



You're In Charge®

TAXES AFFECT EVERYONE

Lincoln Investor Advantage®

Protecting wealth through tax-efficient investing



Client Guide

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

Insurance products issued by:
The Lincoln National Life Insurance Company
Lincoln Life & Annuity Company of New York
2716591

For use with the general public.

With tax rates reaching their highest level in more than 30 years, many investors look for ways to help protect their wealth and retirement income assets by minimizing tax exposure. Consider a tax-efficient investment approach that's built for the long term — *Lincoln Investor Advantage*[®] variable annuity.



Growth powered by tax deferral

Lincoln Investor Advantage provides tax-deferred growth. That means you won't be taxed on any earnings or growth until after you withdraw funds or begin taking income.

Investments powered by excellence

Lincoln Investor Advantage offers investment options to build your portfolio. Our investment partners represent some of the industry's most respected managers, and our menu includes a diverse selection of traditional and alternative investment options.

Income powered by innovation

With *i4LIFE*® Advantage — our living benefit rider and patented income distribution method, available for an additional charge — you get tax-efficient income when investing with nonqualified money.

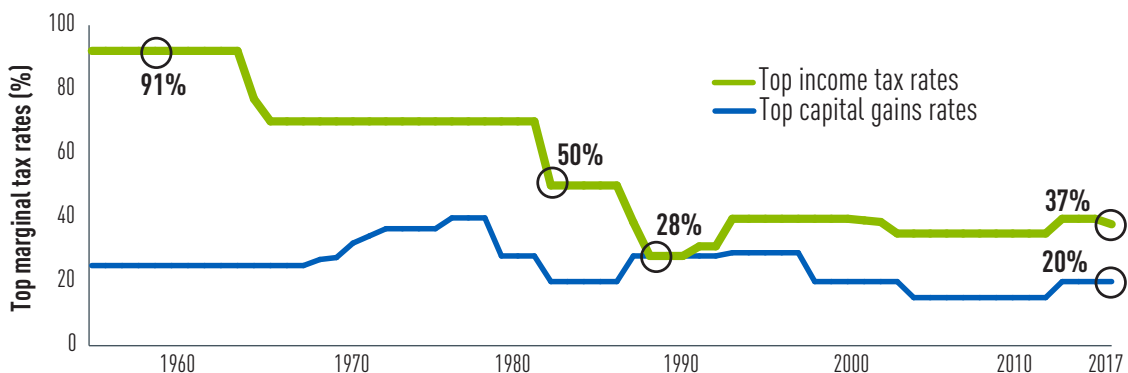
A variable annuity is a long-term investment product that offers tax-deferred growth, access to leading investment managers, and a lifetime income stream. To decide if a variable annuity is right for you, consider that its value will fluctuate; it is subject to investment risk and possible loss of principal; and there are costs associated such as mortality and expense, administrative and advisory fees. All guarantees, including those for optional features, are subject to the claims-paying ability of the issuer. Limitations and conditions apply.

Growth powered by tax deferral

Why it's important to be a tax-efficient investor

Knowing tax rates tend to change and there is no assurance current tax laws will remain in effect make it difficult to plan for what's ahead. While tax deferral alone won't ensure growth due to the inherent fluctuating nature of investing, it does mean that investors won't be taxed on any earnings or growth until after they withdraw funds or begin taking income.

Top marginal tax rates 1954–2017



Source: FRED, Federal Reserve Economic Data, Federal Reserve Bank of St. Louis.

Yesterday	Today	Tomorrow
From 1954 to 1963, top marginal income tax rate was 91%.	Top tax rates: For those with taxable income above \$500,000 (\$600,000 for joint filers) 37%	Planning amid uncertainty.
In 1982, top marginal rate dropped to 50%.	Capital gains: The top rate for long-term capital gains and qualified dividends for those with taxable income above \$500,000 (\$600,000 for joint filers) 20%	Are you paying taxes today on money you don't need until retirement?
By 1988, top marginal rate for both income and capital gains was 28%.	Unearned income: (Medicare contribution): Surtax on lesser of net investment income or modified adjusted gross income above \$200,000 (\$250,000 for joint filers) 3.8%	Are you losing investment earnings to taxes?
		Do you have a tax-efficient retirement income plan?

- Taxes can have a dramatic effect on the growth of an investment. Assets may be taxed for short- and long-term capital gains, dividends, transfers, and interest earned.
- With many investments, clients have no control over when taxable distributions occur.
- Investors could owe taxes at any time — even in a down market.

A tax-deferred investment — such as *Lincoln Investor Advantage*® — is a powerful way to manage tax exposure while giving access to a diverse set of asset classes and professionally managed portfolios.

The power of tax deferral

With a tax-deferred account, taxes are postponed until money is withdrawn. Deferring taxes within an investment portfolio can allow more of the investment returns to compound over time, resulting in potentially higher long-term returns.

This graph compares tax-deferred and taxable investments.

