

## **i4LIFE<sup>®</sup> Indexed Advantage**

### **Fixed Indexed Annuity Rider: At-a-Glance**

**i4LIFE<sup>®</sup> Indexed Advantage is an annuity payout option available with certain nonqualified Lincoln fixed indexed annuities (available for an additional cost). Subject to firm and state availability. Not available in New York. Contact the Annuity Sales Desk for more information.**

**As of August 22, 2017, available with new issues of:**

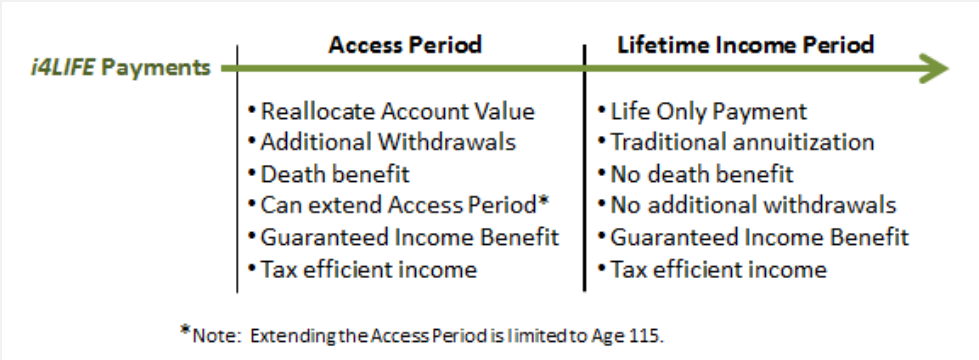
**Lincoln OptiChoice<sup>SM</sup>, Lincoln OptiBlend<sup>SM</sup> and Lincoln New Directions<sup>®</sup> 8 fixed indexed annuities.**

#### General Description

<p><b>i4LIFE<sup>®</sup> Indexed Advantage with Guaranteed Income Benefit</b></p>	<p><i>i4LIFE<sup>®</sup> Indexed Advantage is an annuity payout option available with certain nonqualified fixed indexed annuities. <i>i4LIFE<sup>®</sup> Indexed Advantage is designed for clients needing a stable source of income within a year of electing the rider. The rider provides tax-efficient lifetime income, with the added flexibility of access to the Account Value should the client's needs change.</i></i></p> <p><i>i4LIFE<sup>®</sup> Indexed Advantage provides:</i></p> <ul style="list-style-type: none"> <li>✓ <b>Lifetime Income:</b> An income stream that cannot be outlived.</li> <li>✓ <b>Tax Efficiency:</b> A portion of each payment is considered a return of cost basis, thereby reducing the amount of taxable income.</li> <li>✓ <b>Control:</b> Access to the Account Value with death benefit protection for beneficiaries.</li> <li>✓ <b>Protection and Potential:</b> A known level of income that may increase if Account Value growth exceeds 4%.</li> </ul> <p><i>This fixed indexed annuity payout option is available for an additional cost.</i></p>
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#### Issue Information

<p><b>Issue/Election Ages</b> (attained age)</p>	<ul style="list-style-type: none"> <li>• Age 55 up to age 85</li> <li>• Age 55 up to age 80 for longer surrender charge schedules</li> </ul>
<p><b>Premium Requirements</b></p>	<ul style="list-style-type: none"> <li>• Minimum: \$50,000 (regardless of the base contract requirements).</li> <li>• Maximum: \$2,000,000 without prior home office approval.</li> </ul>
<p><b>State and Market Availability</b></p>	<p><i>i4LIFE<sup>®</sup> Indexed Advantage is currently only available with nonqualified annuity contracts; it is not available in New York. State and product variations may apply.</i></p>
<p><b>Electing the Rider</b></p>	<p><i>i4LIFE<sup>®</sup> Indexed Advantage is currently only available at contract issue.</i></p> <ul style="list-style-type: none"> <li>• To elect the rider, complete and submit the Fixed Indexed Annuity <i>i4LIFE<sup>®</sup> Indexed Advantage Election Form (Form AN11650FIA)</i> with the other new business paperwork.</li> <li>• The Rider Effective Date will be the same as the contract issue date.</li> <li>• Premium and age limits apply.</li> </ul>
<p><b>Single/Joint Life Payout Options</b></p>	<p><i>There is only one Annuitant; the client may elect either the Single Life or Joint Life option when the rider is issued. This election is irrevocable.</i></p> <ul style="list-style-type: none"> <li>• <b>Single Life Option:</b> Provides guaranteed income for the life of the Annuitant.</li> <li>• <b>Joint Life Option (Secondary Life):</b> Provides guaranteed income over two lives. <ul style="list-style-type: none"> <li>– Secondary Life requirements: May be either a spouse or a non-spouse.</li> </ul> </li> </ul>

