

Lincoln VUL^{ONE} (2019) and Lincoln SVUL^{ONE} (2019) Premium Limit

Frequently Asked Questions

<p>Are there changes to guaranteed UL products?</p>	<p>There are no changes to <i>Lincoln LifeGuarantee</i>[®] UL (2019) or <i>Lincoln LifeGuarantee</i>[®] SUL (2019).</p>
<p>Are there any circumstances under which the first-year premium limit will not apply even if all paperwork is not received in-good-order by Tuesday, August 11, 2020?</p>	<p>The one exception to the rule is for cases with the owner listed as ‘Trust to be Established’. In those instances, if Lincoln is still awaiting a trust to be set up as part of normal course of business, the applicant will still qualify as long as the application has been signed and dated by the Insured and received in the Home Office by Tuesday August 11, 2020.</p>
<p>What about cases already in underwriting?</p>	<p>The cutoff rules are intended for any new cases that exceed the first-year premium limit and have not yet been submitted to Lincoln.</p> <p>If a case has been submitted as an informal application or on a trial basis and Lincoln has not yet received the formal application in-good-order by Tuesday August 11, 2020, the formal application will be subject to the current first-year premium limit of \$500,000. Fully completed applications for <i>Lincoln VUL^{ONE}</i> (2019) and <i>Lincoln SVUL^{ONE}</i> (2019) must be signed, dated and received in-good-order in Lincoln’s Home Office by Tuesday August 11, 2020 to qualify without the first-year premium limit.</p>
<p>Does the first-year premium limit apply once the policy is placed inforce?</p>	<p>It depends on the receipt date of the in-good-order application.</p> <ul style="list-style-type: none"> ▪ For policies with applications received in-good-order by Tuesday August 11, 2020, the policy is not subject to the first-year premium limit. ▪ For policies with applications received in-good-order <i>after</i> Tuesday August 11, 2020, the policy is subject to the first-year premium limit for the duration of year 1.
<p>For applications received <i>after</i> Tuesday August 11, 2020, what about 1035 exchanges that end up being more than anticipated and exceed the first-year \$500,000 premium limit?</p>	<p>Lincoln <i>will not</i> accept any 1035 and/or premium combination total above \$500,000 within the first policy year. We recommend the financial professional ensure that accurate 1035 values are known prior to initiating the exchange and that the client understands their options and the risks associated with pursuing a 1035 that could potentially violate the total first-year premium limit.</p>
<p>How will I know if I have exceeded the first-year premium limit in the <i>Lincoln DesignItSM</i> software?</p>	<p>As of August 10, 2020, <i>Lincoln DesignItSM</i> will have edits built in which will disallow first-year premium in excess of \$500,000.</p> <p>In particular, for any first-year premium combination, including solves, that results in an excess of \$500,000.00, the premium in year 1 will automatically be reduced and you will have the opportunity to view the warning which will look similar to the image below:</p>

Year	Month	Calculation Warning
1	1	Solve failed to achieve target goal.
1	1	Premium exceeds \$500,000.00 total first year premium limit. Reduced premium from \$568,668.00 to \$500,000.00.
1	1	Premium reduced due to product prohibition. Contact Product Management if you have further questions.

How can I run a revised illustration for in-house business that met the transition deadline?	Please contact your Internal Wholesaler for support.
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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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- Lincoln Life & Annuity Company of New York (Lincoln) of Syracuse, NY.

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