

FIXED ANNUITIES

# The Lincoln Leader


MAY 12, 2023  
VOLUME 16, ISSUE 5

## New business forms available from Resource Guide

No login required


Client materials, custom illustrations, current rates, and now – new business forms, no login required! You can access all of these (and more) on [Lincoln's Digital Resource Guide](#) without having to log in. Check it out today!

- *Lincoln OptiBlend*® fixed indexed annuity
- *Lincoln Deferred Income Solutions*SM deferred income annuity
- *Lincoln Insured Income*SM Immediate Annuity (SPIA)
- *Lincoln MYGuarantee*SM Plus fixed annuity



Visit our new and improved **Digital Resource Guide** today, and update your bookmark:  
<https://lincolnfinancial.com/public/microsite/mgaguide>

Fixed annuities resource guide



## Market Intel Exchange

Market data and insights from Lincoln and industry asset management partners

This [1Q 2023 edition](#) covers key themes including inflation, the Federal Reserve policy and interest rates and the potential outcomes for the U.S. Economy in 2023.

View more information and sign up for updates [here](#).



The views expressed in the Market Intel Exchange are those of the select asset managers only and not necessarily of any Lincoln Financial Group affiliate or the broker-dealer, or any affiliates. These views are not based on any particularized financial situation, or need, and are not intended to be, and should not be construed as, a forecast, research, investment advice or a recommendation for any specific strategy, product or service from any of the participating investment managers.

The Lincoln Leader contains product and business implementation information for Lincoln fixed, fixed indexed and income annuities. Products and features are subject to state and firm availability. Check with your Lincoln representative for availability.

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[Check out](#) our current rates, find forms or run an illustration (no login required)

Lincoln Annuity Contact Center will be closed:

- Monday, May 29, 2023
- Monday, June 19, 2023

## **In-force *Lincoln OptiBlend*<sup>®</sup> contracts: Upcoming indexed account changes**

Effective May 22, 2023, changes to the 1 Year S&P 500 5% Daily Risk Control Spread account

We are adding the 1 Year S&P 500 5% Daily Risk Control ER Spread indexed account to existing *Lincoln OptiBlend*<sup>®</sup> and *Lincoln OptiBlend*<sup>®</sup> Plus contracts.

The 1 Year S&P 500 5% Daily Risk Control ER Spread account will become available for allocation at the next contract anniversary occurring on or after May 22, 2023. This crediting strategy is tied to the performance of the S&P 500 Daily Risk Control 5% Index (Excess Return), which maintains a 5% volatility target.

At the same time, we will be closing the 1 Year S&P 500 5% Daily Risk Control Spread indexed account.

This crediting strategy was tied to the performance of the S&P 500 Daily Risk Control 5% Index (Total Return), and will no longer be available for allocation for contract anniversaries occurring on or after May 22, 2023.

### Transition guidelines:

- At the end of the indexed term, if there is money in the 1 Year S&P 500 5% Daily Risk Control Spread account, it will automatically be allocated to the Fixed Account, and will be available for reallocation to other accounts during the reallocation window.
- **Reallocation options on or after the close of business on May 19, 2023, will have the 1 Year S&P 500 5% Daily Risk Control ER Spread account available.**

## **In-force *Lincoln FlexAdvantage*<sup>®</sup> contracts: Closing of the 1 Year S&P 500 5% Daily Risk Control Spread account**

Effective May 22, 2023

We will be closing the 1 Year S&P 500 5% Daily Risk Control Spread indexed account to existing *Lincoln FlexAdvantage*<sup>®</sup> contracts.

This crediting strategy was tied to the performance of the S&P 500 Daily Risk Control 5% Index (Total Return), and will no longer be available for allocation with contract anniversaries occurring on or after May 22, 2023.

### Transition guidelines:

- At the end of the indexed term, if there is money in the 1 Year S&P 500 5% Daily Risk Control Spread account, it will automatically be allocated to the Fixed Account and will be available for reallocation to other accounts during the reallocation window.

