,000	\$20,000	15 years
\$300,000	\$25,000	12 years
\$300,000	\$33,333	9 years
\$300,000	\$50,000	6 years

#### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
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\$100,000

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# American Legacy III®

## Hypothetical Accumulation Portfolio Summary 0%

### Accumulation of Assets

### Long-Term Care Benefit

### Death Benefit

Hypothetical Account Values						Lincoln Long-Term Care <sup>SM</sup> Advantage			Elected Death Benefit
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value	Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **	Guarantee of Principal
75	16	\$0	\$57,434	(3.80%)	\$57,434	\$300,000	\$50,000	6 years	\$100,000
76	17	\$0	\$55,212	(3.87%)	\$55,212	\$300,000	\$50,000	6 years	\$100,000
77	18	\$0	\$53,034	(3.94%)	\$53,034	\$300,000	\$50,000	6 years	\$100,000
78	19	\$0	\$50,901	(4.02%)	\$50,901	\$300,000	\$50,000	6 years	\$100,000
79	20	\$0	\$48,811	(4.11%)	\$48,811	\$300,000	\$50,000	6 years	\$100,000
80	21	\$0	\$46,764	(4.19%)	\$46,764	\$300,000	\$50,000	6 years	\$100,000
81	22	\$0	\$44,758	(4.29%)	\$44,758	\$300,000	\$50,000	6 years	\$100,000
82	23	\$0	\$42,794	(4.39%)	\$42,794	\$300,000	\$50,000	6 years	\$100,000
83	24	\$0	\$40,869	(4.50%)	\$40,869	\$300,000	\$50,000	6 years	\$100,000
84	25	\$0	\$38,984	(4.61%)	\$38,984	\$300,000	\$50,000	6 years	\$100,000
85	26	\$0	\$37,137	(4.74%)	\$37,137	\$300,000	\$50,000	6 years	\$100,000
86	27	\$0	\$35,328	(4.87%)	\$35,328	\$300,000	\$50,000	6 years	\$100,000
87	28	\$0	\$33,556	(5.02%)	\$33,556	\$300,000	\$50,000	6 years	\$100,000
88	29	\$0	\$31,820	(5.17%)	\$31,820	\$300,000	\$50,000	6 years	\$100,000
89	30	\$0	\$30,119	(5.34%)	\$30,119	\$300,000	\$50,000	6 years	\$100,000
90	31	\$0	\$28,453	(5.53%)	\$28,453	\$300,000	\$50,000	6 years	\$100,000
91	32	\$0	\$26,821	(5.74%)	\$26,821	\$300,000	\$50,000	6 years	\$100,000
92	33	\$0	\$25,222	(5.96%)	\$25,222	\$300,000	\$50,000	6 years	\$100,000
93	34	\$0	\$23,656	(6.21%)	\$23,656	\$300,000	\$50,000	6 years	\$100,000
94	35	\$0	\$22,122	(6.49%)	\$22,122	\$300,000	\$50,000	6 years	\$100,000
95	36	\$0	\$20,619	(6.79%)	\$20,619	\$300,000	\$50,000	6 years	\$100,000
96	37	\$0	\$19,147	(7.14%)	\$19,147	\$300,000	\$50,000	6 years	\$100,000
97	38	\$0	\$17,704	(7.53%)	\$17,704	\$300,000	\$50,000	6 years	\$100,000
98	39	\$0	\$16,292	(7.98%)	\$16,292	\$300,000	\$50,000	6 years	\$100,000
99	40	\$0	\$14,907	(8.50%)	\$14,907	\$300,000	\$50,000	6 years	\$100,000

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THIS IS AN ILLUSTRATION, NOT A CONTRACT

# American Legacy III®

## Hypothetical Accumulation Portfolio Summary 0%

### Accumulation of Assets

Hypothetical Account Values					
Age	End Of Year	Purchase Payments	Account Value	Annual Returns	Surrender Value
100	41	\$0	\$13,552	(9.10%)	\$13,552
101	42	\$0	\$12,223	(9.80%)	\$12,223
102	43	\$0	\$10,922	(10.64%)	\$10,922
103	44	\$0	\$9,648	(11.67%)	\$9,648
104	45	\$0	\$8,399	(12.94%)	\$8,399
105	46	\$0	\$7,176	(14.56%)	\$7,176
106	47	\$0	\$5,978	(16.70%)	\$5,978
107	48	\$0	\$4,804	(19.64%)	\$4,804
108	49	\$0	\$3,654	(23.94%)	\$3,654
109	50	\$0	\$2,528	(30.83%)	\$2,528
110	51	\$0	\$1,424	(43.65%)	\$1,424
111	52	\$0	\$343	(75.89%)	\$343
112	53	\$0	\$0	N/A	\$0

**Cumulative:** **\$100,000** **NaN<sup>1</sup>**

### Long-Term Care Benefit

Lincoln Long-Term Care <sup>SM</sup> Advantage		
Total LTC Benefit	Annual LTC Benefit *	Minimum LTC Benefit Duration **
\$300,000	\$50,000	6 years

### Death Benefit

Elected Death Benefit
Guarantee of Principal
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$100,000
\$0

\*\*\*The Net Rate reflects the deduction of all charges including the i4LIFE® Advantage Rider charge (if applicable). All other Rider/Option charges are excluded from the calculation. If there are any Riders/Options (other than i4LIFE® Advantage) added to the contract, the actual net rate of return will be lower than what is noted. Rider/Option charges are not included because they are assessed against the Guaranteed Amount which can change regularly due to account activity (i.e. value fluctuation, additional deposits, withdrawals).

