



Lincoln *OptiPoint*[®] fixed indexed annuity

Choices for protection and growth

- ▶ **Growth potential** with a premium bonus and multiple interest crediting accounts
- ▶ **Wealth preservation** with Fixed Account as well as “locked-in” interest earnings and protection from losses
- ▶ **Income options**, including one guaranteed to last a lifetime
- ▶ **Protection** of a death benefit



Lincoln *OptiPoint*® flexible premium
fixed indexed annuity

Available for qualified (IRA and Roth
IRA) and nonqualified money*

Minimum initial premium:
\$5,000 nonqualified
\$2,000 qualified

Maximum premium without prior
home office approval:
\$2,000,000

Premium bonus for immediate
increase in contract value

Three indexed interest accounts

Fixed Account with one-year
fixed rate guarantee

Provides a Guaranteed Minimum
Cash Surrender Value

Nursing home and terminal illness
benefits available

Withdrawals from the contract (also
known as policy) are subject to a
Market Value Adjustment and surrender
charges (maximum 12%). See current
Lincoln *OptiPoint* Facts-At-A-Glance
for details.

*There is no additional tax deferral benefit for contracts
purchased in an IRA or other tax-qualified plan, since these
are already afforded tax-deferred status. Therefore, an annuity
should only be purchased in an IRA or qualified plan if the
client values some of the other features of the annuity.

The nature of retirement and fixed indexed annuities

The concept of retirement is changing. Individuals are living longer, facing increasing costs, and addressing new challenges. Today's retirees are relying less on traditional retirement income sources than in the past and instead planning and creating their own retirement savings plan. A fixed indexed annuity can help address some of the challenges facing retirees by providing greater potential growth than many types of fixed interest products, yet with less risk than investment vehicles based on equities. By their very nature, fixed indexed annuities offer many advantages as a retirement savings vehicle.

What should you know about fixed indexed annuities?

A fixed indexed annuity is intended for retirement and other long-term financial needs. It's designed for individuals who have enough cash or other liquid assets to cover living expenses and unexpected emergencies, such as medical expenses.

Since a fixed indexed annuity is not a registered security and does not participate directly in the stock market or any index, it is not an investment. Interest rates, specified rates, and/or caps for fixed indexed annuities are based on contract features, including any bonus, additional rider benefits, and the death benefit. All contract guarantees are backed by the claims-paying ability of The Lincoln National Life Insurance Company. A fixed indexed annuity is an insurance product designed to help you prepare for your future.

Growth potential

How can tax deferral help?

Lincoln *OptiPoint*® is a tax-deferred fixed indexed annuity, which allows for greater growth potential than a similar taxable fixed product. Your assets earn interest and do not impact your tax bill until they are withdrawn. With tax deferral:

- Your principal earns interest, and
- All of your interest earns interest

These advantages may help you to achieve your retirement goals. Withdrawals are subject to income taxes and, if withdrawn before age 59½, may be subject to a 10% federal penalty tax. Withdrawals during the surrender charge period are also subject to surrender charges and a Market Value Adjustment.

What is a premium bonus?

Lincoln *OptiPoint* offers a premium bonus, or a percentage of your premium payment credited to your contract value for a specified number of years, when your contract is issued. For example, if you purchased your contract with \$100,000 and qualified for a premium bonus of 3%, you would then have \$103,000 to allocate among the Lincoln *OptiPoint* accounts.

Since Lincoln *OptiPoint* is a flexible premium contract, you can add premiums to your contract. Once your premiums total \$100,000, you will receive the higher premium bonus amount on any premium that contributes to reaching at least \$100,000 for total premiums paid. With Lincoln *OptiPoint* and the premium bonus, you can see your contract value increase immediately. See the Lincoln *OptiPoint* Facts-At-A-Glance for details.

What are my account choices?