## **New *Lincoln OptiBlend*<sup>®</sup> and *Lincoln FlexAdvantage*<sup>®</sup> contracts: Closing of the 1 Year BlackRock Dynamic Allocation Participation Plus account**

Impacts new contracts issued on or after May 22, 2023

Effective with new contracts issued on or after May 22, 2023, the 1 Year BlackRock Dynamic Allocation Participation Plus indexed account will no longer be available. The Participation Plus account offered a higher participation rate for a fee. Note: the BlackRock Dynamic Allocation Participation indexed account remains available for allocation.

### Transition guidelines:

- To allocate money to the 1 Year BlackRock Dynamic Allocation Participation Plus account, applications (both paper and electronic) must be signed, dated, received in good order, and funded by the close of business **Friday, May 19, 2023.**
- If funds are not received by the deadline, new allocation instructions must be provided and can be accepted on a recorded line.

*Continued on the next page*

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## Closing the 1 Year BlackRock Dynamic Allocation Participation *Plus* account, continued

Available indexed accounts for new contracts issued on or after May 22, 2023:

### *Lincoln OptiBlend*<sup>®</sup> fixed indexed annuity

- 1 Year BlackRock Dynamic Allocation Participation
- 2 Year BlackRock Dynamic Allocation Participation
- 1 Year Fidelity AIM Dividend Participation
- 1 Year S&P 500 Cap
- 1 Year S&P 500 Participation
- 1 Year S&P 500 Performance Triggered
- 1 Year S&P 500 5% Daily Risk Control **ER** Spread
- 1 Year S&P 500 10% DRC Spread

### *Lincoln FlexAdvantage*<sup>®</sup> fixed indexed annuity

- 1 Year BlackRock Dynamic Allocation Participation
- 1 Year Fidelity AIM Dividend Participation
- 1 Year S&P 500 Cap
- 1 Year S&P 500 Participation
- 1 Year S&P 500 Performance Triggered

Review the product Fact Sheets for more information and complete index disclosures.

Illustrations will reflect the indexed account updates as of May 22, 2023.

## *Lincoln Deferred Income Solutions*<sup>SM</sup> Annuity: Updated and new form - Premium Requirement Verification Statement for QLAC

Current form updated and new form for adding premium to an existing contract

*Lincoln Deferred Income Solutions*<sup>SM</sup> Annuity is available as a Qualifying Longevity Annuity Contract (QLAC).

**New QLAC business** – Lincoln will accept premium amounts up to \$200,000 for new contracts. For new contracts, use the updated Premium Requirement Verification Statement for QLAC (Form AN10910 May 2023).

**Existing *Lincoln Deferred Income Solutions*<sup>SM</sup> Annuity contracts with QLAC status elected** – Use the newly-created Premium Requirement Verification Statement for QLAC – for existing contracts (Form AN10910CS).

- Existing contracts issued prior to December 29, 2022 are subject to the prior regulations: The maximum additional premium accepted is limited to the lesser of \$155,000 or 25% of all traditional IRA balances as of December 31<sup>st</sup> of the year prior to the year of the contribution. Note: clients may wish to open a new DIA contract to avoid having to meet the lower premium requirements for existing contracts. Product minimum premium requirements apply.
- Existing contracts issued on or after December 29, 2022 are subject to the current premium requirements (up to \$200,000 may be accepted).

The new and updated Premium Requirement Verification Statement for QLAC forms will be available on the Lincoln Forms Tools as of May 22, 2023. Clients should consult their own tax advisor for information regarding their situation as Lincoln representatives do not provide legal or tax advice. *Lincoln Deferred Income Solutions*<sup>SM</sup> is subject to firm and state availability.

## *Lincoln Deferred Income Solutions*<sup>SM</sup> Product Disclosure Statements

New format for Disclosures available May 22, 2023

The Product Disclosure Statements have been streamlined to provide a better customer experience. The New Jersey version of the Disclosure Statement with the new format is pending approval and will be available soon.