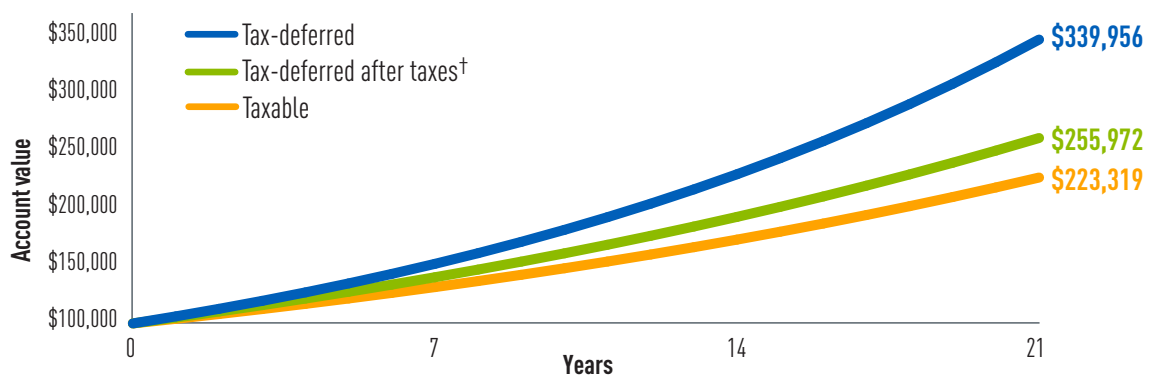
Tax deferral for potential growth

Assumptions:

Investment: \$100,000

Annual gross rate of return: 6%

Tax bracket: 35%



[†]Withdrawals of earnings are taxable as ordinary income and, if taken prior to age 59½, may be subject to an additional 10% federal tax.

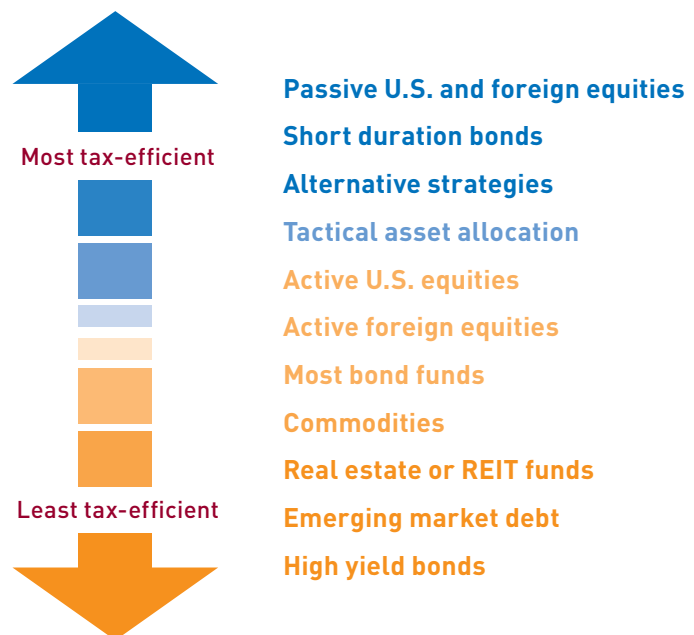
This example is hypothetical and for illustrative purposes only. The hypothetical rates of return shown in this example are not guaranteed and should not be viewed as indicative of the past or future performance of any particular investment. This example is based on a hypothetical situation assuming taxable and tax-deferred growth of \$100,000, a 6% annual rate of return and a 35% tax rate over a 20-year period. Changes in tax rates and tax treatment of investment earnings may impact the hypothetical example. Lower maximum tax rates on capital gains and dividends would make the investment return for the taxable investment more favorable, thereby reducing the difference in performance between the accounts shown. Investors should consider their individual investment time horizon and income tax brackets, both current and anticipated, when making an investment decision, as these may further impact the results of the comparison.

How tax-efficient are your investments?

Not all investments are taxed alike. Different asset classes have different tax characteristics.

Consumers can capture more gains by investing in funds held in a tax-deferred account even for such tax-inefficient vehicles as high-yield bonds.

Source: Goldman Sachs Asset Management, 2017.



Investments powered by excellence

The *Lincoln Investor Advantage*[®] lineup is designed to keep investors in control of their investments.

- A full suite of diverse asset classes within a tax-efficient platform means an individualized investment approach can remain intact.
- The flexibility to customize a portfolio tailored to individual needs without investment restrictions.

1. Build your own

Select from more than 100 individual investment options from world-class investment managers to create a portfolio built around your individual needs.

2. Asset allocation funds

Lincoln Investor Advantage includes more than 40 asset allocation funds from leading investment managers. These funds provide a one-step approach to portfolio diversification.

3. Asset class models

Create asset class models using the diverse lineup of funds within *Lincoln Investor Advantage*.