Lincoln *OptiPoint* offers you the potential to earn higher interest than traditional fixed products. You may choose how your money is allocated between four interest accounts:¹

- Fixed Account, offering a one-year fixed interest rate guarantee period
- Performance Triggered Indexed Account²
- 2-Year Point-to-Point Indexed Account
- 2-Year Monthly Cap Indexed Account

¹ Interest rates, specified rates, and caps are declared by The Lincoln National Life Insurance Company at its discretion. Subsequent interest rates, specified rates, and caps may be higher or lower than the initial and may differ from those used for new contracts. The Lincoln National Life Insurance Company reserves the right not to offer the indexed accounts after the surrender charge period.

² Not available for contracts issued in the state of Washington.

Fixed Account

Can I get predictability with a rate guarantee?

Lincoln *OptiPoint*® features a Fixed Account. Within this account:

- There is a fixed interest rate, stated in advance
- The rate remains fixed for one year for predictable growth
- Money allocated to this account will always accumulate, regardless of any index performance

With the Fixed Account, fixed interest is credited and compounded daily, giving the Fixed Account steady, predictable accumulation. After the initial one-year guarantee period, the fixed interest rate will be declared annually and will not be less than the guaranteed minimum fixed interest rate applicable for the contract year.





Performance Triggered Indexed Account

- Provides the potential for greater growth than a fixed rate
- Minimizes the impact of index fluctuations on your credited rate
- Offers principal protection

Growth potential.

The Performance Triggered Indexed Account compares the value of the S&P 500 Index at the beginning and end of the one-year indexed term. If the percentage change of those two values is zero or positive, you'll receive a specified rate of indexed interest.

One-year S&P 500 Index percentage change

Negative	0+
0% is credited	Specified rate is credited

Wealth preservation.

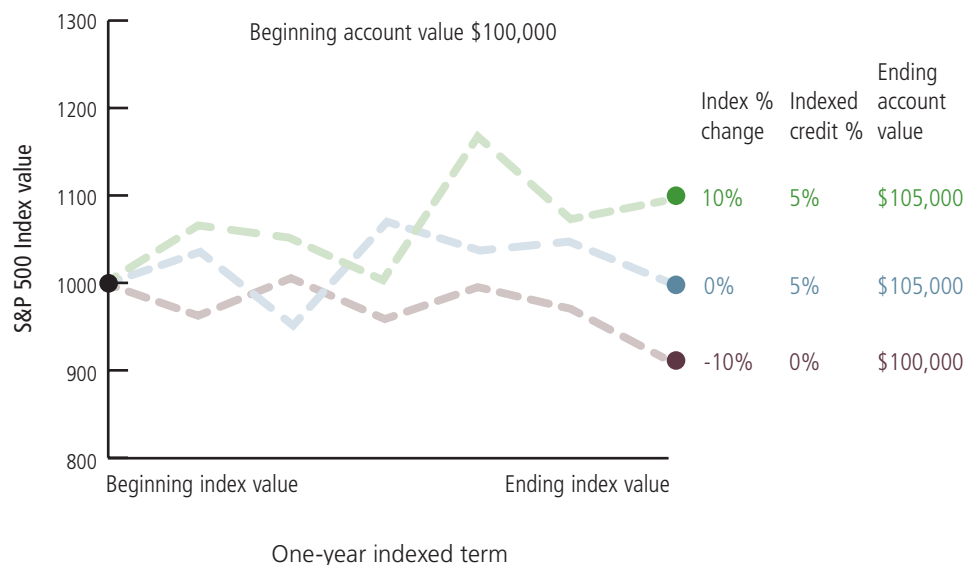
If the difference is negative, your account is credited at 0%, protecting your principal. Regardless of what happens to the S&P 500 Index, you will never receive a negative rate on your money. In addition, with each indexed term, any interest earnings are "locked in." Because you do not participate directly in the S&P 500 Index, your account value will not be eroded by any subsequent index declines. This means that you will not need to rebound from poor index performance before you can benefit from positive index performance during subsequent indexed terms.

This hypothetical example assumes:³

- Performance Triggered Indexed Account with a specified rate of 5% for the one-year indexed term
- A \$100,000 account value at the beginning of the indexed term
- Beginning index value of 1000
- No withdrawals are taken.

