



**SINGLE PURCHASE PAYMENT DEFERRED ANNUITY WITH MARKET VALUE ADJUSTMENT**

**Single Purchase Payment Deferred Annuity in which the contract may be subject to a Market Value Adjustment that can result in either an upward or downward adjustment in the accumulation value surrendered. Annuity payments begin on the maturity date. A death benefit is payable if the Owner's or Annuitant's death occurs before annuity payments begin. Non-participating (No dividends).**

This contract is a legal contract between the Owner and the Company.

**This contract is a valuable asset. Read it carefully and file it with your other valuable papers.**

**The Lincoln National Life Insurance Company** will make annuity payments beginning on the maturity date, subject to this contract being in force and subject to the provisions of this contract.

The maturity date and the payment option may be changed by the Owner at any time before the annuity payments begin.

This contract provides a death benefit if the Owner's or Annuitant's death occurs before the annuity payments begin, while this contract is in force, and subject to the provisions of this contract.

Riders providing supplemental benefits or contract changes follow page 12.

Signed for the Company on the contract date.

Dennis Glass  
President

Charles A. Brawley  
Secretary

**Right to Cancel Contract**

**You may cancel this contract within 20 days after you receive it. Simply return it to our Administrative Office at [1300 South Clinton Street, Fort Wayne, Indiana 46801, Phone: 800-950-2454,] or to one of our agents/representatives. Canceling this contract will void it from the beginning, and we will refund to you the purchase payment paid.**

**The Lincoln National Life Insurance Company**  
**[1300 South Clinton Street]**  
**[Fort Wayne, Indiana 46801]**  
**A Stock Company**

# SAMPLE

## Table of Contents

<b>Terms/Provisions</b>	<b>Page No.</b>	<b>Terms/Provisions</b>	<b>Page No.</b>
Accumulation Value.....	6	Interest Rates.....	6
Administrative Office.....	4	Irrevocable Beneficiary.....	4
Age.....	4	Joint Annuitant.....	3, 4
Amount of Annuity Payment.....	10	Joint Owner.....	3, 4
Annual Statement.....	8	Market Value Adjustment ("MVA").....	6
Annuitant.....	3, 4	MVA Reference Rate.....	7
Annuitization.....	10	Maturity Date.....	3,4,9
Annuity Proceeds.....	10	Maximum Free Partial Surrender Percentage.....	3, 8
Assignment.....	5	Minimum Values.....	8
Beneficiary.....	4	Misstatement of Age or Sex.....	5
Benefit and Payment Provisions.....	9	Non-Participating.....	5
Cash Surrender Value.....	7	Notice, Election, Request.....	5
Company, We, Our, Us .....	4	Owner.....	3, 5
Conformity with Law.....	5	Payee.....	5
Contract.....	5	Payment of Annuity.....	10
Contract Anniversary.....	4	Payment of Purchase Payment.....	5
Contract Changes.....	5	Payment Option Tables.....	11, 12
Contract Date.....	3, 4	Payment Options.....	10, 11
Contract Values Provisions.....	6	Proof of Survival.....	10
Contract Year.....	4	Protection Against Creditors.....	11
Death Benefit After Annuity Payments Begin.....	10	Purchase Payment Provision.....	5
Death Benefit Before Annuity Payments Begin.....	9	Right to Cancel Contract.....	1
Death of Payee.....	11	Schedule Page.....	3
Definitions.....	4	Settlement.....	5
Due Proof.....	4	Single Purchase Payment.....	3
Free Partial Surrenders.....	7	Special Ownership (Death Benefit Before Annuity Payments Begin).....	10
General Provisions.....	5	Subsequent Interest Rate Guarantee Period.....	3
Guaranteed and Excess Interest.....	11	Supplementary Contract.....	11
Guaranteed Minimum Cash Surrender Value.....	7	Surrender Charge Period.....	3, 8
Guaranteed Minimum Interest Rate.....	3, 6	Surrender Charge Schedule.....	3, 8
Incontestability.....	5	Surrenders.....	7
Initial Accumulation Value.....	3	Taxes.....	8
Initial Interest Rate.....	3	When Annuity Payments Begin.....	11
Initial Interest Rate Guarantee Period.....	3	You, Your.....	5