A core and satellite framework

Lincoln Investor Advantage investment options are built on a core and satellite framework. This approach divides the investment options into two broad categories:

CORE ●

Traditional investments — an array of options from domestic and international stocks and bonds

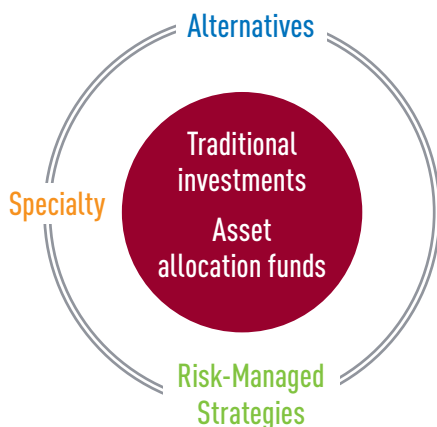
Asset allocation funds — fully diversified funds that span core asset classes

SATELLITE ●●●

Alternatives — nontraditional strategies such as commodities, long/short equity, and global real estate

Risk-managed strategies — employ volatility management or tactical allocation to reduce risk

Specialty — sector-specific strategies such as utilities and technology





Neither asset allocation nor diversification can ensure a profit or protect against loss. Significant differences exist in risk among investment asset classes. Be aware that some investments, including alternatives, may fluctuate. Nontraditional asset classes are subject to changing market conditions, price fluctuations, and credit risks; economic, currency, political, and social risks; and refinancing. Some strategies, like sector funds, may be more volatile since they are concentrated in a particular group. Past performance is not a guarantee of future results.

Models designed to fit any client need

These models are intended to inform investment decisions across traditional, alternative, and specialty asset classes from the *Lincoln Investor Advantage*® extensive lineup of mutual funds.

Asset allocation models

These asset allocation multi-manager models are constructed with balancing return enhancement opportunities and strategic diversification through underlying fund weighting and selection.

Name	Fund Expense	Target Asset Breakdown
Dimensional/Vanguard Global Growth Allocation Model <input type="checkbox"/> LVIP Dimensional/Vanguard Total Bond Fund 30% <input type="checkbox"/> LVIP Dimensional U.S. Core Equity 1 Fund 25% <input type="checkbox"/> LVIP Vanguard Domestic Equity ETF Fund 25% <input type="checkbox"/> LVIP Vanguard International Equity ETF Fund 20%	0.38%	Equity: 70% Fixed Income: 30% 
Dimensional/Vanguard Moderate Allocation Model <input type="checkbox"/> LVIP Dimensional/Vanguard Total Bond Fund 40% <input type="checkbox"/> LVIP Dimensional U.S. Core Equity 2 Fund 30% <input type="checkbox"/> LVIP Dimensional U.S. Core Equity 1 Fund 15% <input type="checkbox"/> LVIP Dimensional International Core Equity Fund 15%	0.47%	Equity: 60% Fixed Income: 40% 

Design thematic-based asset allocation models



Rising rates

For investors concerned about eroding capital during periods of rising rates.



Income

For investors looking for current income.



Inflation protection

For investors looking to protect against inflation eroding their purchasing power.



Defensive

For investors seeking to reduce the risk of drawdown by adding alternative asset classes as a diversifier to their equity holdings.



Opportunistic

For investors seeking global growth through allocations to fund categories where managers have the flexibility to invest in the strongest opportunities available.

Lincoln Investor Advantage

Manage tax exposure:

- No short-term capital gains, long-term capital gains, interest, dividends
- Tax-free exchanges
- Zero cost to rebalance
- Tax-deferred growth

Investments powered by excellence

The *Lincoln Investor Advantage*® fund lineup offers investment options to build a portfolio — investment flexibility, portfolio diversification and investor control. Our investment partners represent some of the industry’s most respected managers, and our menu includes a diverse selection of traditional and alternative investment options.



Why diversify? Because winners rotate.

Investing across different asset classes in varying proportions, depending on time horizon, risk tolerance and goals, is a time-tested methodology. While they can't guarantee profits or protect against losses, asset allocation and diversification may help achieve balance and minimize risk.