Indexed interest is credited at the end of the indexed term and is compounded annually. A new specified rate is declared for each one-year indexed term, which can never be less than 2.5%.

The Performance Triggered Indexed Account is not available for contracts issued in the state of Washington.



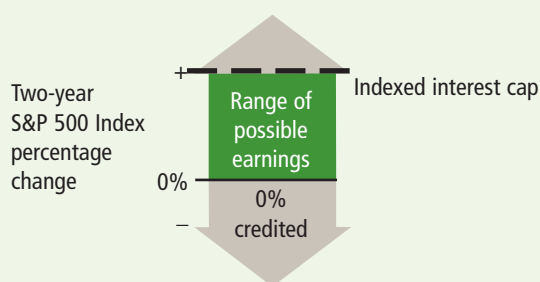
³ These rates are hypothetical and for illustration purposes only. Past performance of the S&P 500 Index is no guarantee of future changes in the S&P 500 Index or of future indexed interest earnings of Lincoln OptiPoint®.

2-Year Point-to-Point Indexed Account

- Provides upside growth potential up to a cap
- Protects principal

Growth potential.

With the 2-Year Point-to-Point Indexed Account, the value at the end of the two-year indexed term is compared to the value at the beginning of the indexed term. The percentage change of those two values determines what the account earns. If the percentage change is positive, the account will earn the full percentage change, up to an indexed interest cap.



Wealth preservation.

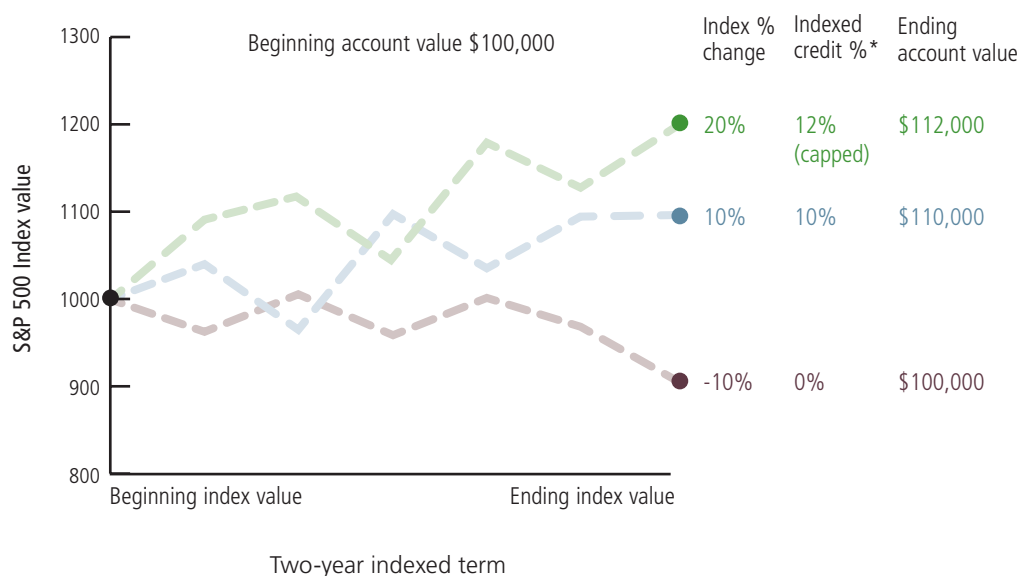
If, at the end of the two-year indexed term, the percentage change is negative, the account is credited at 0%, protecting your principal. In addition, with each indexed term, any interest earnings are “locked in.” Because you do not participate directly in the S&P 500 Index, your account value will not be eroded by any subsequent index declines. This means that you will not need to rebound from poor index performance before you can benefit from positive index performance during subsequent indexed terms.

This hypothetical example assumes:³

- 2-Year Point-to-Point Indexed Account with an indexed interest cap of 12% for the two-year indexed term
- A \$10,000 account value at the beginning of the indexed term
- Beginning index value of 1000
- No withdrawals are taken.

