



# Where Protection Meets Potential

*Lincoln Covered Choice*<sup>®</sup> Advisory 5 II  
fixed indexed annuity

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

Insurance products issued by:  
The Lincoln National Life Insurance Company

6303152

For use with the general public.

FIXED INDEXED  
ANNUITIES

Client Guide

# Prepare for the road ahead

Saving for retirement can be a precarious journey. But, being able to navigate challenges you may face – market volatility, low interest rates and a longer life expectancy – may help you feel more confident and prepared for what’s ahead.



As you approach retirement, it becomes even more important to protect the money you’ve worked hard to save while staying positioned for growth. Add more certainty to your retirement portfolio with *Lincoln Covered Choice*® Advisory 5 II fixed indexed annuity. It may help your retirement savings plan stay on track with these three advantages:



## Downside protection

100% protection against market downturns to safeguard your hard-earned savings.



## Upside potential

Growth opportunities tied to index performance and predictable growth with a fixed rate.

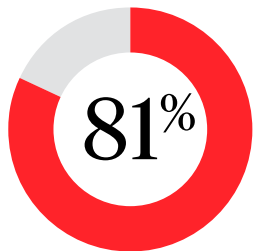


## No cost

Pay no explicit product charges to help you save more of what you earn.

# At the crossroads of risk and reward

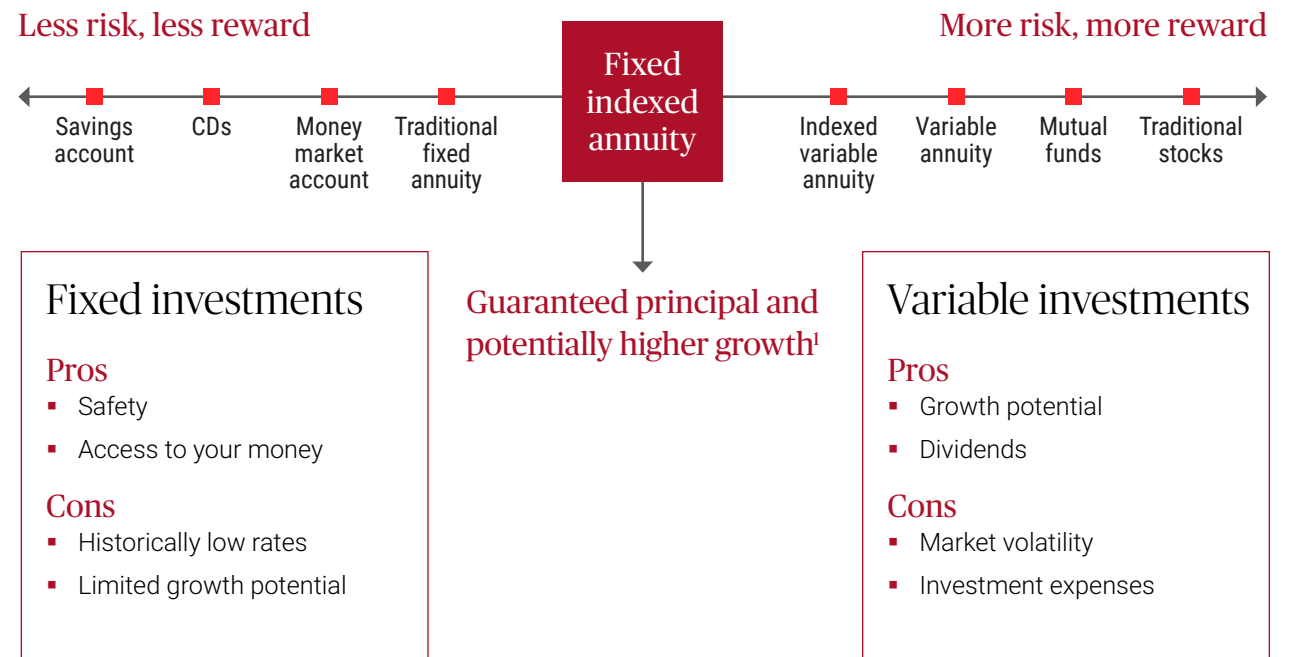
When deciding what to do with your money, you generally face a trade-off between risk and reward. Getting protection from downside risk may limit the upside potential and vice versa. So, how do you find a balance between a sense of security and opportunities for growth? See how a fixed indexed annuity compares to other investments.



In a recent study, 81% of investors say they'd prefer to invest in a solution that protects them from market volatility, even if it means fewer gains in up markets.

Lincoln Financial, "Consumer Sentiment Tracker," 2023.

With *Lincoln Covered Choice*® Advisory 5 II, you can find the balance that fits your retirement savings needs. The following pages provide an overview of the features and how downside protection and upside potential work together.