Features					
<p><b>Two Income Phases</b></p>	<p><i>i4LIFE</i>® Indexed Advantage provides regular income throughout the two phases of the rider:</p> <ul style="list-style-type: none"> <li>• <b>Access Period:</b> The period of time the client chooses to have access to the Account Value and to retain a death benefit while receiving periodic income payments.</li> <li>• <b>Lifetime Income Period:</b> The Lifetime Income Period begins once the Access Period ends. During this timeframe, the client continues to receive regular income payments, but will no longer have access to the Account Value or retain a death benefit.</li> </ul>				
<p><b>Access Period</b> (Age nearest birthday)</p>	<p>The client chooses the Access Period at the time of the rider election; they can select the minimum Access Period or the maximum Access Period, or a period in between the minimum and maximum timeframe.</p> <ul style="list-style-type: none"> <li>• The minimum Access Period is the greater of 20 years or to age 95.</li> <li>• The maximum Access Period is age 115.</li> </ul> <p>The client has the option to extend the Access Period to a minimum of five years beyond the current Access Period, up to age 115. Careful consideration should be given to making any change, as this will impact the amount of future income and the Guaranteed Income Benefit.</p> <p>The length of the Access Period impacts the amount of the initial Periodic Income Payment:</p> <ul style="list-style-type: none"> <li>• A longer Access Period will result in a lower initial payment, and</li> <li>• A shorter Access Period will result in a higher payment.</li> </ul> <p><u>During the Access Period:</u></p> <ul style="list-style-type: none"> <li>• Income is received on a tax-efficient basis; the income is taxed using an exclusion ratio.</li> <li>• Clients have access to the Account Value; <ul style="list-style-type: none"> <li>– Clients can request additional Withdrawals; however, Withdrawals will decrease the Periodic Income Payment, Guaranteed Income Benefit, the Account Value and the death benefit.</li> <li>– The client can reallocate the Account Value.</li> </ul> </li> <li>• The contract’s death benefit is available for beneficiaries.</li> </ul>				
<p><b>Lifetime Income Period</b></p>	<p>The Lifetime Income Period begins once the Access Period ends or the Account Value goes to zero under certain circumstances. Clients will continue to receive income payments, but there is no death benefit or access to the Account Value during the Lifetime Income Period. Note: reallocation of the Account Value will be available if the Account Value is greater than zero. Payments will stop at the death of the surviving Annuitant or Secondary Life, if any.</p>				
<p><b>Summary of Access and Lifetime Income Periods</b></p>	 <p><i>i4LIFE</i> Payments</p> <table border="1"> <thead> <tr> <th>Access Period</th> <th>Lifetime Income Period</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>• Reallocate Account Value</li> <li>• Additional Withdrawals</li> <li>• Death benefit</li> <li>• Can extend Access Period*</li> <li>• Guaranteed Income Benefit</li> <li>• Tax efficient income</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Life Only Payment</li> <li>• Traditional annuitization</li> <li>• No death benefit</li> <li>• No additional withdrawals</li> <li>• Guaranteed Income Benefit</li> <li>• Tax efficient income</li> </ul> </td> </tr> </tbody> </table> <p>*Note: Extending the Access Period is limited to Age 115.</p>	Access Period	Lifetime Income Period	<ul style="list-style-type: none"> <li>• Reallocate Account Value</li> <li>• Additional Withdrawals</li> <li>• Death benefit</li> <li>• Can extend Access Period*</li> <li>• Guaranteed Income Benefit</li> <li>• Tax efficient income</li> </ul>	<ul style="list-style-type: none"> <li>• Life Only Payment</li> <li>• Traditional annuitization</li> <li>• No death benefit</li> <li>• No additional withdrawals</li> <li>• Guaranteed Income Benefit</li> <li>• Tax efficient income</li> </ul>
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## Determining the Income Payment (Periodic Income Payment)

