

SERFF Tracking Number: LCNC-127042844 State: Arkansas  
Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 48291  
Company Tracking Number: LR793  
TOI: L06I Individual Life - Variable Sub-TOI: L06I.002 Single Life - Flexible Premium  
Product Name: LR793, Surrender Value and Loan Spread Enhancement Rider  
Project Name/Number: LSR/LR793

## Filing at a Glance

Company: The Lincoln National Life Insurance Company

Product Name: LR793, Surrender Value and Loan Spread Enhancement Rider SERFF Tr Num: LCNC-127042844 State: Arkansas

TOI: L06I Individual Life - Variable

SERFF Status: Closed-Approved-  
Closed State Tr Num: 48291

Sub-TOI: L06I.002 Single Life - Flexible  
Premium

Co Tr Num: LR793 State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Raymond Fortier, Anabela Tavares, Renee Gardner, Denise  
Tenney Disposition Date: 03/28/2011

Date Submitted: 03/21/2011

Disposition Status: Approved-  
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: LSR

Project Number: LR793

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Individual Market Type:

Filing Status Changed: 03/28/2011

State Status Changed: 03/28/2011

Created By: Denise Tenney

Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Renee Gardner

Filing Description:

Hon. Jay Bradford

Attention: Attn: Joe Musgrove

Commissioner of Insurance

Compliance-Life & Health

1200 West Third Street

Little Rock, AR 72201-1904

SERFF Tracking Number: LCNC-127042844 State: Arkansas  
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TOI: L061 Individual Life - Variable Sub-TOI: L061.002 Single Life - Flexible Premium  
Product Name: LR793, Surrender Value and Loan Spread Enhancement Rider  
Project Name/Number: LSR/LR793

Re: New Submission  
Forms: LR793 Surrender Value and Loan Spread Enhancement Rider

The Lincoln National Life Insurance Company  
NAIC #65676  
FEIN #35-0472300

Dear Mr. Musgrove:

We are submitting the required number of copies of the above referenced policy forms for your review and approval. These are new forms and will not replace any previously approved forms. This filing is being submitted concurrently to our Home State of Indiana and is pending approval.

The form is an optional rider for use with variable universal flexible premium life insurance policy Form LN939(5-10). The variable universal flexible premium life insurance policy is issued only in the Corporate Owned Life Insurance (COLI)/Bank Owned Life Insurance (BOLI) markets. We do follow COLI Best Practices as required by the PPA. This policy may also be issued to individuals under Corporate Sponsored or 162 Bonus Plans. Form LN939(5-10) was approved in your jurisdiction on 9/28/2010, SERFF Tracking No. LCNC-126563205 and State File No. 46839.

LR793, Surrender Value and Loan Spread Enhancement Rider

The Surrender Value and Loan Spread Enhancement Rider is a new form being submitted for approval. It is an electable benefit that provides a Surrender Value Enhancement benefit in the event of a full surrender within the first four policy years and while the policy is In Force, this Rider adds an additional Loan Spread Enhancement benefit capping the maximum amount of loan interest that can be charged when exercising a loan. This rider can only be elected at issue and cannot be modified. There is no charge for this rider.

Bracketed language indicates variable language. These items include officer names/signatures and the service office address. Additionally variable rider specification information will be in the rider specifications page of the policy such as rates and factors associated with the election of the above rider. It is our understanding that changes to the bracketed items for new issues will not require a new filing of these forms. No change in the variable areas will be made which will be in conflict with the laws, rules and regulations of your state. In addition, no change in variability will be made which in any way expands the scope of the item being changed. We confirm that the brackets will not actually appear on the forms at issue.

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The enclosed forms are exempt from any Flesch readability requirements as they are securities subject to SEC regulation.

These forms appear in final printed format as issued from a laser printer. We do, however, use different computer publishing systems. It is therefore possible that actual issued forms may have a different font style than the submitted forms. As a result, page breaks may occur at different lines, line wording may not match up exactly, and the format may change.

The enclosed forms are exempt from any Flesch readability requirements as they are securities subject to SEC regulation.

The appropriate certification(s), transmittal and filing fee are included, as applicable. To the best of our knowledge and belief, the filing complies with all the laws and regulations of your state. This submission contains no unusual or possibly controversial items from the standpoint of normal company or industry standards.

We trust that the information provided is satisfactory and look forward to your response. Should you require any additional information, please feel free to contact me toll-free at 1-800-258-3648, ext. 5426, or via the fax number or email address shown below. Thank you for your time and consideration.