**SCHEDULE PAGE FOR CONTRACT NUMBER: [JP123456789]**

SAMPLE

**Owner:** [John Doe]

**Owner's Issue Age and Sex:** [35 Male]

**Initial Interest Rate:** [4.00%]

**Joint Owner:** [Jane Doe]

**Guaranteed Minimum**

**Interest Rate:** [1.35% in policy years 1-10.]  
[Will not be less than 1.00%  
[in contract years thereafter.]

**Joint Owner's Issue Age and Sex:** [35 Female]

**Annuitant:** [John Doe]

**Initial Interest Rate**

**Guarantee Period:** [10 Years]

**Annuitant's Issue Age and Sex:** [35 Male]

**Joint Annuitant:** [Jane Doe]

**Subsequent Interest Rate**

**Guarantee Period:** [1 Year]

**Joint Annuitant's Issue Age and Sex:** [35 Female]

**Single Purchase Payment:** [\$10,000.00]

**Maximum Free Partial**

**Surrender Percentage:** [10.00%]

**Initial Accumulation Value:** [\$10,000.00]

**Surrender Charge Period:** [7 Years]

**Contract Date:** [September 1, 2009]

**Maturity Date:** [September 1, 2069]

**SURRENDER CHARGE SCHEDULE**

<b>Contract Year</b>	<b>Surrender Charge Percentage</b>	<b>Contract Year</b>	<b>Surrender Charge Percentage</b>
[1]	[7.00%]	[5]	[4.00%]
[2]	[7.00%]	[6]	[3.00%]
[3]	[6.00%]	[7]	[2.00%]
[4]	[5.00%]	[8+]	[0.00%]

## Definitions

### **Administrative Office**

Our administrative office is at [1300 South Clinton Street, Fort Wayne, Indiana 46801, phone: 800-950-2454]. Send all contract correspondence to this address.

### **Age**

Age last birthday.

### **Annuitant**

The natural person on whose age and sex the annuity payments are based. Unless stated otherwise in writing, the Owner is the Annuitant. You may request to change the Annuitant by sending us a signed request. You must have our consent to change the Annuitant. The Annuitant is shown on the schedule page.

### **Beneficiary**

The person or persons named in writing who receive a death benefit. You may name anyone as the beneficiary. A beneficiary must survive the Owner and any Joint Owner by more than 24 hours to receive a death benefit. You may change the beneficiary by providing us with a signed request. The requested change must be delivered to us before your death. Changing the beneficiary is subject to the rights of any irrevocable beneficiary.

The death benefit will be paid to your estate if you have not named a beneficiary or if no beneficiary survives you by more than 24 hours when you die.

### **Company, We, Our, Us**

The Lincoln National Life Insurance Company.

### **Contract Anniversary**

Any contract date anniversary.

### **Contract Date**

The date the contract is issued and is in force and the date from which we measure the contract anniversaries. The contract date is shown on the schedule page.

### **Contract Year**

Each consecutive 12-month period. The first contract year begins on the contract date. Thereafter, each contract year begins on a contract anniversary.

### **Due Proof**

Information that we need to process a death benefit claim. This information includes a death certificate and a death benefit claim form acceptable to us.

### **Irrevocable Beneficiary**

A beneficiary named in writing by you whose written consent is necessary to exercise any contract right.

### **Joint Annuitant**

The other natural person named in writing on whose age and sex the annuity payments are based. You may only name a Joint Annuitant if the Owner is an executor, a personal representative, an administrator, a trustee, a corporation, a partnership or an association. You may request to change the Joint Annuitant by sending us a signed request. You must have our consent to change the Joint Annuitant. The Joint Annuitant is shown on the schedule page.

### **Joint Owner**

The other natural person named in writing as the Joint Owner who may exercise every right in this contract. Our consent is needed to name a Joint Owner who is not the Owner's spouse or that is a non-natural person. You may request to change the Joint Owner by sending us a request signed by the Owner and any Joint Owner. You must have our consent to change the Joint Owner. These rights are subject to the written consent of any irrevocable beneficiary. The Joint Owner, if any, is shown on the schedule page.

### **Maturity Date**

The date the annuity payments begin. The maturity date is shown on the schedule page. Additional information about the maturity date is shown in the Maturity Date provision.