* An indexed credit percentage of 12% and 10% is equivalent to an annual effective interest rate of 5.83% and 4.88%, respectively, compounded over two years.

Indexed interest is credited at the end of the indexed term and compounded every two years. A new indexed interest cap is declared for each two-year indexed term and will never be less than 7%.

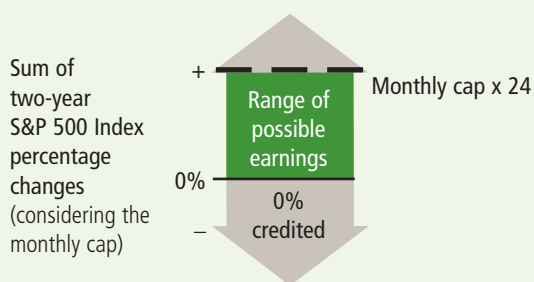


➤ 2-Year Monthly Cap Indexed Account

- Protects principal
- Credits the sum of the percentage changes over the two-year indexed term
- Has the greatest growth potential, as well as the greatest potential of the three interest accounts for receiving a rate of 0%

Growth potential.

The 2-Year Monthly Cap Indexed Account tracks the percentage changes of the S&P 500 Index for each of the 24 months of the two-year indexed term. The percentage change has no minimum and cannot be higher than a monthly indexed cap. At the end of the indexed term, the percentages are totaled. If the sum is positive, the full percentage is credited to the account.



Wealth preservation.

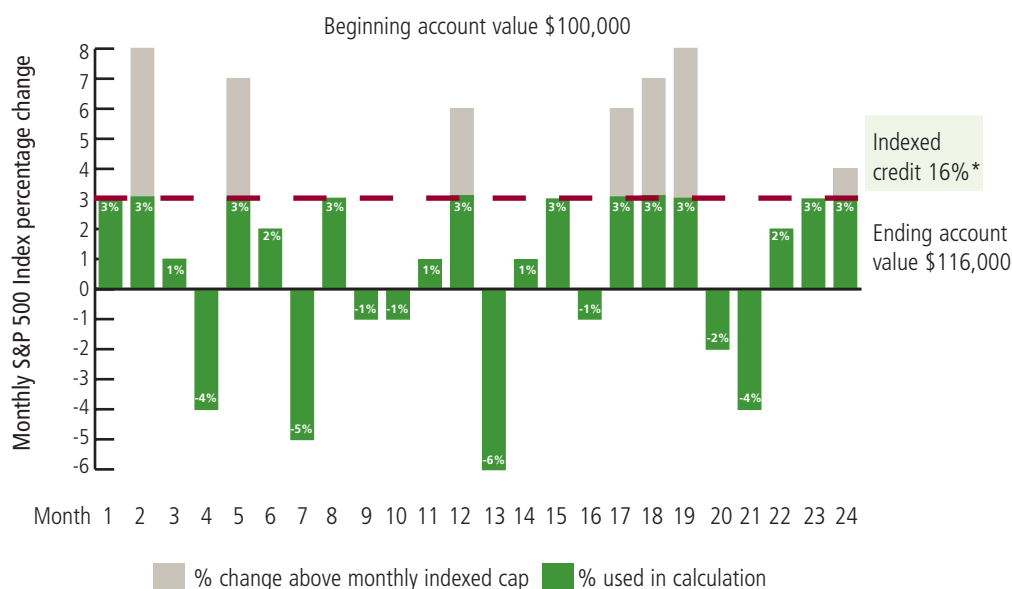
If the sum of those 24 percentage changes is negative, your account is credited at 0%, protecting your principal. Regardless of what happens to the S&P 500 Index, you will never receive a negative rate on your money. Because you do not participate directly in the S&P 500 Index, your account value will not be eroded by any subsequent index declines. This means that you will not need to rebound from poor index performance before you can benefit from positive index performance during subsequent indexed terms.

This hypothetical example assumes:³

- 2-Year Monthly Cap Indexed Account with a monthly indexed cap of 3% for the two-year indexed term
- A \$100,000 account value at the beginning of the indexed term
- No withdrawals are taken.

