

SERFF Tracking Number: LCNC-127200442 State: Arkansas
Filing Company: The Lincoln National Life Insurance Company State Tracking Number: 49045
Company Tracking Number: LR794
TOI: L06I Individual Life - Variable Sub-TOI: L06I.002 Single Life - Flexible Premium
Product Name: Experienced Cost of Insurance Rider
Project Name/Number: Experienced Cost of Insurance Rider/LR794

Filing at a Glance

Company: The Lincoln National Life Insurance Company

Product Name: Experienced Cost of Insurance SERFF Tr Num: LCNC-127200442 State: Arkansas

Rider

TOI: L06I Individual Life - Variable

SERFF Status: Closed-Approved- State Tr Num: 49045
Closed

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

Co Tr Num: LR794 State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Raymond Fortier, Anabela Disposition Date: 06/20/2011
Tavares, Lori Saltmarsh, Renee
Gardner

Date Submitted: 06/13/2011

Disposition Status: Approved-
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name: Experienced Cost of Insurance Rider

Project Number: LR794

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: 06/20/2011

State Status Changed: 06/20/2011

Created By: Renee Gardner

Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Renee Gardner

Filing Description:

Hon. Jay Bradford, Commissioner of Insurance

Compliance-Life & Health

1200 West Third Street

Little Rock, AR, 72201-1904

Attention: Attn: Joe Musgrove

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

Re: New Rider for Use with COLI/BOLI Private Placement VUL
Forms: LR794, Experienced Cost of Insurance Rider

We are submitting the required number of copies of the above referenced 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 private placement variable universal flexible premium life insurance policy Form LN940(1-10). The private placement 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. Form LN940(1-10) was approved in your jurisdiction on 04/27/2010, SERFF Tracking No. LCNC-126417692, State File No. 45496.

LR794, Experienced Cost of Insurance Rider

The Experienced Cost of Insurance Rider is an electable benefit, which adjusts the cost of coverage provided under the Case, up or down, depending on the death claim experience of the Case under the policy to which this Rider is attached and issued. While this Rider is in effect, the Cost of Insurance Rates that otherwise would be deducted from the policy as part of the Monthly Deduction are waived. In lieu of such rates, a monthly charge (Experienced Cost of Insurance Charge), determined by the death claim experience with respect to all policies for the Case under which the policy was issued and the Stop-Loss Percentage selected for the Case, will be imposed. The ECOI Charge will be deducted as part of the Monthly Deduction from the Accumulation Value of the policy. Additionally, while this Rider is in force, a Stop-Loss Charge is also deducted as part of the Monthly Deduction. This rider can only be elected at issue and cannot be modified once in force.

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

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

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any way expands the scope of the item being changed. We confirm that the brackets will not actually appear on the forms at issue.

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 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
Hartford, CT 06103-1106 Group Name: State ID Number:

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(860) 466-2899 ext. [Phone] FEIN Number: 35-0472300

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	06/13/2011	48634859

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	06/20/2011	06/20/2011

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Disposition

Disposition Date: 06/20/2011

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		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Actuarial Memo		No
Form	Experienced Cost Of Insurance Rider		Yes

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Form Schedule

Lead Form Number: LR794

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	LR794	Policy/Cont	Experienced Cost Of Initial ract/Fratern Insurance Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider			0.000	LR794 ECOI Final.pdf

The Lincoln National Life Insurance Company

Experienced Cost of Insurance 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.

The purpose of this Rider is to adjust the cost of coverage provided under the Case, up or down, depending on the death claim experience of Case. While this Rider is in effect, the Cost of Insurance Rates that otherwise would be deducted from Your policy as part of the Monthly Deduction are waived. In lieu of such rates, a monthly charge, determined by the death claim experience since the previous Monthly Anniversary Day with respect to all policies for the Case under which Your policy is issued and the Stop-Loss Percentage selected for the Case, will be imposed. This is the Experienced Cost of Insurance Charge ("ECOI Charge"). The ECOI Charge will be deducted as part of the Monthly Deduction from the Accumulation Value of Your policy. Additionally, while this Rider is in force, a Stop-Loss Charge is also deducted as part of the Monthly Deduction.

The method by which we calculate the ECOI Charge is described below. The Definitions of the values and terms used in the calculation follow thereafter.