It's impossible to predict which asset class will be the best or worst in any given year. The performance of any given asset class can have drastic periodic changes. The table below illustrates the annual performance (percentage growth) of various asset classes in relation to one another. Past performance does not guarantee future results.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
26.85 U.S. small cap	13.56 TIPS	27.73 Global real estate	38.82 U.S. small cap	15.02 Global real estate	1.38 U.S. large cap	21.31 U.S. small cap	37.28 Emerging markets	0.01 U.S. interm. bond	31.49 U.S. large cap	
25.48 U.S. mid cap	7.84 U.S. interm. bond	18.22 Emerging markets	34.76 U.S. mid cap	13.69 U.S. large cap	0.55 U.S. interm. bond	17.49 High-yield bond	25.03 International equity	-1.26 TIPS	30.54 U.S. mid cap	
19.63 Global real estate	5.17 Global bond	17.32 International equity	32.39 U.S. large cap	13.22 U.S. mid cap	-0.79 Global real estate	13.80 U.S. mid cap	21.83 U.S. large cap	-1.82 Global bond	25.52 U.S. small cap	
18.88 Emerging markets	4.37 High-yield bond	17.28 U.S. mid cap	22.78 International equity	5.97 U.S. interm. Bond	-0.81 International equity	11.96 U.S. large cap	18.52 U.S. mid cap	-2.26 High-yield bond	22.01 International equity	
16.83 Commodities	2.11 U.S. large cap	16.35 U.S. small cap	11.76 World allocation	4.89 U.S. small cap	-1.44 TIPS	11.77 Commodities	15.40 World Allocation	-4.38 U.S. large cap	18.42 Emerging markets	
15.07 High-yield bond	-0.40 World allocation	16.00 U.S. large cap	7.41 High-yield bond	3.64 TIPS	-2.20 World allocation	11.19 Emerging markets	14.65 U.S. small cap	-4.74 Global real estate	23.06 Global real estate	
15.06 U.S. large cap	-1.55 U.S. mid cap	15.55 High-yield bond	3.67 Global real Estate	2.62 World allocation	-2.44 U.S. mid cap	4.99 Global real estate	11.42 Global real estate	-7.40 World Allocation	7.69 Commodities	
10.24 World allocation	-4.18 U.S. small cap	12.05 World allocation	-2.02 U.S. interm. bond	2.51 High-yield bond	-4.41 U.S. small cap	4.87 World allocation	10.33 Global bond	-9.06 U.S. mid cap	8.72 U.S. interm bond	
7.75 International equity	-6.46 Global real estate	6.98 TIPS	-2.60 Emerging markets	-2.19 Emerging markets	-4.61 High-yield bond	4.68 TIPS	7.48 High-yield bond	-11.01 U.S. small cap	14.41 High-yield bond	
6.54 U.S. interm. bond	-12.14 International equity	4.21 U.S. interm. bond	-4.56 Global bond	-2.68 Global bond	-5.54 Global bond	2.65 U.S. interm. bond	3.54 U.S. interm. bond	-11.25 Commodities	8.43 TIPS	
6.31 TIPS	-13.32 Commodities	1.51 Global bond	-8.61 TIPS	-4.90 International equity	-14.92 Emerging markets	1.81 Global bond	3.01 TIPS	-13.79 International equity	5.32 Global bond	
5.21 Global bond	-18.42 Emerging markets	-1.06 Commodities	-9.52 Commodities	-17.01 Commodities	-24.66 Commodities	1.00 International equity	1.70 Commodities	-14.57 Emerging markets	18.58 World allocation	

Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment, and do not represent the performance of a single variable annuity subaccount.

Global real estate	FTSE EPRA/NAREIT Developed NR USD	High-yield bond	BofAML US HY Master II Constrained TR USD
Emerging markets	MSCI EM NR USD	TIPS	Barclays Capital US Treasury Inflation Protected Securities (TIPS) TR USD
International equity	MSCI EAFE NR USD	U.S. interm. bond	Barclays Capital US Aggregate Bond TR USD
U.S. mid cap	Russell Midcap® TR USD	Global bond	FTSE WGBI NonUSD USD
U.S. small cap	Russell 2000® TR USD	Commodities	Bloomberg Commodity TR USD (2014-2017); DJ UBS Commodity TR USD (2010-2013)
World allocation	Morningstar World Allocation	U.S. large cap	S&P 500 TR USD

Lincoln Investor Advantage® investment options lineup

Fixed Income	Fund Expense
Core Bonds	
American Funds Mortgage Fund	0.80%
JPMorgan Insurance Trust Core Bond Portfolio	0.83%
LVIP American Preservation Fund	0.90%
LVIP Delaware Bond Fund	0.72%
LVIP Dimensional/Vanguard Total Bond Fund	0.64%
LVIP SSGA Bond Index	0.60% P
LVIP Western Asset Core Bond Fund	0.76%
Putnam VT Income Fund	0.82%
TIPS	
LVIP BlackRock Inflation Protected Bond Fund	0.74%
Short-Term Bonds	
Lord Abbett Series Fund Short Duration Income Portfolio	0.90%
LVIP PIMCO Low Duration Bond Fund	0.79%
LVIP SSGA Short-Term Bond Index Fund	0.61% P
International/Global Bonds	
Columbia VP Emerging Markets Bond Fund	1.01%
LVIP Global Income Fund	0.96%
Templeton Global Bond VIP Fund	0.86%
High Yield Bonds	
Ivy VIP High Income Portfolio	0.93%
LVIP JPMorgan High Yield Fund	0.93%
Multisector Bonds	
Columbia VP Strategic Income Fund	0.94%
Delaware VIP® Diversified Income Series	0.92%
Fidelity® VIP Strategic Income Portfolio	0.92%
Lord Abbett Series Fund Bond Debenture Portfolio	0.91%
Virtus Newfleet Multi-Sector Intermediate Bond Series	0.94%
Floating Rate Bonds	
Eaton Vance VT Floating-Rate Income Fund	1.19%
LVIP Delaware Diversified Floating Rate Fund	0.88%

Money Market	Fund Expense
LVIP Government Money Market Fund	0.70%

Equities	Fund Expense
U.S. Large Blend	
American Funds Growth-Income Fund	0.80%
First Trust Capital Strength Portfolio	1.10% P
Franklin Rising Dividends VIP Fund	0.99%
Hartford Capital Appreciation HLS Fund	1.17%
Invesco V.I. Equally-Weighted S&P 500 Fund	0.60% P
LVIP Dimensional U.S. Core Equity 1 Fund	0.76%
LVIP Dimensional U.S. Core Equity 2 Fund	0.74%
LVIP SSGA S&P 500 Index Fund	0.48%
LVIP Vanguard Domestic Equity ETF Fund	0.57% P
U.S. Large Growth	
American Funds Growth Fund	0.86%
ClearBridge Variable Aggressive Growth Portfolio	1.04%
ClearBridge Variable Large Cap Growth Portfolio	1.02%
Delaware VIP® U.S. Growth Series	1.03%
Fidelity® VIP Contrafund® Portfolio	0.86%

Passive investing: Passive funds are denoted with a **P** in the following charts.

