

Lincoln PROTerm Producer Q&A

1. What is Lincoln PROTerm?

Lincoln PROTerm is Return of Premium (ROP) term insurance to age 98 that provides 100% return of eligible premiums at the end of the initial term period and offers generous surrender values along the way.

Lincoln PROTerm offers:

- Competitive Surrender Values
- \$65 Commissionable Policy Fee
- 15-, 20-, 25- and 30-Year Guarantees
- Maximum Issue Age up to Age 65
- Competitive Premiums in All Rate Classes

Eligible premiums include base policy premiums, the policy fee and ROP rider premiums. Eligible premiums do not include premiums for additional riders, such as Waiver of Premium and Children's Term Insurance Rider.

2. What is the state availability of Lincoln PROTerm?

As of **March 17, 2005**, Lincoln PROTerm has **not** been approved in the following states:

Delaware	Maryland	Oklahoma
Florida	Massachusetts	Oregon
Illinois	Minnesota	Texas
Indiana	Missouri	Vermont
Iowa	Montana	Washington
Kansas	New Jersey	

Lincoln PROTerm will not be available for sale in New York and Utah.

Please refer to our online product availability chart for updates to state approvals. Any applications received from a state that has not approved this product will be returned.

3. Do I need to do anything with my appointment to gain access to Lincoln PROTerm?

No, if you already have a Lincoln Term appointment, there is nothing you need to do. Your Lincoln Term appointment will enable you to sell Lincoln PROTerm.

4. When can I begin selling Lincoln PROTerm?

The official launch date for Lincoln PROTerm is March 28, 2005. However, as of March 21, rollout materials will be available and you will have access to the Lincoln PROTerm illustrations software.

Applications received in our Home Office prior to the official launch date will be held until March 28, at which time, the policy will be entered and policy status reports will become available.

Please verify that your state has approved this product prior to submitting applications. Any applications received from a state that has not approved this product will be returned.

5. How is Lincoln PROTerm structured?

Lincoln PROTerm consists of a base policy and an ROP rider that, when combined, guarantee that total premiums remain level throughout the initial term period. When you receive a policy from us for this product, these two charges will be separated.

The base policy is not available for sale without the ROP rider. Lincoln will allow the ROP rider to be dropped after the policy is in force for one year. However, because the base policy's premiums may or may not be level without the rider (depending on your client's issue age and rate class), removal of the ROP rider is strongly discouraged.

6. Are premiums fully guaranteed?

Yes, premiums for the base policy and ROP rider are fully guaranteed. Base premiums plus rider premiums together are level and guaranteed during the initial term period.

The decision to create non-level base policy premiums and rider policy premiums allowed us to optimize this product and offer competitive surrender values higher than the competition. Premiums for the base policy and the ROP rider, whether level or non-level, are both guaranteed premiums and when combined, are level.

7. Will e-Ticket and TeleApp be available for Lincoln PROTerm?

Yes, e-Ticket and TeleApp will be available for your Lincoln PROTerm business beginning on March 28, 2005.

For more information on how to register for E-Ticket, contact your BGA or your Lincoln Term Representative.

8. Can a client pay initial Lincoln PROTerm premiums with their credit card?

Yes, Lincoln PROTerm initial premiums can be paid with Visa, MasterCard or American Express. Credit card payments are not accepted for renewal premiums.

To utilize this option, please be sure to submit a completed credit card authorization form (# L01-0157-G) with your client's new business application.

9. Are new forms and marketing materials available for Lincoln PROTerm?

Lincoln PROTerm New Business applications are the same applications used for Lincoln GTO, STO and LifeStyle Select. Lincoln PROTerm new business application form number is LBL-200 Series.

New marketing materials for Lincoln PROTerm will be available by April 1. They can be viewed and ordered through CapitalDirect or through your BGA at that time. The Lincoln PROTerm ratebook form number is 33439.

10. Which underwriting, new business and customer service contacts do I utilize?

You will use the same Schaumburg-based expert underwriting and new business staff utilized for Lincoln GTO, STO and LifeStyle Select. Also, Schaumburg's Customer Service call center will be servicing inforce policy questions and inforce change requests.

11. Can my client make face amount or term length changes after their Lincoln PROTerm policy goes inforce?

Changes to the face amount (increases or decreases) and changes to the length of the term period are not permitted after the first six policy months. If a change to the face amount or term length is received within six months, the policy will be re-issued and the premiums will be adjusted from the original date of issue.

12. What happens if I've submitted a GTO / STO / LifeStyle Select application and the client wants to change to Lincoln PROTerm?

If we have an app in-house that is being underwritten for another product (status of PEND, APPR, ISSU) and your client requests a change to Lincoln PROTerm, please provide verbal and written notification to your underwriter.

As long as the underwriting on the policy is current, the plan can be changed by way of an application amendment.

13. What do I need to know about Lincoln PROTerm's illustration software?

As of **March 21**, Lincoln PROTerm can be demonstrated with the 2005.1.0 version of the CIM illustration software. The website install for this software was posted on **February 2005** to LFD.com and FirstPenn.com.