Calculating the Experienced Cost of Insurance Charge and the Stop-Loss Charge

Experienced Cost of Insurance Charge ("ECOI Charge")

The ECOI Charge is assessed on each Monthly Anniversary Day for the Case. The ECOI Charge for the Case equals the total Adjusted Net Amount at Risk of Claims ("ANARC") portion of all Death Benefit Proceeds paid under the Case since the preceding Monthly Anniversary Day, subject to the annual Stop-Loss Amount limit determined for that Case Year.

The ECOI Charge is deducted from the Accumulation Value of all In Force policies of the Case on such Monthly Anniversary Day, as part of the Monthly Deduction for such policies. The ECOI Charge deduction for a policy is calculated by multiplying the total ECOI Charge for the Case by (a) divided by (b), where:

- (a) is the stop-loss amount contribution, described below, for such policy on the Monthly Anniversary Day; and
- (b) is the sum of the amounts determined in (a) above for all In Force policies on the Monthly Anniversary Day.

The ECOI Charge is deducted from the Fixed Account and/or Sub-Accounts of Your policy in proportion to the then current account values.

If on any Monthly Anniversary Day the Net Accumulation Value of any policy under the Case is insufficient to cover the ECOI Charge or the Stop-Loss Charge, this Rider will terminate for this policy and all policies issued under the Case. The Experienced Cost of Insurance Charge will cease and the Cost of Insurance will default to the Cost of Insurance charges as defined in the policy.

Stop-Loss Charge

The monthly Stop-Loss Charge for this Rider is deducted from the Accumulation Value of each In Force policy under the Case on the Monthly Anniversary Day. It is deducted from the Fixed Account and/or Sub-Accounts of Your policy in proportion to the then current account values. A monthly Stop-Loss Charge for each policy is determined on each Case Anniversary. The monthly Stop-Loss Charge is equal to (a) times (b) divided by (c) where:

- (a) is the stop-loss amount contribution for the policy; and
- (b) is the Stop-Loss Charge Rate; and
- (c) is 12.

The Stop-Loss Charge Rate in effect when Your Rider was issued is shown in the Rider Specifications Page of Your policy. The Stop-Loss Charge Rate is subject to adjustment on any Monthly Anniversary Day as determined by Us, based upon Our review after the occurrence of any of the following under the Case:

1. any payment of Death Benefit Proceeds of a policy; or
2. the termination of a policy for any reason other than the death of the Insured under a policy; or
3. or the addition of any new policy.

The adjusted Stop-Loss Charge Rate is guaranteed to be within the Stop-Loss Charge Rate Range shown in the Rider Specifications Page of Your policy

The stop-loss amount contribution is the maximum ECOI Charge that may be deducted from the Accumulation Value of each policy of the Case in a given Case Year. The stop-loss amount contribution is equal to (a) multiplied by (b) multiplied by (c) where:

- (a) is the Stop-Loss Percentage; and
- (b) is the product of NAR for the policy times the Interest on Death Benefit Proceeds Factor as Shown on the Rider Specifications Page of Your policy; and
- (c) is the applicable Guaranteed Maximum COI rate for the policy under the Case.

The Owner of the Case selects the Stop-Loss Percentage applicable to all policies under the Case. It is shown on the Rider Specifications Pages of Your policy and it cannot be changed. The Interest on Death Benefit Proceeds Factor will never be greater than the rate shown on the Rider Specifications page.

Definitions

Adjusted Net Amount at Risk of Claims ("ANARC")

The ANARC portion of the Death Benefit Proceeds paid upon the death of the Insured under the policy is calculated as (a) minus (b) where:

- (a) is the NAR portion of the Death Benefit Proceeds paid, including any interest paid on such NAR portion of the Death Benefit Proceeds; and
- (b) is the difference between the stop-loss amount contribution of the policy for that year and the year-to-date ECOI Charges paid under the policy.

The ANARC for the case is the sum of all Insured's ANARC since the previous Monthly Anniversary Day.

Case

A Case is all In Force life insurance policies issued by Us having the same Owner, Monthly Anniversary Day, Case Anniversary and Case Number. The Case Number is shown on the Rider Specifications page of Your policy.

Case Anniversary

A Case Anniversary is the day and month upon which the Stop-Loss Amount is re-determined and is shown on the Rider Specifications page of Your policy. Each Case Year begins on a Case Anniversary. A Case Anniversary will coincide with a policy Monthly Anniversary Day.

