



Where protection meets potential

Lincoln Covered Choice® Advisory 5 II
fixed indexed annuity

FIXED INDEXED
ANNUITIES

Client Guide

Insurance products issued by:
The Lincoln National Life Insurance Company

3391724


For use with the general public.

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.

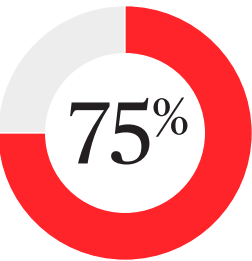


No cost

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

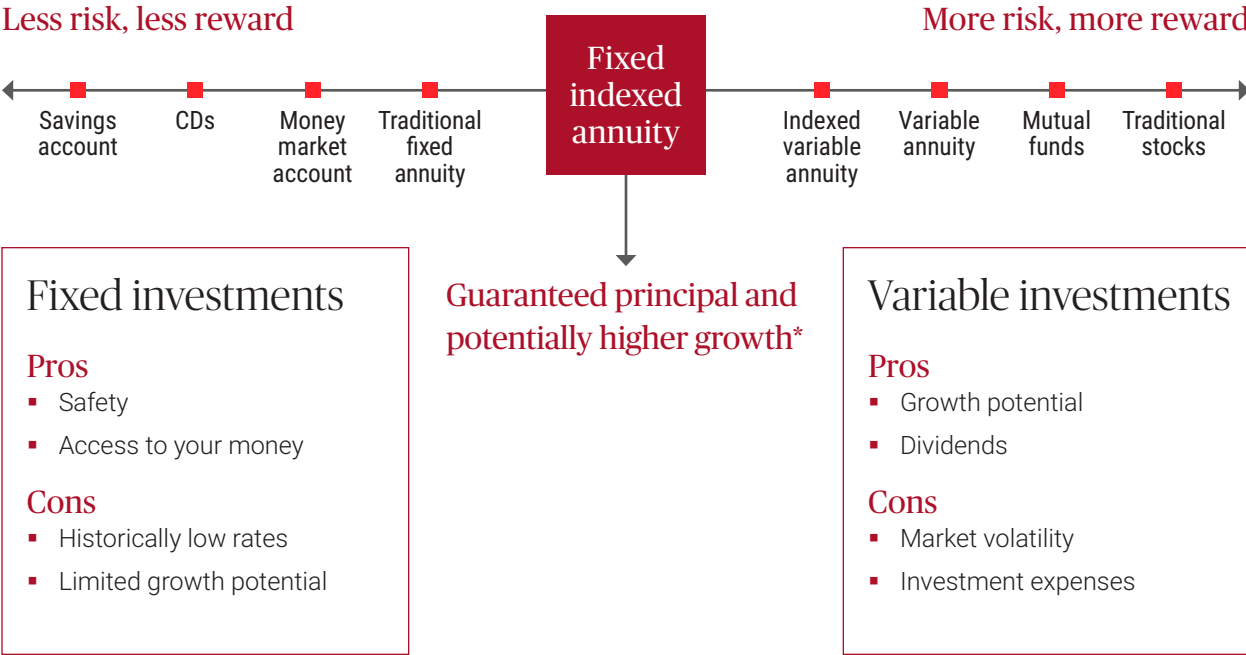
At the crossroads of risk and reward

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, 75% of investors said it's important for people over 50 to have a strategy to protect portfolios against loss.
Greenwald & Associates, "Guaranteed Lifetime Income Study: Mid-Year Update," 2020.

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 within your retirement portfolio.




*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.

Choose your path

Lincoln Covered Choice® Advisory 5 II gives you the opportunity to capture growth when the market is up. And when the market is down, you're protected to help your long-term savings goals stay on track.

You also have the flexibility to add more money any time you want.¹ Increasing your savings over time puts more of your money to work for your future.



Downside protection

Your principal is always **100% protected** from market loss. And, gains from previous periods will remain intact. So even in a down market, your hard-earned money is protected.



Upside potential

Your money has the opportunity to grow through accounts linked to the performance of the S&P 500 Index, plus a Fixed Account for predictable growth. All growth is tax-deferred until you withdraw.

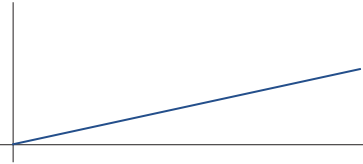
The choice is yours

You can create a growth strategy that best fits your investment strategy. Allocate your money into one, two, or all three account options, with the ability to reallocate every year on your contract anniversary if your goals change.

Fixed Account

You have predictable growth with a fixed rate. You'll know how much your account will be credited at the end of the year. After year one, the guaranteed fixed rate is declared annually.

One-year fixed rate



Fixed Account interest is credited and compounded daily. The guaranteed fixed rate will never be less than 0.10%.²

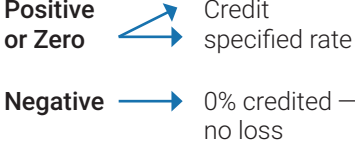
1 Year S&P 500 Performance Triggered

You have the predictability of knowing the rate your account will be credited in an up or flat market, regardless of the index growth rate.

One-year S&P 500 Index percentage change

Positive or Zero

Negative



Credit specified rate

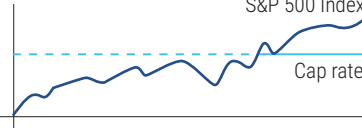
0% credited — no loss

Indexed interest is credited at the end of the indexed term and is compounded annually. A new specified rate and interest cap is declared for each one-year indexed term and will never be less than 1.00%.²

1 Year S&P 500 Cap

You have growth potential up to a cap rate. The cap is the maximum amount your account may be credited in an up market. If the market is down or flat, no interest is credited; your account is protected from loss.