* An indexed credit percentage of 16% is equivalent to an annual effective interest rate of 7.7% compounded over two years.

Indexed interest is credited at the end of the indexed term and compounded every two years. A new monthly indexed cap is declared for each two-year indexed term and will never be less than 1%.



Two-year indexed term

³ These rates are hypothetical and for illustration purposes only. Past performance of the S&P 500 Index is no guarantee of future changes in the S&P 500 Index or of future indexed interest earnings of Lincoln *OptiPoint*®.

Is there opportunity for growth if the indexed accounts repeatedly earn 0%?

The Guaranteed Minimum Cash Surrender Value (GMCSV) is additional protection when you have minimal or no gains in your contract value (also known as accumulation value). If you surrender your contract, you will receive the greater of your actual contract value, less any applicable surrender charge and Market Value Adjustment, or the GMCSV. Withdrawals and surrender charges will affect the GMCSV and can result in the GMCSV being less than your premium. The GMCSV is based on a guaranteed minimum fixed interest rate, which ranges from 1% – 3% and varies by contract year. So as long as you leave your money in the contract until the end of the surrender charge period, you are guaranteed to receive no less than your premium⁴ with interest at the guaranteed minimum fixed interest rate, even if the indexed accounts repeatedly earn 0%.

Income options

What if I need to access my money?

Lincoln *OptiPoint*[®] offers a withdrawal provision in the event that you need access to your money:

- 10% of your contract value is available to you each contract year during the surrender charge period, without incurring charges. This is referred to as the 10% annual free withdrawal.
- If you are considering taking your 10% annual free withdrawal, you should place that portion of your money in the Fixed Account. Amounts withdrawn from an indexed account before the end of a term will not receive any interest for that term.
- Any withdrawals in excess of the 10% annual free withdrawal will be subject to applicable surrender charges and a Market Value Adjustment. Surrender charges are calculated as a percentage of the contract value after the Market Value Adjustment is applied. All withdrawals are subject to income taxes and, if withdrawn before age 59½, a 10% federal penalty tax may apply.

What if I decide I need regular income?

There are several options for you to take income from your Lincoln *OptiPoint* contract.

Systematic withdrawals

You have the option of taking systematic withdrawals either annually, semiannually, quarterly, or monthly. Any systematic withdrawals must be taken from the Fixed Account.

Annuitization

You can annuitize your Lincoln *OptiPoint* contract after the fifth contract year, converting it to an income stream backed by The Lincoln National Life Insurance Company. You can annuitize a contract purchased in Florida after the first contract year. There are several annuitization options available, including one providing income for your lifetime.

⁴ Reduced by any applicable premium tax.

Market Value Adjustment

What is it and when does it apply?

If you access more than the 10% annual free withdrawal before the end of the surrender charge period, it may be subject to surrender charges and a Market Value Adjustment (MVA). The MVA is either a positive or negative adjustment, based on the current interest rate environment at the time of the surrender. The MVA does not apply to: withdrawals after the surrender charge period, 10% annual free withdrawals, the death benefit, annuitized contracts, and contracts issued in the states of Minnesota, Oregon, and Utah.



Protection

Does Lincoln *OptiPoint*® offer death benefit protection?

Yes, Lincoln *OptiPoint* offers a death benefit, available before the contract is annuitized. Upon the death of a contractowner or annuitant, beneficiaries may receive the greater of the:

- Contract value, or
- Premiums paid, minus any prior surrenders and surrender charges, accumulated at the guaranteed minimum fixed interest rate. This is also known as the Guaranteed Minimum Non-Surrender Value.

The death benefit is payable directly to the contract beneficiaries, which avoids the possible delays of probate. The death benefit is subject to any applicable taxes.

Can I access my money if my health becomes a concern?

Yes, Lincoln *OptiPoint* features nursing home and terminal illness benefits (provided through riders). These benefits offer access to your money without charges after the first contract year, if a contractowner meets one of the following conditions:

- First diagnosed with a terminal illness after the contract issue date; or
- Confined to a nursing home or hospital for at least 30 consecutive days, beginning after the first contract anniversary.