(continued)

## Definitions (continued)

### Non-Participating

This contract does not share in the Company's divisible surplus. This contract does not pay dividends.

### Notice, Election, Request

Unless otherwise permitted by the Company, a writing that is in a form acceptable to us. The notice, election or request must be signed. If there is a Joint Owner, both the Owner and Joint Owner must sign the notice, election or request. A notice, election or request is not binding on any payment or action we make before we receive such notice, election or request at our administrative office.

### Owner

The person or entity who may exercise every right in this contract. The Owner must be named in writing. You may request a change in ownership by sending us a signed request. You must have our consent to change the Owner. You must also have our consent to name an Owner that is not a natural person. These rights are subject to the written consent of any irrevocable beneficiary. The Owner is shown on the schedule page.

### Payee

The person or entity you name to receive the annuity payments. Our consent is needed if the Payee is an executor, a personal representative, an administrator, a trustee, a corporation, a partnership or an association. If the payment option is Payment Option 2 - Life Income, the Payee must be the Annuitant.

### You, Your

The Owner and any Joint Owner.

## General Provisions

### Contract

This contract is issued in consideration of the single purchase payment payment. If the check used to pay the single purchase payment is not honored, this contract will be void. This contract and any attached endorsements, amendments and riders form the entire contract.

### Contract Changes

Only an authorized Company Officer can change the contract terms. Any such changes must be in writing.

### Assignment

This contract cannot be transferred if used with a qualified plan, unless allowed under applicable law. If this contract is not used with a qualified plan, this contract may not be sold, discounted or pledged as collateral for a loan or as security for the performance of an obligation or for any other purpose. Otherwise, you may assign this contract only before the maturity date. An assignment must be in writing. We are not bound by an assignment unless we receive notice of it at our administrative office. All contract rights and benefits are subject to any assignment. We are not responsible for determining the validity or sufficiency of any assignment.

### Incontestability

This contract is incontestable from the contract date.

### Misstatement of Age or Sex

If the Annuitant(s) age or sex is misstated, the benefits will be those that the annuity proceeds would have purchased at the true age and sex. If we made any underpayments because of misstatement, we will pay the Payee underpayments. If we made any overpayments because of misstatement, we will charge overpayments against the current or the succeeding annuity payments.

### Settlement

Contract payment or settlement is made at our administrative office. We may require you to surrender the contract at settlement.

### Conformity with Law

This contract conforms with the minimum state requirements where it is issued. The state law where this contract is issued supersedes any conflicting laws of any other state where the Owner may live on or after the contract date. If any provision of this contract is contrary to any state or federal law to which it is subject, such provision is amended to conform to that law.

## Purchase Payment Provision

### Payment of Purchase Payment

The single purchase payment must be paid and received by us on or before the contract date. The single purchase payment amount is shown on the schedule page.

The single purchase payment must be made payable to the Company at our administrative office, or made payable to the Company and delivered to one of our agents/representatives.

## Contract Values Provisions

### Accumulation Value

The initial accumulation value equals the amount of the single purchase payment. The initial accumulation value is shown on the schedule page.

The accumulation value during a contract year equals:

1. The accumulation value; less
2. Any deductions for surrenders, MVA, surrender charges made; plus
3. Any interest credited by us.

### Interest Rates

All interest rates are expressed as annual effective interest rates.

The initial interest rate applies to the initial interest rate guarantee period. The Company will declare, at its discretion, an interest rate for each subsequent interest rate guarantee period.

The initial interest rate, initial interest rate guarantee period and subsequent interest rate guarantee period are shown on the schedule page.

Subsequent interest rates may be higher or lower than the initial interest rate, but will never be less than the guaranteed minimum interest rate.

Subsequent interest rates may differ from the interest rate used for new contracts or for other contracts issued at different times. The Company will determine the interest rate on a basis which does not discriminate unfairly within any class of contracts.

### Guaranteed Minimum Interest Rate

The guaranteed minimum interest rate is shown on the schedule page. In no case will the interest rate for a contract year be less than the guaranteed minimum interest rate applicable to that contract year.

### Market Value Adjustment ("MVA")

An MVA, if any, is an amount by which the amount of the accumulation value surrendered is adjusted.