Performance information shown (table) for the American Legacy III® Variable Annuity is hypothetical only. It assumes a 0.00% gross investment rate of return. Values reflect the deduction of the following charges: (1) annual charges to the daily net asset value of 1.30% for administration and mortality and expense risk; (2) 0.51% average asset management fee, (3) 0.25% 12b-1 fee; and (4) Rider/Option charges. Surrender values reflect surrender charges, but do not reflect any state premium tax (if applicable) deducted upon surrender. An explanation of all fees and expenses can be found in the prospectus.

Lincoln Long-Term Care<sup>SM</sup> Advantage has an annual expense charge assessed on a quarterly basis and is equal to the sum of Acceleration Benefit Charge, the Extension Benefit Charge and the Optional Nonforfeiture Benefit Charge, if elected. The Acceleration Benefit charge is currently 0.30% and is subject to a maximum of 1.50%. The Acceleration Benefit charge is based on your LTC Guaranteed Amount. The Extension Benefit charge is currently 0.38% and is based on your Extension Benefit. If elected, the Optional Non-forfeiture Benefit charge is 0.06% and is based on your Extension Benefit.

Lincoln Long-Term Care<sup>SM</sup> Advantage end of year values are effective at the beginning of the next contract year.

Purchase payment(s) is subject to a declining surrender charge of 7%, 7%, 6%, 6%, 5%, 4%, 3%, 0% based on the amount withdrawn and contract year withdrawn.

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death

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Hypothetical Accumulation Portfolio Summary 0%

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benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

\*The annual LTC Benefit is the portion of the total LTC Benefit available to you each year. Your annual benefit amount is based on the year you begin receiving LTC Benefit payments. It is available if the Covered Life is in a Nursing Home or is receiving Hospice Care and is subject to the Maximum Monthly LTC Benefit. The available benefit is reduced by 50% if the Covered Life is receiving other Qualified Long-Term Care services due to Chronic Illness. The LTC Benefit is not available until two years after the rider date.

\*\*The LTC Benefit Duration is the minimum number of Benefit Years that you may access the LTC Benefit. This benefit duration is based on the year you begin receiving LTC Benefit payments. If you receive LTC Benefit payments on or after the 5<sup>th</sup> Rider Date Anniversary, your minimum LTC Benefit Duration would be 6 years and would provide the maximum annual Acceleration Benefit and Extension Benefit. Regardless of your LTC Benefit Duration, you will have access to the total LTC Benefit.

This illustration is hypothetical. The start date for this illustration is January 1, 2010. See the Key Terms section for additional information.

THIS IS A HYPOTHETICAL ILLUSTRATION ONLY. IT DOES NOT PREDICT FUTURE PERFORMANCE.

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# American Legacy III®

## Hypothetical Important Disclosures

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### Performance, fees and charges

This material must be preceded or accompanied by both a current product prospectus and fund prospectuses for the variable investment options available for the contract. Prospectuses contain investment objectives, risks, charges, and expenses of the variable product and its underlying investment options. Please read carefully before investing or sending money.

This illustration may not include all available investment options. To view current month-end performance for this variable annuity and available subaccounts, please go to [www.LFG.com](http://www.LFG.com) or ask your registered representative.

Performance information shown (table) for the American Legacy III® Variable Annuity is hypothetical only. It assumes a 7.65% gross investment rate of return. Values reflect the deduction of the following charges: (1) annual charges to the daily net asset value of 1.30% for administration and mortality and expense risk; (2) 0.51% average asset management fee, (3) 0.25% 12b-1 fee; and (4) Rider/Option charges. Surrender values reflect surrender charges, but do not reflect any state premium tax (if applicable) deducted upon surrender. An explanation of all fees and expenses can be found in the prospectus.

Lincoln Long-Term Care<sup>SM</sup> Advantage has an annual expense charge assessed on a quarterly basis and is equal to the sum of Acceleration Benefit Charge, the Extension Benefit Charge and the Optional Nonforfeiture Benefit Charge, if elected. The Acceleration Benefit charge is currently 0.30% and is subject to a maximum of 1.50%. The Acceleration Benefit charge is based on your LTC Guaranteed Amount. The Extension Benefit charge is currently 0.38% and is based on your Extension Benefit. If elected, the Optional Non-forfeiture Benefit charge is 0.06% and is based on your Extension Benefit.

Ask your registered representative for additional sales material which will provide more detail about this variable annuity product, including fees and charges.

### Tax Considerations

Withdrawals of taxable amounts from an annuity are subject to income tax, and a 10% penalty may apply to withdrawals prior to age 59½. Withdrawals have the effect of reducing the death benefit, cash surrender value, and any other illustrated living benefits.

The effects of taxes and early withdrawal tax penalties have not been reflected in this illustration. If these charges had been reflected, the return would be lower.

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### General Annuity Information

With the election of a variable annuity rider, you will be subject to investment requirements. Lincoln will automatically rebalance values on a quarterly basis.

This annuity was available for sale beginning 04/30/1997, subject to state approval.

### Investment Risks

Significant differences exist in risk among investment asset classes. Be aware that some investments have principal and yield that will fluctuate, some with extreme volatility. Consider

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Hypothetical Important Disclosures

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personal investment horizons and income tax brackets, both current and anticipated, when making an investment decision as these may further impact results. Other investment vehicles may offer lower maximum income tax rates on capital gains and dividends which may lead to more favorable returns on taxable investments.