



Vol. 9, Issue 1, January 10, 2011

The Lincoln Leader

Life Insurance

New look for Lincoln Leader Newsletters!

Happy New Year! 2011 brings a new look to the Lincoln Leader as part of the corporate-wide branding update. Core branding elements, such as the logo, colors and designs, have been incorporated into most Lincoln communications and product line marketing materials.

The Lincoln Leader newsletters have provided technical product and business information for over 9 years. There is now a Lincoln Leader newsletter for most individual life and annuity product lines as well as for our defined contribution programs. We hope that incorporating the new look and continuing to provide valuable product information will enliven the Lincoln brand experience for readers of the Lincoln Leaders.

Coming Soon! *Lincoln VUL^{ONE}* (2010) New York

On January 24, 2011, The Lincoln National Life Insurance Company (Lincoln) will announce the newest individual product in its variable universal life portfolio in New York, *Lincoln VUL^{ONE}* (2010). The new product represents a re-price of the current version with a focus on improving the Reset Feature – the potential for account value growth to eliminate premiums and lock-in a guarantee regardless of market conditions. The reprice positions the Reset Feature to kick-in sooner through improved account value growth potential. This product replaces *Lincoln VUL^{ONE}* (2007) New York. See the January 24, 2011 Lincoln Leader for full details of this new product offering.

Competitive Intelligence Update

Monthly interest rate report
[Interest Rate Report](#)

Headlines

New look for Lincoln
Leader Newsletters

Coming Soon –
Lincoln VUL^{ONE} (2010)
New York.

Competitive
Intelligence Update

2011 Million Dollar
Round Table (MDRT)
on 2010 business

Life and Fixed Annuity
Licensing and
Appointment
Validation Process -
Update

Information compiled by Product and
Distribution Support

2011 Million Dollar Round Table (MDRT) on 2010 business

The 2011 Million Dollar Round Table (MDRT) will be based on 2010 eligible paid commissions and eligible paid premium. Following is some information that should be helpful.

Requirements for 2011 MDRT are as follows:

- MDRT requirement is \$87,900 eligible Commissions /\$175,800 eligible Premium with 50% minimum coming from policies under the Unlimited Credit Category.
- Court of the Table requirement is \$263,700 eligible Commissions/ \$537,400 eligible Premium
- Top of the Table requirement is \$527,400 eligible Commissions/ \$1,054,800 eligible Premium
- **New for 2011** - \$150,000.00 in annual gross income from eligible insurance and financial products. \$43,950.00 is required from new business generated during the production year. Another \$43,950 must be derived from income associated with Unlimited Credit products.

Refer to the MDRT website regarding Unlimited & Limited Credit and Dues.

Application and Certification Letter

Members should have received their membership kits, but if not, please contact MDRT directly. The kit includes a copy of the MDRT 2011 Certification Letter. New members need to contact MDRT directly to have a membership kit sent to them.

MDRT contact information:

Million Dollar Round Table - 325 West Touhy Avenue - Park Ridge, IL 60068-4265

Phone: (847) 692-6378

Fax: (847) 518-8921

Website: www.mdr.org

Note: MDRT applicants must choose to apply using Commission Credit, Premium Credit, or Annual Income. Only one form of credit will be accepted.

Certification Process

Send your certification letter and Lincoln commission statements to:

Don France, Mail Stop 1H-49

PREMIER PARTNERS® Honors & Recognition

1300 South Clinton Street - Suite 150 - Post Office Box 2239

Fort Wayne IN 46802

Fax: (260) 455-1715 – NEW FAX NUMBER

Email: LFGMDRTCertification@lfg.com

Submit your completed certification letter to Don France no later than February 9, 2011. Once you receive your certification letter, review the information carefully. If you have questions or concerns about the totals, please send an email to LFGMDRTCertification@lfg.com with copies of the agent's voucher or commission statements.

- **Certification Letters received with incomplete information delays processing. There will be no guarantee of certification for certifying letters received after February 9, 2011.**
- **IMPORTANT: Lincoln can only certify commissions that have been paid directly to a Planner. Any commissions paid to another entity will need to be certified by that entity.**

Life and Fixed Annuity Licensing and Appointment Validation Process - Update

Lincoln Producer Solutions is automating the Life and Fixed Annuity licensing and appointment validation process for the following four areas:

1. Payment of Override Compensation (**regulations that require all levels in a writing producer's hierarchy and their Financial Owner to be licensed in the state/jurisdiction in order to receive payment of overrides**)
2. Education Requirements for Long-Term Care Products, Indexed Annuities and Indexed UL
3. Client (Policy Owner) Resident State
4. Solicitation Date (*regulations pertaining to when a producer can sign an application with a client in relation to the appointment effective date*) – implemented in September 2010.