Sincerely,

Renee Gardner  
Product Compliance Analyst  
Phone: 860.466.2067  
Toll-free: 800.238.6252 ext. 62067  
Email: Renee.Gardner@lfg.com  
Enclosures

## Company and Contact

### Filing Contact Information

Renee Gardner, Contract Analyst renee.gardner@lfg.com  
350 Church street 860-466-2067 [Phone] 2067 [Ext]  
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

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Project Name/Number: LSR/LR793  
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: \$50.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Lincoln National Life Insurance Company	\$50.00	03/21/2011	45800799

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	03/28/2011	03/28/2011

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## Disposition

Disposition Date: 03/28/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document	Certificate of Compliance		Yes
Form	Surrender Value and Loan Spread Enhancement Rider		Yes

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## Form Schedule

Lead Form Number: LR793

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	LR793	Policy/Cont	Surrender Value and Initial ract/Fratern Loan Spread al Enhancement Rider Certificate: Amendmen t, Insert Page, Endorseme nt or Rider			55.000	LR793 NW Loan Spread Rider Final.pdf

# The Lincoln National Life Insurance Company

## Surrender Value and Loan Spread Enhancement Rider

This Rider is attached to and made part of the policy. The effective date of the Rider is the Policy Date. All the terms of this Rider have the same meaning as determined in the policy except as may be modified in this Rider. In this Rider “We”, “Our” or “Us” means The Lincoln National Life Insurance Company; “You” and “Your” means the Owner of the policy; and “Insured” means the person named in the Policy Specifications as insured under the policy.

This Rider provides for two additional benefits. The first is that this Rider provides an additional amount that will be credited to the policy’s Surrender Value in the event of the Eligible Surrender of Your policy during the Surrender Value Enhancement Period. This is the “Surrender Value Enhancement”. The second benefit provided under this Rider provides for an additional limit on the interest rate that is charged on Indebtedness under Your policy. This is the “Loan Spread Enhancement.” The level of enhancement benefits available under this Rider is determined based on the Surrender Value and Loan Spread Enhancement Option as selected by You at the time of application. The Surrender Value and Loan Spread Enhancement Option are shown on the Rider Specifications and cannot be changed. Additionally, the amount available under Your policy for partial surrenders and loans will not be increased due to this Rider.

These additional benefits are subject to the terms of this Rider as described below. There is no additional charge for this Rider.

### Definitions

**Eligible Surrender.** The full surrender of Your policy to which this Rider is attached except for the full surrender of the policy in connection with its replacement by another policy, whether issued by us or another insurer. A partial surrender or withdrawal for less than the full amount of Your policy is not an Eligible Surrender.

**Loan Spread.** The difference between the interest rate charged on Indebtedness and the interest rate credited to the Loan Collateral Account of Your policy.

**Surrender Value.** The amount available to you upon a complete surrender and termination of the policy, as determined under the terms of Your policy.

### Surrender Value Enhancement Provisions

**Surrender Value Enhancement.** During the Surrender Value Enhancement Period while this Rider is In Force, We will credit the Surrender Value Enhancement to the Surrender Value of Your policy as calculated under this Rider, upon an Eligible Surrender of the policy. At the end of the Surrender Value Enhancement Period, the Surrender Value Enhancement is no longer available. The Surrender Value Enhancement Period is shown on the Rider Specifications.

The Surrender Value Enhancement is calculated as (a) multiplied by (b) multiplied by (c) multiplied by (d) where:

- (a) is the applicable Surrender Value Enhancement Rate as shown in Surrender Value Enhancement Schedule in the Rider Specifications of Your policy; and
- (b) is the term blend adjustment factor; and
- (c) is the cumulative Surrender Value Enhancement premium; and
- (d) is the Surrender Value Enhancement Multiplier, as shown on the Rider Specifications of Your policy.

**Surrender Value Enhancement Rate Schedule.** The Surrender Value Enhancement Rate Schedule is shown in the Rider Specifications of Your policy. The rates for Policy Years 2-4 will be determined by Us annually and they are guaranteed to fall within the range of rates shown in the Surrender Value Enhancement Rate Schedule. The Surrender Value Enhancement rate for Policy Year 1 is guaranteed not to change. Our determination of these rates will be based on Our expectations of future investment earnings, persistency and expenses, including taxes.