<b>Income Payment Date</b>	<p>The income under the rider must start within a year of contract issue. Payments are made for the 1<sup>st</sup> of the month.</p>
<b>Initial Periodic Income Payment</b>	<p>The initial Periodic Income Payment is calculated using an Annuity Factor per thousand that is based on the:</p> <ul style="list-style-type: none"> <li>• Age and Gender* of Annuitant and Secondary Life, if applicable (age nearest birthday) Note: An older person will have a higher factor than a younger person.</li> <li>• Benchmark Index Rate (BIR)</li> <li>• Length of Access Period</li> <li>• Applicable Annuity Mortality Table</li> </ul> <p>The Account Value is divided by 1,000 and then multiplied by the Annuity Factor to determine the Periodic Income Payment. *State variations may apply.</p>
<b>Benchmark Index Rate (BIR)</b>	<p>The Benchmark Index Rate (BIR) represents the assumed earnings of the underlying interest accounts. In order for the Periodic Income Payment to increase, net allocation earnings would have to “beat” this rate.</p> <p>The BIR is declared at issue and is in effect for the life of the contract. The BIR for new issues may be different than the BIR for existing contracts. Currently the BIR is set at 4%.</p>
<b>Periodic Income Payment Account</b>	<p>At the beginning of each Rider/Contract Year, the greater of the annual calculated Periodic Income Payment and the Guaranteed Income Benefit is taken on a pro-rata basis from the fixed and indexed accounts and allocated to the Periodic Income Payment Account (PIPA). The modal payments are then paid out from this account.</p> <ul style="list-style-type: none"> <li>• The PIPA is not available for reallocation or additional Withdrawals. This account does not earn any interest.</li> </ul>
<b>Guaranteed Income Benefit (GIB)</b>	<p>The Guaranteed Income Benefit (GIB) provides a guaranteed minimum level of income regardless of Account Value performance. The GIB is the lowest income payment a client can receive. The GIB protects the level of income received and sets the minimum amount of income a client will receive.</p> <ul style="list-style-type: none"> <li>• Initial GIB: 100% of the initial Periodic Income Payment</li> <li>• Subsequent GIB equals the greater of: <ul style="list-style-type: none"> <li>– The current GIB, or</li> <li>– 100% of the Periodic Income Payment as calculated at the beginning of each subsequent Rider Year.</li> </ul> </li> </ul> <p>The GIB is redetermined yearly, and will automatically step-up to the higher value, if applicable. Upon a step-up after the first five Rider Years, the Rider Charge becomes the current charge (the client cannot opt-out if charge increases). Refer to the Rider Charge section for more information.</p> <p>Note: There are impacts to the GIB for taking additional Withdrawals during the Access Period.</p>
<b>Subsequent Periodic Income Payment</b>	<p>The Periodic Income Payment (PIP) is recalculated each year, and the greater of the calculated payment or the Guaranteed Income Benefit will be paid. Payments may increase if the earnings from the underlying interest accounts are greater than the Benchmark Index Rate taking into account the Rider Charge. This will capture any significant performance results in future years, as clients will always receive the greater of the GIB or the PIP. The GIB insures that the subsequent payments will continue to be paid for at least the same amount as the initial payment.</p>

Other																													
<b>Rider Year</b>	Each consecutive 12-month period. The first Rider Year begins on the Rider Effective Date. The second Rider Year begins on the Rider Anniversary date.																												
<b>Fixed Indexed Annuity Illustrations</b>	<p>Running an illustration is the best way to calculate the projected income amount. The actual payment will be determined at contract issue.</p> <p>The illustration will show the initial Periodic Income Payment (annualized) and a projection of future income based on the assumptions for the illustration. The illustration helps manage the client's expectations and shows the impact of the income payments on the Accumulation Value.</p> <p>Note: the illustration shows the first 20 years of the Access Period, unless limited by historical performance of the index. The payment amount is based on the full Access Period, but only 20 years are shown.</p>																												
<b>Income Example</b>	<p>The chart below shows the initial Income Payments for a \$500,000 premium if <i>i4LIFE</i>® Indexed Advantage was elected at each of the ages shown. The payments are for a Male with a 4% Benchmark Index Rate. The chart assumes that the minimum Access Period (AP) was chosen for each age.</p> <p>Note: the older a client is at election of the rider, the higher the income payment.</p> <table border="1"> <thead> <tr> <th>Age at Election</th> <th>Minimum Access Period</th> <th>Income Payment (Annual)</th> <th>GIB (Annual)</th> </tr> </thead> <tbody> <tr> <td>55</td> <td>40 years</td> <td>\$23,157</td> <td>\$23,157</td> </tr> <tr> <td>60</td> <td>35 years</td> <td>\$24,299</td> <td>\$24,299</td> </tr> <tr> <td>65</td> <td>30 years</td> <td><b>\$25,771</b></td> <td><b>\$25,771</b></td> </tr> <tr> <td>70</td> <td>25 years</td> <td>\$27,956</td> <td>\$27,956</td> </tr> <tr> <td>75</td> <td>20 years</td> <td>\$31,004</td> <td>\$31,004</td> </tr> <tr> <td>80</td> <td>20 years</td> <td>\$32,435</td> <td>\$32,435</td> </tr> </tbody> </table> <p>At an election age of 65, the initial income payment and the GIB will be \$25,771.</p> <p>Let's look at this client at a rider election age of 65; the initial income payment will be \$25,771. The Guaranteed Income Benefit (GIB) is equal to that amount, and will remain at least \$25,771 for the life of the contract (assuming no Withdrawals and no substantial future earnings). If he were to die during the Access Period, his beneficiaries would receive the remaining Account Value as a death benefit.</p> <p>If, during the Access Period, the client's needs change, he has the flexibility to take an additional Withdrawal (note - this will impact future payments, the GIB, the Account Value and the death benefit).</p>	Age at Election	Minimum Access Period	Income Payment (Annual)	GIB (Annual)	55	40 years	\$23,157	\$23,157	60	35 years	\$24,299	\$24,299	65	30 years	<b>\$25,771</b>	<b>\$25,771</b>	70	25 years	\$27,956	\$27,956	75	20 years	\$31,004	\$31,004	80	20 years	\$32,435	\$32,435
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<b>Additional Premiums</b>	<p>Additional premiums (flexible premium contracts) <u>are not</u> accepted if the rider has been elected.</p> <p>If a contract is being funded with multiple transfers, it is important to check "issue the contract when all money is received" on the Application Supplement. Any monies received after the contract has been issued cannot be added to that contract, and would either be returned or require an additional application to be used to fund a separate contract.</p>																												