Implementation for the remaining three components (Payment of Override Compensation, Education Requirements, and Client Resident State) is targeted for first quarter 2011.

General Information

- For Solicitation Date, Education Requirements and Client (Policy Owner) Resident State, if the producer fails validation, Lincoln cannot issue the business. A new, signed and dated application will need to be submitted once the producer complies with the appropriate regulations.
- For Payment of Override Compensation, depending on the specific state, override compensation will either be paid once the license is in place or will be redirected to a licensed entity. In all cases, if the writing producer passes validation, the contract will be issued and the writing producer will be paid.

Point-in-Time Regulations

The following are the current, point-in-time regulations that are subject to change as defined by the states.

Payment of Override Compensation

There are 12 states/jurisdictions that require all levels in a writing producer's hierarchy and their Financial Owner (their commission payee) be licensed in the state/jurisdiction in order to receive payment of overrides.

- GA, LA, NM, VI, and WI allow the effective date of the upline's license (anyone in the writing producer's commission hierarchy) to be after the date the application was signed but upline compensation cannot be paid until the license is effective.
- GU, KY, MT, PA, PR, SC & VA require that the upline's license (anyone in the writing producer's commission hierarchy) be effective on or before the date the application was signed in order to receive compensation. If the license is not present at time of solicitation, compensation will be redirected to a licensed entity.

Education Requirements

The following states have education requirements that must be met prior to soliciting Long-Term Care Products (in addition to the life and health care licensing requirements); Indexed Annuities; and Indexed UL.

- **Long -Term Care Products:**
AL, AZ, AR, CA, CO, FL, ID, IL, IN, IA, LA, ME, MD, MI, MN, MT, NC, NE, NJ, OH, OK, OR, RI, SC, SD, TN, VT (effective 3/31/2011), WI, WV, WY. NC requires producers to hold the Medicare Supplement/LTC line of authority on their license.
- **Fixed Annuity, Indexed Annuity, Variable Annuity:**
CA, OK (residents only), TX (residents only) require completion of a state approved Annuity course. IA requires completion of a state approved Annuity course (effective 1/1/11) in addition to a state approved Indexed Product course. WI requires completion of a state approved Annuity course (effective 5/1/11). Please Note: AR is postponing the annuity training requirement originally planned to be effective 7/15/10 – revised effective date TBD.
- **Indexed UL:**
IA (specific Indexed Product course requirement)

Contact Lincoln's Licensing Team "Distribution Gateway" at 800-238-6252, Option 1, Option 2, with any questions or to confirm a specific regulation.

Client (Policy Owner) Resident State

AK, WV, PR & VI require the writing producer to be licensed in the client's (policy owner's) resident state.

Solicitation Date

In addition to the pre-appointment states/jurisdictions (PA, MT, GU, VI), there are 43 states/jurisdictions that regulate when a producer can sign an application with a client in relation to the appointment effective date.

- AL, AK, CA, DC, IA, KS, MD, MO, ND, OH, TX, VA allow for solicitation of business **within 30 days** prior to the appointment effective date.
- AR, CT, DE, GA, HI, ID, KY, ME, MA, MI, MN, MS, NC, NE, NH, NJ, NM, NV, NY, OK, OR, PR, SC, SD, TN, UT, VT, WA, WV, WI, WY allow for solicitation of business **within 15 days** prior to the appointment effective date.

As regulations change, Lincoln will modify validation process appropriately.

If you have any questions, please send an email to AskLicenseValidation@lfg.com. This is a special email box that we have established to ensure that your licensing validation questions are handled in an expedited manner.

State Approvals

Click here to view the current product availability charts

Reminder: You must be logged into LFAPlanner.com, LincolnFinancialNetwork.com or LFD.com prior to linking to the hot links contained in this document. For some secure documents an additional login screen may be required – please use your normal login ID and Password if this screen is required.

Products and features subject to state availability. Guarantees backed by the financial strength of the insurer. Lincoln Financial Group is the marketing name for The Lincoln National Corporation and its affiliates.

Policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Contractual obligations are backed by the claims-paying ability of The Lincoln National Life Insurance Company.**

Policies sold in New York are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. **The contractual obligations are backed by the claims-paying ability of Lincoln Life & Annuity Company of New York.**

Variable products are sold by prospectus. For more information about the variable products, including fees and charges, refer to the prospectus. Variable products are distributed by Lincoln Financial Distributors and offered through broker dealers with effective selling agreements.

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Questions and Comments

Contact Jen DiPoppo if you have submissions for the Lincoln LIFE Leader- jennifer.dipoppo@LFG.com