# Updated Annuity Suitability Form

Available May 22, 2023

An updated version of the Annuity Suitability Form (AN07091) will be released on May 22<sup>nd</sup> and is required when Lincoln conducts the suitability review. The new form (5/23, May23) is replacing the (11/20, F20) version of the multi-state suitability form and is used for all states except NY and FL (which have state specific suitability forms). The updated form incorporates several changes to help decrease NIGO (not in good order) issues.

Please note: The new suitability form (along with the Acord 660 form) will be required in states where the new NAIC Model Regulation has been adopted.

## Changes include:

The **title** of the suitability form was changed to “Annuity Suitability Form” (removed references to “Fixed”)

### Page 2: Section 2 – Financial Information

Section 2c – Liquid Net Worth – We are no longer requiring that the premium amount of the proposed annuity be included in the LNW (net worth that can readily be turned into cash). We are looking for the LNW amount available to the client(s) *after* the purchase.

### Page 3: Section 7 – Risk Tolerance

Section 7c – Revised language for clarity of non-guaranteed elements.

### Page 4: Section 10 – Replacement Comparison

- Added reminder to submit a copy of the most recent quarterly/annual statement for each existing annuity contract and/or life insurance policy.
- Added reminder that all questions must be answered.
- Section 10k – Revised language to clarify that we are looking for the *Full* Surrender Charge or Penalty amount (*Gross Amount*) of the existing contract/policy.
- Section 10o – Revised language to clarify that we are looking for the *Initial* surrender period of the existing contract/policy.

### Page 6: Section 12 – Owner/Applicant’s Statement

Section 12b – Revised language to include the possible purchase of annuities with no surrender charges (SPIAs, advisory products, etc.).

## \*\*Reminders:

- Please note that the NY Suitability Form (AN07091NY) was also revised effective May 22<sup>nd</sup> to include changes consistent with the multi-state form.
- The suitability form needs to be fully completed before a determination can be made regarding suitability.
- **For replacements**, a full current statement of each policy/annuity being replaced needs to be provided with the completed Replacement Comparison Section.
- The Acord 660 form (“Insurance Agent (Producer) Disclosure For Annuities”) is required if selling in states that have adopted the new NAIC Model Regulation. Please note that MN will have a state specific disclosure form (AN12548), similar to the Acord 660.

The revised “How To Complete the Annuity Suitability Form” Guide is available from the Life and Annuity Compliance Guidelines page of producer websites. This guide provides helpful information for completing the Annuity Suitability Form.

## Regulatory roundup

### Check out Lincoln's Regulatory Roundup

Your source for timely, comprehensive and simplified regulatory updates.

[Bookmark this resource](#) center to stay informed of current legislative changes and requirements and impending proposals—so you can optimize your business. Recent updates include SECURE 2.0 Act and Actuarial Guideline 49-A.

## Form 5498 tax reporting

Mailing to be completed May 31<sup>st</sup>

Form 5498 is used to report regular and rollover contributions to IRAs, including Traditional IRAs and Roth IRAs, and is for informational purposes only. It is not filed with the client's tax return. Per IRS regulations, Lincoln must mail the Form 5498 no later than May 31<sup>st</sup> of the year following the contribution year.

Since clients can make a 2022 tax year IRA contribution until the IRS tax filing deadline for that tax year, Lincoln does not send out the 2022 Form 5498s until May 2023. The mailing is set to be completed by May 31, 2023.

Note: Trustee-to-Trustee transfers are not reported via a Form 1099R or a Form 5498.

## May Forms Release

Standard transition rules apply.

