

FOR LIFE

Universal Life Insurance

Lincoln LifeGuarantee[®] UL

Repositioning retirement distributions

Case Study

Hello future.[®]



The Lincoln National Life Insurance Company

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		

What life insurance can do for your financial strategy

You may think of life insurance as protection or income replacement for your family or loved ones. But life insurance can do more. It is an important portfolio allocation that could lend guaranteed protection to your family's wealth and your estate.

Lincoln LifeGuarantee[®] UL is ideal for individuals who want to enhance their legacies with an asset that's not influenced by market fluctuations.

Why *Lincoln LifeGuarantee* UL

It provides a guaranteed death benefit, so you know how much you are leaving for your beneficiaries.

It has tax advantages like passing to beneficiaries free of state and federal income taxes. So you can leave more of your money to them, with less hassle.

It can make better use of idle assets.

One person's story

Robert

Age 65 and in good health

\$500,000 IRA

1 child



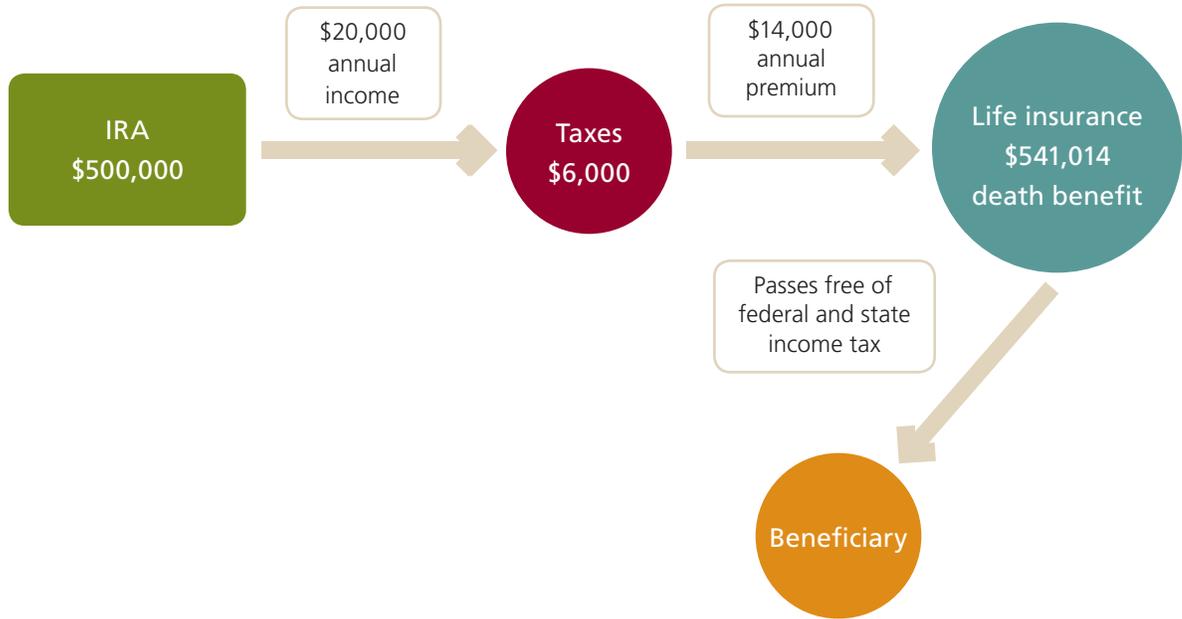
The challenge

In this hypothetical situation, Robert and his spouse have more than adequate income for retirement and healthcare needs, and do not need the \$20,000 (\$14,000 net after-tax) annual income from their IRA's required minimum distribution (RMD). Robert would like to use these funds to make the most of his beneficiary's inheritance.

The recommendation

Robert repositions \$14,000 of the after-tax value of the future annual RMD from the IRA to purchase a *Lincoln LifeGuarantee* UL policy with a \$541,014 death benefit. In addition to receiving the remaining balance of the IRA, Robert's beneficiary will also receive the proceeds from the life insurance of \$541,014.

How it works



Internal rates of return

Of course, rates of return on your money are important. Life insurance can offer attractive rates of return on idle, unneeded assets. In this scenario, the internal rate of return (IRR) on the death benefit is 11.13% in year 15. The IRR never goes negative, regardless of how long you live.

According to the 2008 Valuation Basic Table (2008 VBT), which is published by the Society of Actuaries, life expectancy for a 65-year-old male is age 87.

End of year	Age	Death benefit	Internal rate of return on death benefit
10	75	\$541,014	23.74%
15	80	\$541,014	11.13%
20	85	\$541,014	5.92%
22	87	\$541,014	4.65%
25	90	\$541,014	3.20%

These data reflect male, age 65, standard nontobacco; level pay to age 100.

The IRR is the rate at which outlays up to that year must be compounded each and every year to generate the death benefit. Coverage is based on qualification of insurance need and demonstration of adequate income and net worth.

Learn how you can do more with *Lincoln LifeGuarantee*® UL.

Contact your Lincoln representative.



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Hello future.[®]

INCOME
LIFE
RETIREMENT
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