Case Year

Twelve-month periods beginning on the Policy Date up to, but not including, the next Case Anniversary.

Net Amount at Risk ("NAR")

The NAR for a policy on the applicable Monthly Anniversary Day is (a) minus (b), where: (a) is the Death Benefit Proceeds payable for the policy at the beginning of the Policy Month; and (b) is the policy's Accumulation Value at the beginning of the Policy Month. The NAR for a Case is the total of all NAR for the In Force policies of the Case on the applicable Monthly Anniversary Day.

Stop-Loss Amount

The Stop-Loss Amount for the Case is the sum of each policy's stop-loss amount contribution. The Stop-Loss Amount for a given Case Year is re-determined on each Case Anniversary at the start of such Case Year.

If a policy of the Case is terminated for any reason other than death of the insured or if a policy is added to the Case on any Monthly Anniversary Day other than the Case Anniversary, the Stop-Loss Amount may be re-adjusted.

GENERAL**Adjustment for Delayed Claims**

If Death Benefit Proceeds for a policy under the Case are not paid during the Policy Month the death of that policy's Insured occurred, the ECOI Charge and Stop-Loss Amount may be adjusted. The amount of the adjustment is determined such that all values of each In Force policy under the Case are determined as if such Death Benefit Proceeds were paid during the Policy Month the death occurred. Any applicable adjustment will occur on the first Monthly Anniversary Day following Our receipt of Due Proof of Death, subject to the following.

If We receive Due Proof of Death of an Insured of a policy under the Case within the same Case Year as the date of death of the applicable Insured, the ECOI Charge will be adjusted as described above. However, the Stop-Loss Amount will not be adjusted for the remainder of that Case Year. The Stop-Loss Amount is still subject to re-determination as discussed in the Stop-Loss Amount provision of this Rider.

If We receive Due Proof of Death of an Insured of a policy under the Case for a prior Case Year other than the current Case Year, the ECOI Charge will be adjusted as described above to account for all Case Years dating back to the date of death. The Stop-Loss Amount will be adjusted to account for all Case Years following the Case Year of the date of death

Minimum Number of In Force Policies

The Case must maintain a Minimum Number of In Force Policies. If the number of In Force policies falls below the required Minimum Number of In Force Policies as shown on the Rider Specifications page of Your policy, the ECOI Charges will default back to the Cost of Insurance as defined in the policy and this Rider will terminate. The change in rates will become effective on the next Monthly Anniversary Day after We validate that the Minimum Number of In Force Policies under the Case has been breached. Other riders attached to your policy may not allow additional policies to be added to the Case. Please carefully review all riders attached to your policy.

Reinstatement

Should Your policy to which this Rider is attached Lapse for any reason, this Rider will not be reinstated upon reinstatement of Your Policy. The Experienced Cost of Insurance Charge will cease and the Cost of Insurance will default to the Cost of Insurance charges as defined in the policy.

Termination

Subject to the Adjustment for Delayed Claims provision, this Rider and all rights provided under it terminate automatically upon the earlier of:

1. the policy terminates for any reason except for the benefits provided by the Change of Insured Rider; or
2. the Monthly Anniversary Day that the Net Accumulation Value of any policy under the Case is insufficient to cover the ECOI Charge and/or Stop-Loss Charge;; or
3. the death of the Insured; or
4. upon the Maturity Date of the policy to which this rider is attached (this rider may not be continued under the Continuation of Coverage provision of the policy); or
5. the number of policies remaining in the Case is less than the Minimum Number of In Force Policies required; or
6. the Case Anniversary when the Rider is terminated pursuant to the Owner's notice to the Company In Writing.

The Lincoln National Life Insurance Company


Dennis Glass, President

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Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachment: AR_Cert. of Compliance_UL_VUL_Term ..pdf		

	Item Status:	Status Date:
Bypassed - Item: Application Bypass Reason: Not required for this type of filing. Comments:		

	Item Status:	Status Date:
Satisfied - Item: Life & Annuity - Acturial Memo Comments: Attachment: Act Memo LR794 Confidential.pdf		

ARKANSAS

CERTIFICATE OF COMPLIANCE

The Lincoln National Life Insurance Company

RE: Form(s): LR794 – Experienced Cost of Insurance 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.



Pamela M. Telfer, VP
Product Compliance

Date: June 1, 2011