**Term Blend Adjustment Factor.** The term blend adjustment factor is equal to 1.0 unless a Term Insurance Rider is attached to Your policy. If a Term Insurance Rider is in effect under Your policy, this factor is calculated as ((a) divided by (b)) multiplied by (c) plus (d) where:

- (a) is Your policy Specified Amount on the date of the Eligible Surrender;
- (b) is the total of Your policy Specified Amount and the additional Specified Amount provide under any Term Insurance Rider attached to Your base policy as of the date of the Eligible Surrender.
- (c) is .70;
- (d) is .30;

**Surrender Value Enhancement Premium.** The Surrender Value Enhancement premium for each Policy Year during the Surrender Value Enhancement Period is equal to the lesser of (1) and (2) where:

- (1) is the sum of the policy premiums paid during the Policy Year; less the sum of any partial surrenders paid during the Policy Year; or
- (2) is the policy Target Premium for the applicable Policy Year multiplied by the ratio of the Target Specified Amount to the Specified Amount of Your base policy. Your policy Target Premium is shown on the Policy Specifications page of Your policy. The policy Target Premium may change with any future changes You make to Your policy.

**Cumulative Surrender Value Enhancement.** The cumulative Surrender Value Enhancement premium is the total of the Surrender Value Enhancement premiums paid to date at the time of the Eligible Surrender.

**Effect on Policy Death Benefit Proceeds.** If the Insured dies while this Rider is in effect and during the Surrender Value Enhancement Period, We will pay Death Benefit Proceeds equal to the greater of:

- a. the amount determined under the Death Benefit Option in effect at the time of the Insured's death, less any indebtedness and overdue deductions calculated as of the Insured's date of death; or
- b. an amount equal to the Accumulation Value on the Insured's date of death, plus any applicable Surrender Value Enhancement calculated as of the Insured's date of death, multiplied by the applicable percentage shown in the Schedule 3: Corridor Percentage Table in The Policy Specifications of Your policy, less any indebtedness and overdue deductions.

### **Load Spread Enhancement Provisions**

**Loan Spread Enhancement.** While this Rider is In Force, the Loan Spread is guaranteed not to exceed the Loan Spread Enhancement Rates as shown on the Rider Specifications of Your Policy.

## General Provisions

**Reinstatement.** If the Policy to which this Rider is attached has lapsed and is reinstated pursuant to the Reinstatement provision of the policy, this Rider will also be reinstated.

**Deferral of Payment.** The Company may defer payment of any Surrender Value Enhancement calculated under this Rider in the same manner that it may defer payment of any Surrender Value under the policy.

**Policy Provisions.** Except as provided above, this Rider is subject to all the terms of the policy.

**Termination.** This Rider will terminate on whichever of the following first occurs:

1. the full surrender of this policy; or
2. the date the policy is terminated as provided under the Grace Period provisions of the policy; or
3. the death of the Insured; or
4. the Maturity Date of the policy, unless Continuation of Coverage is elected; or
5. any termination of the policy except for the benefits provided by the Change of Insured Rider.

Issued by The Lincoln National Life Insurance Company.

The Lincoln National Life Insurance Company

A handwritten signature in black ink that reads "Dennis R. Glass". The signature is written in a cursive style with a large initial "D".

President

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## Supporting Document Schedules

**Item Status:** **Status**  
**Date:**

**Satisfied - Item:** Application

**Comments:**

The following applications were approved on 02-26-2007, SERFF tracking #, LCNC-125085353; State tracking # 35133:

- B58 Application - Part IB59 Application Part II
- B56 Medical Supplement (Part III of Application)
- B10457 - Consent to be Insured Form
- B10458 - Consent to Insurance, Modified Simplified Underwriting and Consent Form

**Item Status:** **Status**  
**Date:**

**Satisfied - Item:** Certificate of Compliance

**Comments:**

**Attachment:**

AR\_Cert. of Compliance\_UL\_VUL\_Term ..pdf

**ARKANSAS**

**CERTIFICATE OF COMPLIANCE**

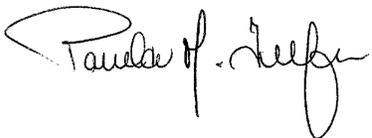
*The Lincoln National Life Insurance Company*

**RE: Form(s): LR793 - Surrender Value and Loan Spread Enhancement Rider**

To the best of my knowledge and belief, the policy form listed above complies with the provisions of Rule and Regulation 19 as well as all applicable requirements of the Arkansas Insurance department.

To the best of my knowledge and belief we are in compliance with the requirements of Arkansas Code Ann. 23-79-138. We provide a document entitled which contains the required information.

To the best of my knowledge and belief we are in compliance with the requirements of Regulation 49 and we provide the required Guaranty Association notice.



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Pamela M. Telfer, AVP  
Product Compliance

Date: March 18, 2011

VUL, UL