Illustrations are not required for Lincoln PROTerm sales. However, the illustration software can provide you with Lincoln PROTerm premium rates, ROP benefit information, net cost calculations and a Guaranteed Maximum Premium Proposal. Also, a special Alternate Investment Rate tab has been added to the Lincoln PROTerm illustration software, which can assist in investment rate of return calculations. Though no output is generated for this feature, it will allow you to compare Lincoln PROTerm to a basic term plan in order to calculate the investment rate of return.

Warning to Pennsylvania Users: The premiums proposed for the ultimate period (after the initial term period) are higher than what is shown in the software. This error will be fixed in the May 16 release. In the meantime, the illustration software will indicate that PA is unavailable. If you would still like to quote a premium rate, you are able to do so. However, we ask that you only print the default report when running Pennsylvania proposals.

To access the download from FirstPenn.com, login and click on Forms & Tools / Software / Term Life.

To access the download from LFD.com, login and click on QuickLinks (upper right corner of the screen) then click the drop-down arrow, and select software downloads.

If you do not have the most current version of the software 2005.1.0, and you are a CD user, the new software can be ordered through your BGA or through CapitalDirect (#32953) immediately.

Multiple resources are available to assist with product illustration. A Helpful Hints sheet and CIM Illustration Presentation are available in the Software Download Center of FirstPenn.com. For additional illustration assistance, contact LFD Technical Support at 860-466-2722 or LFDWEBHELP@LNC.com.

14. How can I obtain more information about Lincoln PROTerm?

Contact your BGA or your Lincoln Term Representative for more information on this exciting new product.

15. How do the Lincoln PROTerm factors stack up against the competition?

Lincoln PROTerm offers competitive rates along with some of the most generous return factors. Take a look at how the Lincoln PROTerm factors stack up against our competition.

Policy Year	Lincoln PROTerm	AIG ROPTerm	Americom Patriot Select	Chase Complete Term	Fidelity & Guaranty Value Select
15-year					
1-5	0%	0%	0%	0%	0%
6	9%	6%	5%	5%	5%
7	18%	12%	10%	10%	10%
8	24%	18%	15%	15%	15%
9	31%	24%	20%	20%	20%
10	38%	30%	25%	25%	25%
11	47%	40%	40%	40%	40%
12	60%	55%	55%	55%	55%
13	75%	70%	70%	70%	70%
14	88%	85%	85%	85%	85%
15	100%	100%	100%	100%	100%
20-year					
1-5	0%	0%	0%	0%	0%
6	5%	4%	3%	3%	3%
7	9%	7%	6%	6%	6%
8	13%	10%	9%	9%	9%
9	17%	13%	12%	12%	12%
10	25%	17%	15%	15%	15%
11	31%	23%	22%	22%	22%
12	38%	31%	29%	29%	29%
13	45%	38%	36%	36%	36%
14	50%	44%	43%	43%	43%
15	56%	50%	50%	50%	50%
16	65%	60%	60%	60%	60%
17	74%	70%	70%	70%	70%
18	83%	80%	80%	80%	80%
19	92%	90%	90%	90%	90%
20	100%	100%	100%	100%	100%

Policy Year	Lincoln PROTerm	AIG ROPTerm	Americom Patriot Select	Chase Complete Term	Fidelity & Guaranty Value Select
30-year					
1-5	0%	0%	0%	0%	0%
6	2%	1%	1%	1%	1%
7	4%	3%	2%	2%	2%
8	6%	5%	3%	3%	3%
9	10%	7%	4%	4%	4%
10	18%	9%	5%	5%	5%
11	20%	11%	7%	7%	7%
12	21%	13%	9%	9%	9%
13	23%	15%	11%	11%	11%
14	25%	17%	13%	13%	13%
15	28%	19%	15%	15%	15%
16	30%	21%	17%	17%	17%
17	32%	23%	19%	19%	19%
18	34%	25%	21%	21%	21%
19	37%	30%	23%	23%	23%
20	43%	35%	25%	25%	25%
21	46%	40%	30%	30%	30%
22	51%	45%	35%	35%	35%
23	55%	50%	40%	40%	40%
24	60%	55%	45%	45%	45%
25	65%	60%	50%	50%	50%
26	69%	65%	60%	60%	60%
27	73%	70%	70%	70%	70%
28	82%	80%	80%	80%	80%
29	91%	90%	90%	90%	90%
30	100%	100%	100%	100%	100%

This information is from public sources deemed reliable for peer group companies. Although every attempt has been made to ensure the accuracy of the information provided, it cannot be guaranteed. Information is current as of March 2005.

Lincoln *PROTerm* is a term life insurance policy with a Return of Premium Rider (Partial Return of Premium in PA). Return of premium applies to eligible premiums only and is available at the end of the selected term, subject to policy terms and conditions. Guarantees are backed by the financial strength of the issuer. Issued on policy form #LBT-400 Series/Rider Form #LBR-400 Series by The Lincoln National Life Insurance Company, Fort Wayne, IN. Products and features are subject to state availability.