Equities	Fund Expense
U.S. Large Growth (cont'd)	
Fidelity® VIP Growth Portfolio	0.88%
LVIP Delaware Social Awareness Fund	0.81%
LVIP T. Rowe Price Growth Stock Fund	0.92%
LVIP Wellington Capital Growth Fund	0.98%
MFS® VIT Growth Series	1.00%
U.S. Large Value	
American Century VP Large Company Value Fund	0.91%
American Funds Blue Chip Income and Growth Fund	0.93%
Delaware VIP® Value Series	0.99%
Franklin Mutual Shares VIP Fund	1.06%
Invesco V.I. Comstock Fund	1.00%
Invesco V.I. Diversified Dividend Fund	0.91%
LVIP MFS Value Fund	0.92%
LVIP SSGA Large Cap 100 Fund	0.61%
Putnam VT Equity Income Fund	0.82%
U.S. Mid Cap	
AB VPS Small/Mid Cap Value Portfolio	1.07%
ClearBridge Variable Mid Cap Portfolio	1.10%
Delaware VIP® Smid Cap Core Series	1.11%
Fidelity® VIP Mid Cap Portfolio	0.87%
Franklin Small-Mid Cap Growth VIP Fund	1.19%
Ivy VIP Mid Cap Growth Portfolio	1.10%
LVIP Baron Growth Opportunities Fund	1.19%
LVIP SSGA Mid-Cap Index Fund	0.60% P
LVIP T. Rowe Price Structured Mid-Cap Growth Fund	0.99%
LVIP Wellington Mid-Cap Value Fund	1.08%
U.S. Small Cap	
Delaware VIP® Small Cap Value Series	1.07%
Franklin Small Cap Value VIP Fund	1.03%
Invesco Oppenheimer Main Street Small Cap Fund®/VA	1.03%
Ivy VIP Small Cap Growth Portfolio	1.14%
Lord Abbett Series Fund Developing Growth Portfolio	1.04%
LVIP SSGA Small-Cap Index Fund	0.65% P
LVIP SSGA Small-Mid Cap 200 Fund	0.66%
International Equity	
American Funds International Fund	1.05%
First Trust International Developed Capital Strength Portfolio	1.20%
Invesco Oppenheimer International Growth Fund/VA	1.25% P
Invesco V.I. International Growth Fund	1.15%
LVIP Dimensional International Core Equity Fund	0.89%
LVIP MFS International Growth Fund	1.04%
LVIP Mondrian International Value Fund	1.01%
LVIP SSGA Developed International 150 Fund	0.64%
LVIP SSGA International Index Fund	0.63%
LVIP Vanguard International Equity ETF Fund	0.63% P
MFS® VIT II International Intrinsic Value Portfolio	1.15%
Templeton Foreign VIP Fund	1.20%
Global Equity	
American Funds Global Growth Fund	1.07%
American Funds Global Small Capitalization Fund	1.26%
LVIP Loomis Sayles Global Growth Fund	1.13%

Equities	Fund Expense
Emerging Markets	
American Funds New World Fund®	1.09%
Delaware VIP® Emerging Markets Series	1.60%
LVIP SSGA Emerging Markets 100 Fund	0.74%
LVIP SSGA Emerging Markets Equity Index Fund	0.75% P
Equity — Volatility Managed	
LVIP BlackRock Dividend Value Managed Volatility Fund	0.93%
LVIP Dimensional International Equity Managed Volatility Fund	1.06%
LVIP Dimensional U.S. Equity Managed Volatility Fund	0.87%
LVIP Franklin Templeton Global Equity Managed Volatility Fund	0.99%
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund	1.03%
LVIP Multi-Manager Global Equity Managed Volatility Fund	1.15%
LVIP SSGA International Managed Volatility Fund	0.87%

Alternative Assets & Sector Funds	Fund Expense
Alternative Strategies	
DWS Alternative Asset Allocation VIP Portfolio	1.15%
Goldman Sachs VIT Multi-Strategy Alternatives Portfolio	1.42%
Guggenheim VT Long Short Equity Fund	1.72%
Guggenheim VT Multi-Hedge Strategies Fund	1.87%
Putnam VT Multi-Asset Absolute Return Fund	1.17%
Alternative Assets—Infrastructure	
ALPS/Alerian Energy Infrastructure Portfolio	1.30% P
Morgan Stanley VIF Global Infrastructure Portfolio	1.12%
Alternative Assets—Commodities	
Columbia VP Commodity Strategy Fund	0.91%
Alternative Assets—Hard Assets	
VanEck VIP Global Hard Assets Fund	1.40%
Alternative Assets—Private Equity	
ALPS/Red Rocks Listed Global Opportunity Portfolio	2.31%
Sector	
Ivy VIP Energy Portfolio	1.29%
Ivy VIP Science and Technology Portfolio	1.15%
MFS® VIT Utilities Series	1.04%
Putnam VT Global Health Care Fund	1.02%
Real Estate	
Delaware VIP® REIT Series	1.13%
LVIP BlackRock Global Real Estate Fund	1.01%