Form Number	Name	Comments
State and Product variations apply		
AN10649/AN10759	Deferred Income Annuity Disclosures	New format
AN11863	Disclosure Statement for <i>Lincoln OptiBlend</i> Fixed Indexed Annuity	Indexed account updates
AN10915-OB	<i>Lincoln OptiBlend</i> Fixed Indexed Annuity Supplement	
AN12052	Disclosure Statement for <i>Lincoln FlexAdvantage</i> Fixed Indexed Annuity	
AN10915-FLEX	<i>Lincoln FlexAdvantage</i> Fixed Indexed Annuity Supplement	
AN10915-DIS	<i>Lincoln Deferred Income Solutions</i> Fixed Annuity Supplement	Update RMD age to 73; Language for state taxes
AN10915-SP	<i>Lincoln Insured Income</i> Fixed Annuity Supplement	
AN07091/AN07091NY	Annuity Suitability Form	Updated to reduce NIGOs
AN10910	Premium Requirement Verification Statement for QLAC – New Contracts	Updated/new premium requirements
AN10910CS	Premium Requirement Verification Statement for QLAC – Existing Contracts	
AN11187RIDER	Death Benefits and Living Benefits	
AN11199SPIADIAH	Contract Verification Form - Fixed Annuity	Language for state taxes
AN12548	Insurance Agent Sales Disclosure	
ANF28683LA	Change of Annuitant - Louisiana	
CL06540/CL06541	Non-Qualified & Qualified Annuity Claimants Statements	
FA-00133	TSA Loan Application and Agreement	Update RMD age to 73
15896	Contract Holder Directive for Benefit Payment	
GB06714	Privacy Practices Notice	
33503WA	Important Notice Regarding Replacement of Insurance	

Updated forms will be available as of May 22, 2023.

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## NAIC Annuity Transactions Model Reg – training required

Many states now require additional training; other states anticipated to follow

The NAIC has amended the Annuity Transactions Model Regulation to align with the best interest standard of care for annuity sales. As part of this Model Regulation, producers will need to complete additional training. Refer to the Frequently Asked Questions document found by logging in to [LINCOLNFINANCIAL.COM](https://www.lincolnfinancial.com) > GUIDELINES AND EDUCATION > COMPLIANCE GUIDELINES for more information.

### Producer training requirements for states who have adopted the 2020 NAIC Model

- **New annuity producers** are required to complete a four-credit training course that covers the new requirements.
- **Existing producers** who have previously completed a four-credit training are required to complete a new one-credit training course (a new four-credit course will also meet the requirement). Completion of this training is required within six months after the effective date of the Model Regulation in each state.
- **All producers:** Product-specific training will continue to be a requirement for new and existing producers prior to solicitation of an annuity product.

Note: Where Lincoln is conducting the suitability review, the ACORD 660 form or “Appendix A”, (“Insurance Agent (Producer) Disclosure For Annuities”) is required with the application in states that have adopted the new NAIC Model Regulation. If this form is missing from applications received after the effective date of that state’s adoption, the business will be deemed not in good order (NIGO).

### Current state adoptions – Illinois, West Virginia and Wyoming

The following states have recently adopted the revised NAIC Suitability in Annuity Transactions Model Regulation. Producers soliciting annuities in these states will need to complete the general annuity and product-specific training by the deadlines shown. State-specific requirements follow:

State	Effective Date	General annuity deadline if licensed prior to effective date	General annuity deadline if NOT licensed prior to effective date	Product-specific (carrier training) deadline	Reciprocal
Alaska	1/15/2023	7/14/2023	Prior to solicitation	Prior to solicitation	Yes
Colorado	11/1/2022	4/30/2023	Prior to solicitation	Prior to solicitation	Yes
Georgia	8/1/2023	1/31/2024	Prior to solicitation	Prior to solicitation	Yes
Hawaii	1/1/2023	6/30/2023	Prior to solicitation	Prior to solicitation	Yes
<b>Illinois</b>	<b>8/1/2023</b>	<b>1/31/2024</b>	<b>Prior to solicitation</b>	<b>Prior to solicitation</b>	<b>Yes</b>
Maryland	10/8/2022	4/7/2023	Prior to solicitation	Prior to solicitation	Yes
Massachusetts	6/1/2023	5/31/2023	Prior to solicitation	Prior to solicitation	Yes
Minnesota	1/1/2023	6/30/2023	Prior to solicitation	Prior to solicitation	Yes
New Mexico	10/1/2022	3/31/2023	10/1/2022	10/1/2022	Yes
North Carolina	1/1/2023	6/30/2023	Prior to solicitation	Prior to solicitation	Yes
South Carolina	11/27/2022	5/27/2023	Prior to solicitation	Prior to solicitation	Yes
South Dakota	1/1/2023	6/30/2023	1/1/2023	1/1/2023	Yes
Tennessee	1/1/2024	6/30/2024	Prior to solicitation	Prior to solicitation	Yes
<b>West Virginia</b>	<b>6/8/2023</b>	<b>12/7/2023</b>	<b>Prior to solicitation</b>	<b>Prior to solicitation</b>	<b>Yes</b>
Wisconsin	10/1/2022	3/31/2023	Prior to solicitation	Prior to solicitation	Yes
<b>Wyoming</b>	<b>7/5/2023</b>	<b>1/4/2024</b>	<b>Prior to solicitation</b>	<b>Prior to solicitation</b>	<b>Yes</b>