<sup>1</sup> If you do not make any withdrawals, your account value cannot go down. Guarantees, including those for optional features, are subject to the claims-paying ability of The Lincoln National Life Insurance Company. Limitations and conditions apply.

Different investments such as CDs, bonds and stocks have different objectives, risk tolerance levels and time horizons than index and fixed annuities. Individuals should consult their financial professional regarding their individual situation when comparing these various instruments to annuities.

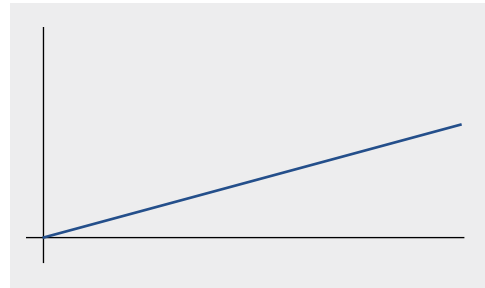
# The choice is yours

With *Lincoln Covered Choice*® Advisory 5 II, you can create a growth strategy that best fits your investment goals. Allocate your money into any combination of the four account options,<sup>1</sup> with the ability to reallocate every year on your contract anniversary if your goals change. You also have the flexibility to add more money any time you want, putting more of your money to work for your future.<sup>2</sup>

## Fixed Account

Your account is credited a fixed interest rate that's compounded daily and guaranteed for one year, regardless of market performance. A new interest rate is declared annually.

### One-year fixed rate



## 1 Year S&P 500 Dual Trigger

Your account is credited a trigger rate in an up or flat market, regardless of the index growth rate. If the index is negative by less than the value of the trigger rate, the difference is credited.

### One-year S&P 500 Index percentage change

- ▲ Positive: Credit specified rate
- ▶ Zero: Credit specified rate
- ▼ Negative by less than value of rate: Credited the difference of the trigger rate
- ▼ Negative by the value of the trigger rate or more: 0% credited – no loss

## 1 Year S&P 500 Performance Triggered

Your account is credited a specified rate in an up or flat market, regardless of the index growth rate.

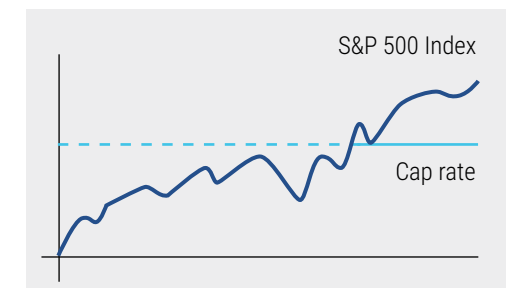
### One-year S&P 500 Index percentage change

- ▲ Positive: Credit specified rate
- ▶ Zero: Credit specified rate
- ▼ Negative: 0% credited – no loss

## 1 Year S&P 500 Cap

Your account is credited any index growth at the end of the indexed term, up to a cap.

### One-year S&P 500 Index percentage change



**If the index change is negative, your account is protected from loss. Gains from any previous periods will remain intact.**

<sup>1</sup> Availability of indexed accounts may vary by firm and state. Fixed and indexed rates are declared by The Lincoln National Life Insurance Company at its discretion. Subsequent rates may be higher or lower than the initial rates and may be different from those used for new contracts. Applicable indexed interest is credited at the end of the indexed term and compounded annually. Amounts withdrawn (including amounts paid as a death benefit) before the end of an indexed term will not receive indexed interest for that indexed term.

<sup>2</sup> You can add up to \$25,000 each contract year (minimum \$50) with a maximum of \$100,000 for cumulative additional contributions.

Guarantees are subject to the claims-paying ability of The Lincoln National Life Insurance Company.

The S&P 500 Index is a price index and does not reflect dividends paid on the underlying stocks. It is not possible to invest directly in an index.

# Protection and potential working together

No one wants to lose money. It's not just losses that hurt, it's the recovery that takes a toll. In general, your money needs to work harder and longer just to get back to your original value. As you approach retirement with less time to recover, minimizing investment loss becomes even more important. How can you stay positioned for growth, yet remain protected at the same time?