Important risk disclosures:

Significant differences exist in risk among investment asset classes. Be aware that some investments have principal and yield that will fluctuate, some with extreme volatility. Each investment type has different investment characteristics. Stocks can have fluctuating principal and returns based on changing market conditions. The prices of small company stocks generally are more volatile than those of large company stocks. Bonds have fixed principal value and yield if held to maturity. U.S. Treasury bonds and bills are also guaranteed as to the timely payment of principal and interest. Junk bonds have high credit risks. International bonds and securities have economic, currency, political and social risks. Sector funds have more volatility from being concentrated in a particular group. Past performance is not a guarantee of future results. Neither asset allocation nor diversification can ensure a profit or protect against market loss.

Asset Allocation	Fund Expense
Traditional Asset Allocation	
American Century VP Balanced	1.11%
American Funds Asset Allocation Fund	0.81%
American Funds Capital Income Builder®	0.78%
BlackRock Global Allocation V.I. Fund	1.01%
Fidelity® VIP Balanced Portfolio	0.74%
Fidelity® VIP FundsManager® 50% Portfolio	0.77%
First Trust Dorsey Wright Tactical Core Portfolio	1.30%
First Trust/Dow Jones Dividend & Income Allocation Portfolio	1.20%
Franklin Allocation VIP Fund	0.92%
Franklin Income VIP Fund	0.81%
Invesco V.I. Equity and Income Fund	0.80%
JPMorgan Insurance Trust Income Builder Portfolio	0.93%
LVIP American Balanced Allocation Fund	0.98%
LVIP American Growth Allocation Fund	0.98%
LVIP BlackRock Advantage Allocation Fund	0.98%
LVIP Delaware Wealth Builder Fund	0.96%
LVIP JPMorgan Retirement Income Fund	0.97%
LVIP SSGA Conservative Index Allocation Fund	0.75% P
LVIP SSGA Conservative Structured Allocation Fund	0.82%
LVIP SSGA Moderate Index Allocation Fund	0.75% P
LVIP SSGA Moderate Structured Allocation Fund	0.79%
LVIP SSGA Moderately Aggressive Index Allocation Fund	0.76% P
LVIP SSGA Moderately Aggressive Structured Allocation Fund	0.81%
MFS® VIT Total Return Series	0.86%
Putnam VT George Putnam Balanced Fund	0.94%
QS Variable Conservative Growth	0.94%
Asset Allocation—Alternatives/Multi-Asset	
First Trust Multi-Income Allocation Portfolio	1.15%
Ivy VIP Asset Strategy Portfolio	1.02%
LVIP Franklin Templeton Multi-Asset Opportunities Fund	1.07%
PIMCO VIT All Asset All Authority Portfolio	3.63%
SEI VP Market Growth Strategy Fund	1.70%
SEI VP Market Plus Strategy Fund	1.75%
Asset Allocation—Volatility/Risk Management	
Invesco V.I. Balanced-Risk Allocation Fund	1.05%
LVIP Global Aggressive Growth Allocation Managed Risk Fund	1.00%
LVIP Global Growth Allocation Managed Risk Fund	0.98%
LVIP Global Moderate Allocation Managed Risk Fund	0.98%
LVIP SSGA Global Tactical Allocation Managed Volatility Fund	0.85%
LVIP U.S. Aggressive Growth Allocation Managed Risk Fund	1.08%
Asset Allocation—Models	
Dimensional/Vanguard Global Growth Allocation Model	0.38%
Dimensional/Vanguard Moderate Allocation Model	0.47%

Income powered by innovation

Tax-efficient income with *i4LIFE*® Advantage

While taxes can significantly affect the growth of a portfolio, they also play an important role when it's time to take income from the investments. To take advantage of the benefits of tax deferral, a tax-efficient income plan may help you keep more of what you earned.

Lincoln Investor Advantage® variable annuity offers a number of distribution options to meet various income needs. For those seeking tax efficiency, *i4LIFE* Advantage, available for an additional cost, may be a wise choice.

i4LIFE, Lincoln's patented income distribution method, has been helping investors minimize the impact of taxes on their income since 2001.

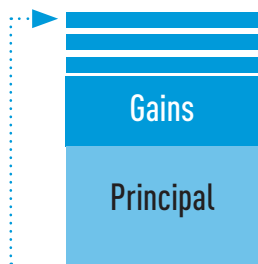
When investing with nonqualified money, *i4LIFE* can help control retirement income with:

- Continued participation in the growth potential of the market
- Control over investment options
- Access to the account value
- Tax-efficient income for nonqualified contracts

Compare income payments

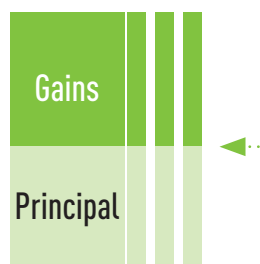
The way an investor decides to take income in retirement can affect the way they are taxed, especially if their money has had the chance to grow. This example shows how a retirement income payment might be taxed, depending on these two options:

Systematic withdrawals



If there are gains in the contract, systematic withdrawals start with fully taxable gains being paid out first, resulting in less current income.

i4LIFE® Advantage payments



i4LIFE includes a portion of the nontaxable principal along with the gains in each payment.