See the Disclosure Statement for necessary requirements and additional details. The nursing home benefit is not available for contracts issued in the state of Massachusetts.

Other Lincoln *OptiPoint*[®] information

Contract issue: Lincoln *OptiPoint* fixed indexed annuity is issued four times a month. Interest is calculated and credited from the date the contract is issued. No interest is credited between the date the premium is received and the date the contract is issued.

Allocations: When you purchase Lincoln *OptiPoint*, you can decide what whole percentages of your money to place in each account. Any additional premiums you pay after opening your contract will be allocated to the fixed account. You can choose to move your money to other accounts during the annual 25-day reallocation period.

After the contract anniversary date, a 25-day reallocation period opens. At that time, you will be sent a Reallocation Notice along with your annual Statement of Account. Your Reallocation Notice will include the fixed interest rate, specified rate, indexed interest cap, monthly indexed cap, and indexed interest spread for each of the accounts available during the year. When you receive your notice, after the end of the indexed term, you may move your money between the available accounts prior to the end of the 25-day reallocation period. The reallocation will be effective as of the contract anniversary date.

Withdrawals: When you access money, withdrawals and any charges are deducted first from the Fixed Account. Any withdrawals taken from the Fixed Account will reduce the actual amount of interest credited. After the Fixed Account is exhausted, withdrawals and any charges are deducted pro-rata from the indexed interest accounts. If withdrawals are taken from an indexed interest account, the amount withdrawn will not receive any indexed interest for that term.

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

A century of integrity

At Lincoln Financial Group, we have a 100-year heritage of helping people find solutions to their financial challenges — with the same honesty, integrity, and responsibility that you'd expect from our namesake. It's a legacy that we proudly and respectfully continue each day. We believe our continued commitment to strength and stability is indispensable to who we are and critical to your confidence in us. We pride ourselves on being able to identify and deliver sophisticated financial strategies and product solutions for the creation, protection, and enjoyment of wealth. We are committed to helping clients redefine their retirement because we don't believe retirement is an end — it's an opportunity for everyone to start doing what they were meant for all along.

The stability of The Lincoln National Life Insurance Company

A company's promises are only as strong as its reputation, integrity, and financial strength. The Lincoln National Life Insurance Company has consistently received high marks from independent evaluators including A.M. Best, Fitch, Moody's, and Standard & Poor's. These ratings apply to the claims-paying ability of the insurance company.

A.M. Best **A+**
(2nd highest of 16)

Fitch **AA**
(3rd highest of 21)

Moody's **Aa3**
(4th highest of 21)

Standard & Poor's **AA**
(3th highest of 21)

These ratings apply only to the company's claims-paying ability. The ratings do not imply approval of the product and do not refer to the performance of the underlying investment options. As of November 4, 2008, these ratings represent the most recently affirmed ratings by the respective agencies. Individual issuing companies are separately responsible for satisfying their own financial and contractual obligations. All ratings are subject to revision or withdrawal at any time by the rating agencies, and therefore, no assurance can be given that these ratings will be maintained.

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

The exact terms of the annuity are contained in the contracts and any attached riders, which will control the appropriate issuing company's contractual obligations. For more information about the annuity, please also read the Illustration and Disclosure, Facts-At-A-Glance, or contact your Lincoln representative.

Income taxes are due upon withdrawal and if withdrawn before age 59½, a 10% federal penalty tax may apply. Withdrawals and surrenders may be subject to surrender charges and a market value adjustment.

Lincoln *OptiPoint*® flexible premium deferred annuity (contract form 06-610, or state variation) is issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., a broker/dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Contractual obligations are backed by the claims-paying ability of The Lincoln National Life Insurance Company.**

Contract may be referred to as "certificate" in certain states. The certificate is a group annuity certificate issued under a group annuity contract issued by The Lincoln National Life Insurance Company to a group annuity trust.

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

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

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