

American Funds Launches Five New Funds Exclusively to Lincoln's American Legacy Suite of Variable Annuities

RADNOR, Pa.--(BUSINESS WIRE)--Lincoln Financial Group (NYSE: LNC) announced today it has expanded its Lincoln American Legacy® suite of variable annuities with the exclusive addition of a broad new set of single-managed funds, American Funds Insurance Series – Portfolio SeriesSM.

The new Portfolio Series funds may help investors in addressing specific retirement needs, including building savings, planning for distributions, and preserving long-term assets. In addition, these funds can be used either together within an objective-based framework, or individually, depending on various factors, including an investor's time frame and risk tolerance.

"The American Funds Portfolio SeriesSM of objective-based funds has been popular with retail investors, and we believe variable annuity retirement investors will benefit from similar options," said Brian Kroll, head of Lincoln's Annuity Solutions business. "American Funds are highly regarded throughout the industry, and they have one of the longest track records in helping investors pursue long-term investment success. Being selected as the only carrier to provide this caliber of single-managed funds, within American Legacy's suite of variable annuities, demonstrates Lincoln's ongoing commitment to innovation and underscores American Funds' confidence in our solution set."

"Advisors now have the option to help clients gain access to funds similar to these highly regarded retail funds in a tax-advantaged vehicle," said John Kennedy, head of Lincoln's Retirement Distribution business. "If an advisor's client has a portion of a portfolio earmarked for retirement it may make sense to seek tax deferral and other features for some of the funds not immediately needed. Lincoln's American Legacy suite of variable annuities can help achieve those goals, while providing an opportunity for retirement income."

According to the U.S. Census Bureau, by 2030, more than 20 percent of the U.S. population will be over 65. But, according to a Lincoln Survey, "2013 – Expense Challenges of Age 62-75 Retirees," retirees significantly underestimated the impact taxes would have on them during retirement.

With funds held in a tax-advantaged vehicle, such as Lincoln's American Legacy, clients are able to keep more assets invested over time and benefit from potential gains. The success that American Funds Portfolio Series has had as a retail investment offering is a positive leading indicator for the American Funds Insurance Series (AFIS) Portfolio Series, which, coupled with Lincoln's patented *i4LIFE*® Advantage income distribution method, offers advisors a range of options for helping clients develop an effective income distribution plan for retirement.

i4LIFE® Advantage is a living benefit rider, available at an additional fee with Lincoln's variable annuities, designed to provide lifetime income along with the potential for increasing payments during retirement. For non-qualified money, *i4LIFE*® allows for a reduced tax burden by drawing on the principal and gains for distribution payments. These features can help satisfy a client's need to create a tax-efficient income stream, in addition to legacy planning.

"We are delighted to introduce the AFIS Portfolio Series funds available exclusively for the American Legacy investor," said Steve Joyce, Senior Vice President of The Capital Group. "We have enjoyed a very special relationship with Lincoln National for many, many years and are pleased to be able to support them in bringing the American Funds investment advantage to the insurance investor."

American Legacy was founded nearly 30 years ago as a joint effort between American Funds and Lincoln. It is the only variable annuity to offer access to all 28 funds in American Funds Insurance Series®. The addition of these five funds continues to reinforce Lincoln's leading position as the only provider of a single managed variable annuity in the marketplace.

The new American Funds Insurance Series – Portfolio Series, a series of funds-of-funds, includes three managed risk funds that seek to manage volatility and preserve capital during significant market declines, and two traditional funds, all of which include oversight by a committee of senior investment professionals charged with reviewing the funds' results and ensuring they align with the objectives.

Managed risk funds include:

- **American Funds Managed Risk Growth PortfolioSM** — The investment objective of this fund is to provide long-term growth of capital while seeking to manage volatility and provide downside protection.
- **American Funds Managed Risk Global Allocation PortfolioSM** — The investment objective of this fund is to provide high total return (including income and capital gains) consistent with preservation of capital over the long term while seeking to manage volatility and provide downside protection.
- **American Funds Managed Risk Growth and Income PortfolioSM** — The investment objective of this fund is to provide long-term growth of capital and current income while seeking to manage volatility and provide downside protection.

Traditional funds include:

- **American Funds Global Growth PortfolioSM** — The investment objective of this fund is to provide long-term growth of capital.
- **American Funds Growth and Income PortfolioSM** — The investment objective of this fund is to provide long-term growth of capital while providing current income.

For more information about Lincoln's American Legacy, please visit www.lincolffinancial.com.

About Lincoln Financial Group

Lincoln Financial Group provides advice and solutions that help empower Americans to take charge of their financial lives with confidence and optimism. Today, more than 17 million customers trust our retirement, insurance and wealth protection expertise to help address their lifestyle, savings and income goals, as well as to guard against long-term care expenses. Headquartered in Radnor, Pennsylvania, Lincoln Financial Group is the marketing name for Lincoln National Corporation (NYSE:LNC) and its affiliates. The company had \$222 billion in assets under management as of March 31, 2015. Learn more at: www.LincolnFinancial.com. Find us on Facebook, Twitter (@lincolffingroup), LinkedIn and YouTube. To sign up for email alerts, please visit our Newsroom at <http://newsroom.lfg.com>.

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The LVIP Managed Risk American Allocation funds and American Funds managed risk funds are not guaranteed or insured by Lincoln or any other insurance company or entity, and shareholders may experience losses. The strategies used by these funds are separate and distinct from any annuity or insurance contract rider or features. American Legacy is a suite of variable annuities with investment options from American Funds and Lincoln Variable Insurance Products Trust.

Variable annuities are long-term investment products designed for retirement purposes and are subject to market fluctuation, investment risk, and possible loss of principal. Variable annuities contain both investment and insurance components and have fees and charges, including mortality and expense, administrative, and advisory fees. Optional features are available for an additional charge. Variable products are sold by prospectus, which contains the investment objectives, risks, and charges and expenses of the variable product and its underlying investment options. Read carefully.

Lincoln variable annuities are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.**

Contracts sold in New are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer.

Securities and investment advisory services offered through Lincoln Financial Advisors Corp., a broker-dealer and registered investment advisor. Lincoln Financial Distributors, Inc., a broker-dealer, is the wholesale distribution

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

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.

The Portfolio Series investment allocations may not achieve fund objectives. There are expenses associated with the underlying funds in addition to fund-of-funds expenses. The fund's risks are directly related to the risks of the underlying funds, as described below.

Investing outside the United States involves risks such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the prospectus. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

The return of principal for funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. Income from municipal bonds may be subject to state or local income taxes and/or the federal alternative minimum tax. Certain other income, as well as capital gain distributions, may be taxable.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

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