For systematic withdrawals, if there are no gains, all withdrawals are considered principal and are not taxed. For *i4LIFE*, if the contract experiences no gains or is down, a portion of each payment is treated as a taxable gain and a portion is treated as principal. Once the principal has been paid out, each payment is fully taxable.

i4LIFE® Advantage is a patented income distribution method available as an optional benefit with Lincoln variable annuities for an additional annual charge of 0.40% above standard contract expenses.

Get the most out of tax deferral

When it's time to convert accumulated retirement savings into a reliable stream of income, consider not only a retirement income plan, but also a tax plan.

Case study: A 60-year-old male invested \$500,000 of nonqualified money in a variable annuity with no living benefits elected. Over 10 years, his annuity grew to \$800,000. The investor, now age 70, is ready to draw income from his retirement savings. He has two options: systematic withdrawals or income from *i4LIFE*® Advantage.

The table below compares the taxable income of the initial guaranteed *i4LIFE* payment against the taxable income of a typical systematic withdrawal. Four tax brackets are shown for comparative purposes. The initial *i4LIFE* payment is based on age and amount of the initial investment. Future *i4LIFE* payments will vary based on performance of the investment options chosen in the product.

Age	70	70	70	70
Account value	\$800,000	\$800,000	\$800,000	\$800,000
Tax rate	24%	32%	35%	37%
5% systematic withdrawals	\$40,000	\$40,000	\$40,000	\$40,000
5% withdrawals after taxes	\$30,400	\$27,200	\$26,000	\$25,200
<i>i4LIFE</i> withdrawal percentage	6.16%	6.16%	6.16%	6.16%
<i>i4LIFE</i> withdrawal amount	\$49,316	\$49,316	\$49,316	\$49,316
Nontaxable percentage*	45.62%	45.62%	45.62%	45.62%
Nontaxable amount	\$22,500	\$22,500	\$22,500	\$22,500
Taxable amount	\$26,816	\$26,816	\$26,816	\$26,816
Total tax paid	\$6,436	\$8,581	\$9,385	\$9,922
<i>i4LIFE</i> after tax	\$42,880	\$40,735	\$39,930	\$39,394
Percentage increase with <i>i4LIFE</i>	41%	50%	54%	56%

The nontaxable return of the principal portion of the payment increases with the age the contract holder starts taking income, giving them a greater percentage increase with *i4LIFE* when compared to typical systematic withdrawals. This is shown in the "Percentage increase with *i4LIFE*" row.