### Future state adoptions

View the complete Annuity Education Requirements 50-state chart by logging onto: [LINCOLNFINANCIAL.COM](https://www.lincolnfinancial.com) > GUIDELINES AND EDUCATION > COMPLIANCE GUIDELINES.

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## Looking for an article?

The Index of Articles for past issues of the Fixed Annuity Lincoln Leader can be found on the Lincoln Leader archive page of producer websites.

Products and features subject to [state availability](#).

Certain products are only available in select distribution channels. Check your selling agreement for availability.

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

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LCN-5666507-050323



# Fixed annuity contact information

## Sales Desk

Product questions/ Sales ideas/  
Illustrations/ Website training  
Operating hours: 8:00 a.m. – 6:00 p.m. ET

## Annuity Sales Desk *Agent Use Only*

Sales Desk: 888-895-4830, Option 2  
[FixedAnnuitySales@LFD.com](mailto:FixedAnnuitySales@LFD.com)

## Producer Solutions

Appointments/ Contracting/  
Compensation  
Operating hours: 8:00 a.m. – 6:00 p.m. ET

## Appointments/Contracting

Call Center: 800-238-6252, Option 1, Option 2

## New Contracting Paperwork Submission:

[Contracting@LFG.com](mailto:Contracting@LFG.com)

Fax: 603-226-5311

## NAIC Training Questions:

[AskAnnuityNAIC@LFG.com](mailto:AskAnnuityNAIC@LFG.com)

## Appointment Status Updates:

[LicensingStatus@LFG.com](mailto:LicensingStatus@LFG.com)

## Compensation

Call Center: 800-238-6252, Option 1, Option 1

[Commissions@LFG.com](mailto:Commissions@LFG.com)

## New Business and Post-Issue

Operating hours: 8:30 a.m. – 5:00 p.m. ET

## FAX Numbers

New business: 260-455-0271 (fax)

Post-Issue: 260-455-0263 (fax)

## Pre-Issue Good Order (GO) Team

Contact the appropriate New Business Case Coordinator

## Forms Submission (*must have an attachment*)

[AnnuityForms@LFG.com](mailto:AnnuityForms@LFG.com)

## Overnight Servicing Address

Lincoln Financial Group

Individual Annuity Operations

1301 S Harrison St., Ft. Wayne, IN 46802-3425

## Servicing Address

Lincoln Financial Group

P.O. Box 2348

Fort Wayne, IN 46801-2348

## Contact Centers

For agent/client use

Operating hours: 8:00 a.m. – 6:00 p.m. ET

## Fixed and Fixed Indexed Annuity

888-916-4900

*Lincoln Insured Income, Lincoln Deferred Income Solutions, Lincoln SmartIncome* and annuitization:

800-487-1485 x8529

*Lincoln Long-Term Care:* 877-534-4636

Lincoln fixed, fixed indexed and income annuities are issued by The Lincoln National Life Insurance Company (Lincoln), 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 subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

Contracts sold in New York are issued by Lincoln Life & Annuity Company of New York (Lincoln), Syracuse, NY. The contractual obligations are subject to the claims-paying ability of Lincoln Life & Annuity Company of New York.