This chart compares the performance of the 1 Year S&P 500 Performance Triggered account with a 1-year CD and the S&P 500 Index based on \$100,000 premium. **Because you're safeguarded from market losses, even small gains will help keep your money growing.**

The national average for a 1-year CD is **1.75%**, and as high as **5.51%**<sup>1</sup>

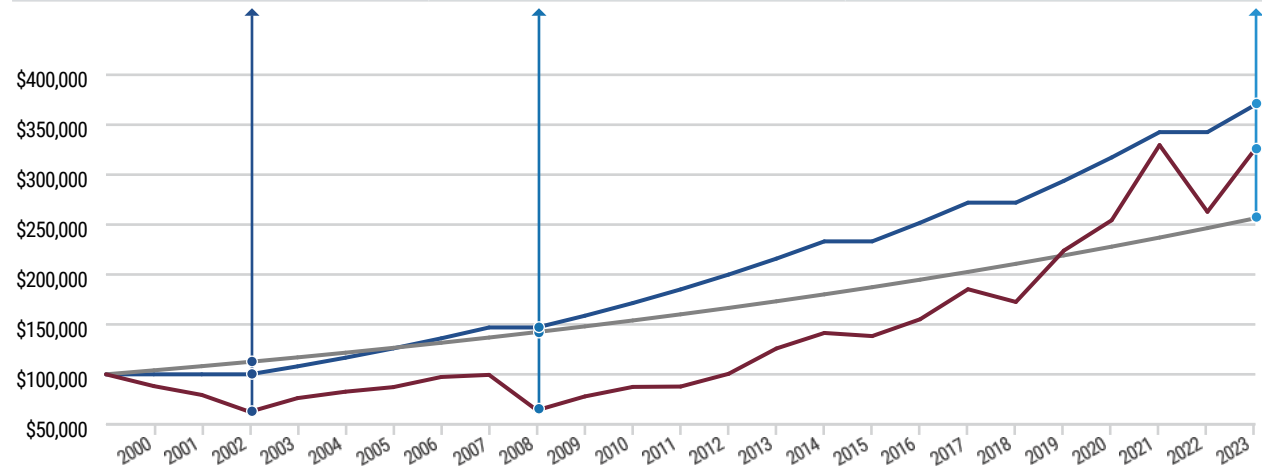
Data source: Yahoo! Finance, historical prices accessed January 17, 2024. The S&P 500 Index results are actual performance for the full period, without dividends. It is not possible to invest directly in an index. Past performance is not indicative of nor does it guarantee future performance.

<sup>1</sup> <https://www.bankrate.com/banking/cds/cd-rates/> as of 1/29/24.

<sup>2</sup> The actual rate will be determined at contract issue, and is declared annually by the issuing company at its discretion. Subsequent interest rates may be higher or lower than the initial rate and may be different from those used for new contracts.

<sup>3</sup> CD interest rate is credited and compounded monthly. Assumed rate is for illustration purposes only.

A steady path through a rocky market	Protection when the market is down	Growth potential when the market is up
You won't need to recover from setbacks to help you grow your money.	You'll never lose money with 100% downside protection.	Your money grows when the index has positive returns.
<b>2000 – 2002</b> <b>S&amp;P 500 fell more than 37%</b> <ul style="list-style-type: none"> <li>The account took no losses, even when the index was negative.</li> <li>No recovery needed, so your account has the potential to keep growing.</li> </ul>	<b>2007 – 2008</b> <b>S&amp;P 500 fell more than 35%</b> <ul style="list-style-type: none"> <li>The account took no losses, even when the index was negative.</li> <li>The principal and any gains from previous periods were protected.</li> </ul>	<b>2022 – 2023</b> <b>S&amp;P 500 was up over 24%</b> <ul style="list-style-type: none"> <li>The account earned the 8% specified rate.<sup>2</sup></li> <li>The account value and any new gains were locked in and protected.</li> </ul>



2000	2002	2008	2023	
\$100,000	\$100,000	\$146,932	\$370,002	■ 1 Year S&P 500 Performance Triggered with an 8% specified rate. <sup>2</sup>
\$100,000	\$112,486	\$142,331	\$256,330	■ 1-year CD with a 4.00% rate <sup>3</sup>
\$100,000	\$62,466	\$64,031	\$325,918	■ S&P 500 Index

# Additional benefits you can count on



## 10% free withdrawals

Beginning in the first year, you can take up to 10% of your Account Value without any charges. If you want more during the surrender charge period, you may have an additional cost and Market Value Adjustment (MVA), which is a positive or negative adjustment based on the current interest rate environment at the time of the withdrawal.<sup>1</sup>



## Income to help meet your needs

You can receive income for life or for a period of time by choosing from several options available to you.<sup>2</sup>



## Access for medical needs

If you have a qualifying medical need, *Lincoln Covered Choice*<sup>®</sup> Advisory 5 II has a nursing home and terminal illness provision that allows you to access your money without charges, after the first contract year.<sup>3</sup>



## A death benefit for your loved ones

Before your contract is annuitized, any remaining account value will pass to your beneficiaries.

<sup>1</sup> The MVA does not apply to withdrawals after the surrender charge period, 10% free withdrawals, the death benefit, annuitization or contracts issued in select states.