One-year S&P 500 Index percentage change



S&P 500 Index

Cap rate

¹ You can add up to \$25,000 each contract year (minimum \$50) with a maximum of \$100,000 for cumulative additional contributions.

² Rates and caps are declared by The Lincoln National Life Insurance Company at its discretion. Subsequent rates and caps 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. 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. 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?

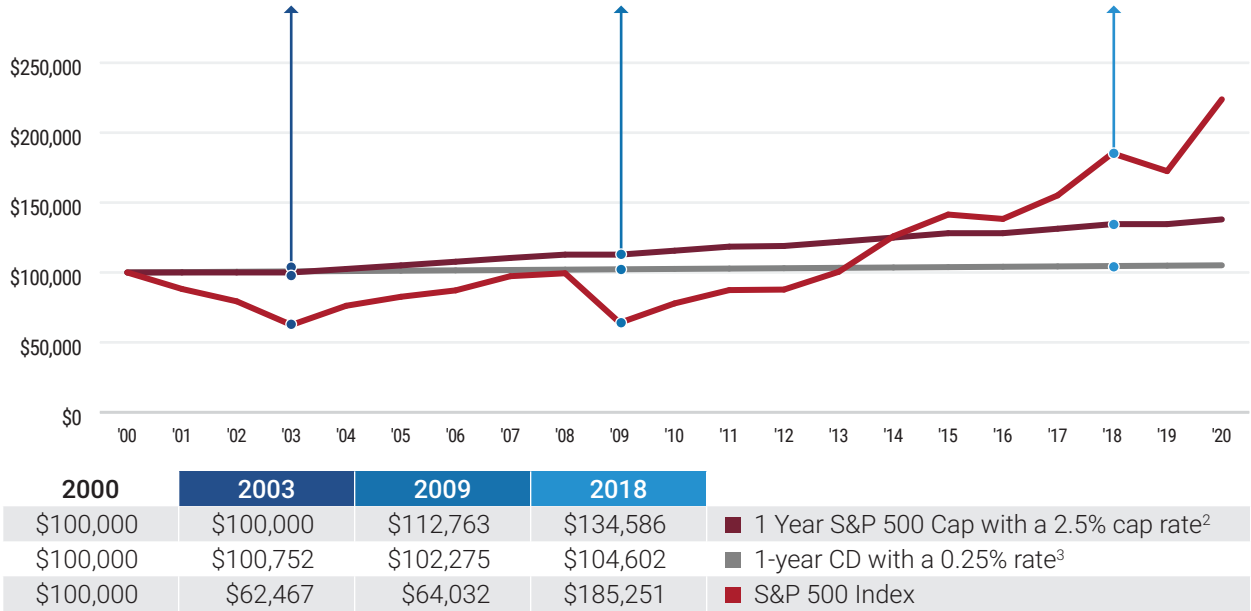
This chart compares the performance of the 1 Year S&P 500 Cap account with a 1-year CD and the S&P 500 Index based on \$100,000 premium. **Because you're safeguarded from market losses, even small gains will help keep your money growing.**

The national average for a 1-year CD is **0.24%**.¹

Data source: Yahoo! Finance, historical prices accessed November 30, 2020. 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.

¹ www.bankrate.com as of 11/4/2020.
² 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.
³ 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.
2000 – 2003 S&P 500 fell more than 37% <ul style="list-style-type: none">The account took no losses, even when the index was negative.No recovery needed, so your account has the potential to keep growing.	2008 – 2009 S&P 500 fell more than 35% <ul style="list-style-type: none">The account took no losses, even when the index was negative.The principal and any gains from previous periods were protected.	2017 – 2018 S&P 500 was up over 19% <ul style="list-style-type: none">The account earned the 2.5% cap.²The account value and any new gains were locked in and protected.



Flexibility if you need to switch gears

While *Lincoln Covered Choice*® Advisory 5 II is designed for the long term, we understand that things change, and you may need access to your money.



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.¹



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.²



Access for medical needs

If you have a qualifying medical need, *Lincoln Covered Choice* 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.³



A death benefit for your loved ones

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

¹ 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.

² 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.

³ Nursing home rider not available for contracts issued in Massachusetts.

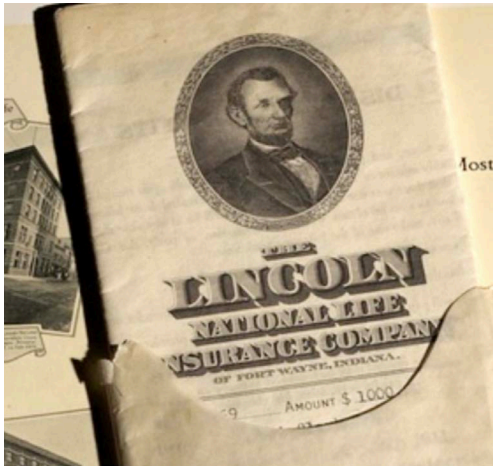
The Lincoln advantage

You want a provider that helps you feel confident about having the retirement lifestyle you deserve. Lincoln Financial Group has been helping investors prepare for their financial future since 1905, and has the strength and durability you can depend on.

These ratings apply only to the claims-paying ability as of November 3, 2020. 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).

Financial strength ratings

- **A.M. Best: A+**
(2nd highest of 16)
- **Fitch: A+**
(5th highest of 19)
- **Moody's: A1**
(5th highest of 21)
- **Standard & Poor's: AA-**
(4th highest of 21)



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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 or 15-619 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.**

Waiver of Surrender Charges for Nursing Home Confinement Rider and Waiver of Surrender Charges for Terminal Illness Rider (form AE-119 and form AE-170, respectively, and state variations) may not be available in all states. Nursing Home 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.

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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.

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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