<p><b>Additional Withdrawals – During the Access Period</b></p>	<p>While additional Withdrawals provide flexibility in the event the client’s needs change during the Access Period, an additional Withdrawal will cause the Periodic Income Payment to be recalculated and will reduce the GIB on a pro-rata basis. An additional Withdrawal will reduce future <i>i4LIFE</i>® income, the Account Value and the death benefit.</p> <p>Additional Withdrawals in excess of the 10% free amount may be subject to surrender charges and MVA during the surrender charge period.</p> <p>An additional Withdrawal is taken first from the Fixed Account. Once the Fixed Account is depleted, the Withdrawal will be deducted pro-rata across the Indexed Accounts.</p> <p><i>i4LIFE</i>® income is not considered an additional Withdrawal. These payments will not count toward the 10% free partial surrender amount allowed by the base contract, nor be subject to surrender charges and MVA, if applicable.</p>
<p><b>Taxation</b></p>	<p>The <i>i4LIFE</i>® income is considered tax efficient: Income payments are taxed using an exclusion ratio, where each payment is considered part return of cost basis and part earnings. This reduces the overall taxable amount.</p> <p>Once the entire cost basis is recovered, all income is taxable as earnings.</p>
<p><b>Rider Charges</b></p>	<p>The Rider Charge Percentage is as follows and is guaranteed for the first 5 Rider Years:</p> <ul style="list-style-type: none"> <li>• Single and Joint: 0.95% (maximum of 2.00%)</li> </ul> <p>After the 5<sup>th</sup> Rider Year, the Rider Charge Percentage may increase if the GIB increases. A client cannot opt out of this increase. However, the Rider Charge is multiplied times the Account Value and since the <i>i4LIFE</i>® income payments decrease the Account Value, it is possible that the rider fee may decrease over time.</p> <p>The Rider Charge Percentage is multiplied times the Account Value on the previous Contract/Rider Anniversary, minus the upcoming year’s annual <i>i4LIFE</i>® income amount.</p> <p>A Single Life example is as follows:</p> <ul style="list-style-type: none"> <li>▪ Account Value on the Contract Anniversary = \$100,000</li> <li>▪ Annual income payment for upcoming year = \$5,250</li> <li>▪ Rider fee = (\$100,000 - \$5,250) x 0.95% or \$900.13</li> </ul> <p>The fee for the rider is deducted annually from the Account Value, and is taken first from the Fixed Account. Once the Fixed Account is depleted, the fee will be deducted pro-rata across the Indexed Accounts, and lastly from the Periodic Income Payment Account.</p>
<p><b>Death Benefit Provisions, Generally</b></p>	<p><u>If death occurs during the Access Period:</u></p> <ul style="list-style-type: none"> <li>• The Periodic Income Payments may continue, depending on whether the Owner, Annuitant or Secondary Life dies.</li> <li>• After the Access Period ends, if the Annuitant or Secondary Life is still alive, payments will continue to the survivor’s death.</li> </ul> <p><u>If death occurs during the Lifetime Income Period:</u></p> <ul style="list-style-type: none"> <li>• Income payments will continue until the Annuitant’s (or Secondary Life’s) death, and then payments stop.</li> </ul> <p>Refer to the rider for more details.</p>

<b>Termination</b>	The rider cannot be terminated without terminating the entire contract. Note: if the rider is terminated during the Access Period, the entire gain in the contract may be subject to taxes.
<b>Compensation</b>	No additional compensation will be paid for the election of <i>i4LIFE</i> ® Indexed Advantage.

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**Product and features subject to state availability.**

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