<sup>2</sup> Annuitization can occur after the fifth contract year or after the first for Florida. Once income starts, it cannot be stopped. Withdrawals (including amounts paid as a death benefit) and any charges are deducted first from the Fixed Account. Money taken from the Fixed Account will reduce the actual amount of interest credited. After the Fixed Account is exhausted, withdrawals (including amounts paid as a death benefit) and any charges are deducted proportionally from the indexed interest accounts. Money taken from an indexed interest account will not receive any indexed interest for that indexed term.

<sup>3</sup> Nursing home rider not available for contracts issued in Massachusetts.

## Our difference is in the details

And we are dedicated to making a difference in the lives of American investors. These are the four factors that truly distinguish Lincoln annuities.

### Our people.

Industry leadership built around a consistent standard of long-term excellence.

### Our products.

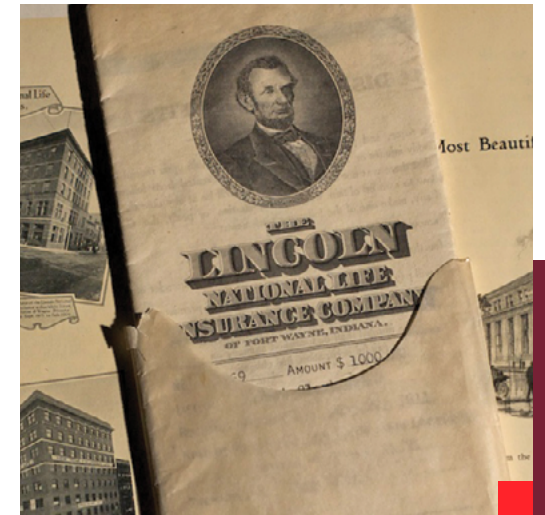
Weather today's – and tomorrow's – retirement challenges, with strategies that stand the test of time.

### Our process.

Access streamlined information so you can focus on your financial goals.

### Our name.

We are proud to carry the Lincoln name since 1905 and are committed to what it stands for.



The small things we do every day mark the strength and value we've brought to our investors for more than a century and make us who we are today.

### Financial strength ratings of Lincoln National Life Insurance Company<sup>1</sup>

AM Best: A  
(3rd highest of 16)

Fitch: A+  
(5th highest of 19)

Moody's: A2  
(6th highest of 21)

Standard & Poor's: A+  
(5th highest of 21)

<sup>1</sup> These ratings apply only to the claims-paying ability of the issuing insurance company as of February 7, 2024. All ratings are subject to revision or withdrawal at any time by the rating agencies. The ratings are not recommendations to buy, sell or hold our securities. For more information on ratings, including rating agency outlooks, see [LincolnFinancial.com/investor](https://LincolnFinancial.com/investor).

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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LCN-6303152-012924

PDF ADA 3/24 Z06

Order code: FA-CCA2-PDC001



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A fixed indexed annuity is intended for retirement or other long-term needs. It is intended for a person who has sufficient cash or other liquid assets for living expenses and other unexpected emergencies, such as medical expenses. A fixed indexed annuity is not a registered security or stock market investment and does not directly participate in any stock or equity investments, or index.

*Lincoln Covered Choice*® Advisory 5 II fixed indexed annuity (contract form ICC1515-619 and state variations) is 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. Contractual obligations are subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

This annuity does not participate directly in any stock or equity investment and does not include the purchase of shares of stock or an index. The indexed accounts use an outside market index as a benchmark for determining indexed account earnings. Any dividends paid on the stocks on which the index is based do not increase the annuity earnings. All payments and values provided by the contract, when based on performance of the indexed account, are not guaranteed to be equivalent to the benchmarking index. The composition of the index and the methodology used by the index to calculate its performance are not guaranteed and may be changed at any time by the index provider.

Waiver of Surrender Charges for Nursing Home Confinement Rider and Waiver of Surrender Charges for Terminal Illness Rider (AE-119 (Rev 11/13) and form AE-170 (Rev 10/07), respectively, and state variations) may not be available in all states. Nursing Home Confinement Rider not available for contracts issued in Massachusetts.

The exact terms of the annuity are contained in the contracts and any attached riders, which will control the issuing company's contractual obligations. For more information about the annuity, please also read the Disclosure Statement and Fact Sheet, or contact your representative.

Income taxes are due upon withdrawal and if withdrawn before age 59½, an additional 10% federal tax may apply. Withdrawals and surrenders may be subject to surrender charges and a Market Value Adjustment.

**All annuity contract and rider guarantees, or annuity payout rates, are the sole obligations of and backed by the claims-paying ability of the issuing insurance company.**

They are not obligations of or backed by the distributor, insurance agency or any affiliates of those entities and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

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There is no additional tax-deferral benefit for contracts purchased in an IRA or other tax-qualified plan, since they are already afforded tax-deferred status.

Product and features are subject to state availability. Limitations and exclusions may apply. Not available in California or New York.

**For use with the general public.**