

Lincoln Financial Group Responds To Advisor and Consumer Needs With Innovative Life Insurance Product Tied To 10-Year Treasury Note

Lincoln Financial Group (NYSE:LNC) today announced the introduction of its Lincoln Treasury Indexed Universal Life (IUL) solution designed to capture the benefits of a potential rise in interest rates. This innovative solution provides an affordable, baseline death benefit, with the flexibility to improve and customize coverage over time based on the performance of the 10-year Treasury yield¹.

"The highly-watched 10-year Treasury yield remains historically low, making this a difficult market environment for policyholders seeking guaranteed sources of investment return," said Ellen Cooper, chief investment officer for Lincoln Financial Group. "That being said, we believe launching a protection product dynamically tied to this key benchmark reinforces the importance of offering solutions that meet our clients' objectives in current and future market environments. The Federal Reserve is likely to remain accommodative with the knock-on effect of interest rates remaining artificially low until the economy shows consistent positive momentum."

"Lincoln Treasury IUL is an alternative to many traditional guaranteed solutions which are experiencing pricing pressures based on today's low interest rate environment," said Mike Burns, senior vice president, Insurance Solutions, Lincoln Financial Group. "It's designed to provide advisors and clients who believe rates eventually will rise, with an opportunity to secure affordable levels of guaranteed coverage today, and to cost-effectively extend that coverage or reduce out of pocket premiums over time by capturing a potential Treasury 'upswing' in the future. Life insurance can be a powerful tool in helping to protect a family and create a legacy, and Lincoln continues to diversify its product portfolio to ensure clients have access to the solutions they may need, regardless of the economic climate."

Lincoln Treasury Indexed UL policyholders choose their initial duration of guaranteed coverage at issue, and receive a guaranteed schedule of earned credit factors that correspond to different levels of 10-year Treasury yields. With scheduled premiums paid on time, policyholders can: apply the credits as a Premium Election to either extend coverage beyond the initial coverage duration or reduce out-of-pocket premiums for the initial coverage duration; withdraw the credits as cash; or, leave the credits in the policy account value (in all years except year 1)².

"Advisors are more than ever looking for low cost, death benefit solutions to address a range of interest rate risk and tax issues," said Tom Tooley, head of Insurance Solutions for Lincoln Financial Distributors. "The uncertainty in today's environment underscores the importance of taking advantage of some of the options available in the marketplace. Lincoln is diligently working with advisors to make certain they have all the alternatives available to effectively help their clients make smart long-term asset protection and wealth transfer decisions."

More About The Lincoln Treasury IUL

Policy owners receive a "Credit" in every policy year. The credit in the first 5 years will be, at a minimum, set to the credit generated by a 4 percent 10-year Treasury yield, even if interest rates are not that high. In years 6 and beyond, the size of the credit grows in any year that the 10-year Treasury yield meets or exceeds 2 percent ³. Once the credit in any year is earned, it becomes vested and will continue to be paid in every future year that the policy is in force.

Lincoln Treasury IUL is now available in many states to Lincoln's network of distribution partners.

Disclosures

Lincoln Treasury Indexed UL is issued on policy form UL5072 and state variations 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.**

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker/dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

Products, riders and features are subject to state availability. Limitations and exclusions may apply. Not available in New York.

Duration is the number of years the life insurance policy will be in effect.

U.S. Treasury securities are negotiable debt obligations issued by the U.S. government and backed by its full faith and credit. This product is not backed by the U.S. Treasury or any government entity. The 10-year constant maturity Treasury Note nominal yield is the rate used by the U.S. Treasury Department that represents a daily determination of what the yield on the note would be if it were issued on that day.

About Lincoln Financial Group

Lincoln Financial Group is the marketing name for Lincoln National Corporation (NYSE:LNC) and its affiliates. With headquarters in the Philadelphia region, the companies of Lincoln Financial Group had assets under management of \$178 billion as of December 31, 2012. Through its affiliated companies, Lincoln Financial Group offers: annuities; life, group life, disability and dental insurance; 401(k) and 403(b) plans; savings plans; and comprehensive financial planning and advisory services. For more information, including a copy of our most recent SEC reports containing our balance sheets, please visit www.LincolnFinancial.com.

¹ Based on the 10-Year Constant Maturity Treasury Note nominal yield published by the Federal Reserve Board. This yield is referred to as the 10-year Treasury yield in this material.

² The withdrawal and policy value elections will not extend the policy guarantees.

³ Actual performance of the 10-year Treasury yield is not guaranteed.