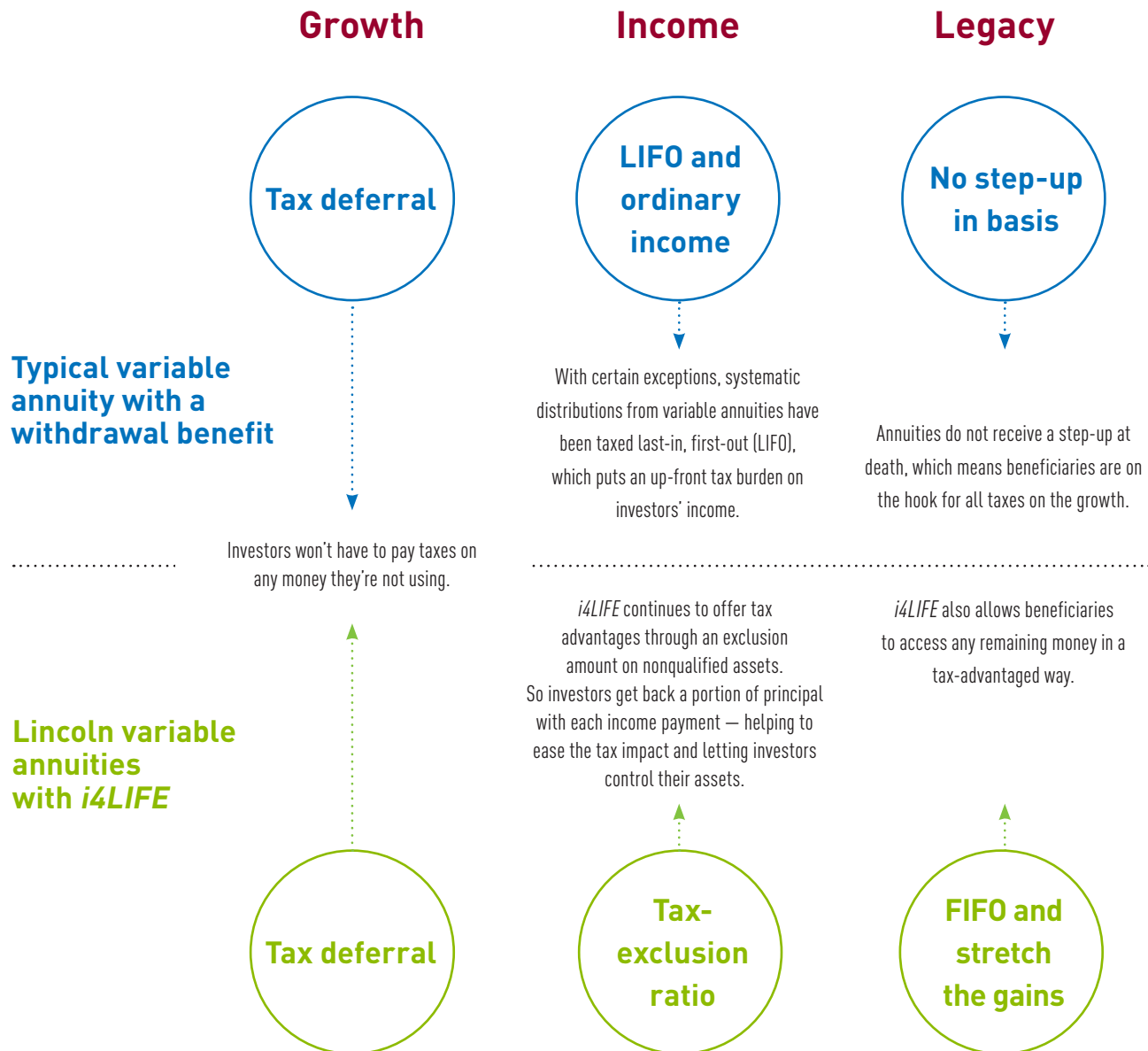
This table is for illustrative purposes only. Past performance does not guarantee future results. The hypotheticals shown reflect the deduction of all applicable contract fees and charges, including a maximum 0.95% M&E charge, administrative fee, a 0.40% charge for *i4LIFE*® Advantage, investment management fees and a 12b-1 distribution fee. It does not reflect any state premium tax deducted upon surrender. Specific fees and expenses can be found in the prospectus.

*Excludable amount determined by IRS.

All annuities are not created equal

Income and legacy planning options

Tax deferral is important. But what makes Lincoln different? Our patented *i4LIFE*® Advantage, available with Lincoln variable annuities, qualifies as an immediate annuity under Section 72(u)(4) of the Internal Revenue Code. Nonqualified investors have the unique ability to create legacy planning strategies and the potential to maximize income while keeping control of their assets.*



*Regular payments must start within a year of the contract inception.

Potential investors should ask themselves...

- Do I have significant assets held in taxable accounts?
- Do I have large holdings in tax-inefficient assets?
- Am I currently subject to high marginal income tax rates?
- Have I ever made investment decisions based on the avoidance of taxes?
- How do I mitigate tax consequences when reallocating my nonqualified investments?
- When it's time to take income, would I prefer to take income in a tax-efficient way?

Tax-efficient investing is one component of helping protect wealth.

Ask your financial professional how you can prepare for rising healthcare expenses, market risk, longevity and inflation. Help protect your growing assets, your retirement income, and your legacy.

i4LIFE[®] Advantage

i4LIFE Advantage is a patented income distribution method that provides you with control over your investment allocations, access to the account value, and tax efficiency for nonqualified contracts. When you are ready to transition from saving for retirement to taking retirement income payments, *i4LIFE* is an option available through *Lincoln Investor Advantage*[®] for an additional annual charge of 0.40% above standard contract expenses.

With other Lincoln variable annuities, you can elect the Guaranteed Income Benefit (GIB) for an additional cost above the *i4LIFE* Advantage and standard contract charges. The GIB ensures that income payments will never be less than a minimum payout floor, regardless of the actual investment performance of your contract. The GIB is not available on *Lincoln Investor Advantage* contracts.

Not a deposit
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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Order code: VA-ADVAN-BRC001



You're In Charge®

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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. The annuity's value fluctuates with the market value of the underlying investment options, and all assets accumulate tax-deferred. Withdrawals of earnings are taxable as ordinary income and, if taken prior to age 59½, may be subject to an additional 10% federal tax. Withdrawals will reduce the death benefit and cash surrender value.

Investors are advised to consider the investment objectives, risks, and charges and expenses of the variable annuity and its underlying investment options carefully before investing. The applicable prospectuses for the variable annuity and its underlying investment options contain this and other important information. Please call 888-868-2583 for free prospectuses. Read them carefully before investing or sending money. Products and features are subject to state availability.

Lincoln Investor Advantage® variable annuities (contract form 30070-A, 30070-B, and state variations) 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.**

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Some distributors require that, at the annuitant's age 95, the contract must annuitize. At annuitization, the contractowner will receive benefit payments under the base contract, and all such payments will be treated as annuity payments. Please contact Lincoln prior to the annuity date/contract maturity date to discuss options, including changing the annuitant.

There is no additional tax-deferral benefit for an annuity contract purchased in an IRA or other tax-qualified plan.

For use with the general public.