An MVA will apply to any surrender during the initial interest rate guarantee period and will be applied on the date of the surrender. After the initial interest rate guarantee period, no MVA applies. An MVA will not apply to any free partial surrender amount, annuitization or the death benefit.

The MVA is calculated by multiplying the MVA factor by the amount of the accumulation value surrendered. The MVA factor for a surrender is:

$$\text{MVA Factor} = 1 - \left[ \frac{(1 + I)}{(1 + J)} \right]^{N/12}$$

Where:

**I** = The MVA Reference Rate on the contract date.

**J** = The MVA Reference Rate on the date of surrender.

**N** = The number of full months remaining from the date of surrender until the end of the initial interest rate guarantee period.

The MVA can be positive or negative. A positive MVA will decrease the amount of the accumulation value surrendered. A negative MVA will increase the amount of the accumulation value surrendered. In no event will the cash surrender value be less than the guaranteed minimum cash surrender value.

The MVA cannot increase or decrease the amount of the accumulation value surrendered by more than the excess, if any, of:

1. The current accumulation value; over
2. The single purchase payment paid, less any prior partial surrenders and any related surrender charges, excluding any MVA, less deductions for any required premium taxes allowed by state law where this contract is issued, accumulated at the guaranteed minimum interest rate(s) to the date of the surrender.

(continued)

## Contract Values Provisions (continued)

### MVA Reference Rate

The MVA Reference Rate is the average U.S. Treasury Constant Maturity yield plus the [LMVA Composite OAS Index] rate.

The U.S. Treasury Constant Maturity yield is the rate for the maturity matching the duration of the initial interest rate guarantee period. The average is measured using yields on the 1<sup>st</sup>, 8<sup>th</sup>, 15<sup>th</sup>, and 22<sup>nd</sup> day of the calendar month preceding the calendar month for which the MVA Reference Rate applies. If the U.S. Treasury Constant Maturity yield is not published for a particular day, then we will use the yield on the next day it is published. If the U. S. Treasury Constant Maturity yield is no longer published, or is discontinued, then we may substitute another suitable method for determining this component of the MVA Reference Rate. If a U.S. Treasury Constant Maturity yield is not published for a time to maturity that matches the duration of the initial interest rate guarantee period, then the yield will be interpolated between the yield for maturities that are published.

The [LMVA Composite OAS Index] rate will be as of the last business day of the month corresponding to the calendar month for which the MVA Reference Rate applies. If the [LMVA Composite OAS Index] is no longer available, or is discontinued, we may substitute another suitable index or indexes for determining this component of the MVA Reference Rate.

### Cash Surrender Value

The cash surrender value before annuity payments begin equals:

1. The accumulation value on the date of the surrender; less
2. Any MVA; less
3. Any surrender charge; less
4. Any taxes payable by us and not previously deducted.

In no event will the cash surrender value be less than the guaranteed minimum cash surrender value.

### Guaranteed Minimum Cash Surrender Value

The guaranteed minimum cash surrender value equals  $A - (B \times C)$  where:

- A is the single purchase payment paid less any prior partial surrenders and related surrender charges (excluding any MVA), accumulated at the guaranteed minimum interest rates to the date of surrender.
- B is the surrender charge percentage, if any, on the date of the surrender; and
- C is A, less the larger of:
  - (i) 10% of A, less any prior partial surrenders taken during the current contract year, and
  - (ii) 0.

### Surrenders

Before the maturity date, you may make a full or partial surrender of the cash surrender value of this contract. The accumulation value is reduced by:

1. The surrender amount; and
2. Any MVA; and
3. Any surrender charges; and
4. Any taxes deducted.

To complete a surrender, we must receive a signed request from you. Upon full surrender this contract is terminated.

If any surrender would reduce the accumulation value below \$5,000.00, we may treat the request as a request for a full surrender.

Subject to obtaining prior written approval by the commissioner where required by state law, we reserve the right to defer paying a surrender for up to 6 months from the date we receive your signed request. If we delay payments, we will notify you in writing. If payment is deferred, we will credit the deferred amount with any interest required by law.

### Free Partial Surrenders

Free partial surrenders of the accumulation value may be taken each contract year up to the maximum free partial surrender amount without a surrender charge or MVA. The maximum free partial surrender amount is a percentage of the accumulation value on the date of the surrender, less any prior partial surrenders made during the contract year.

In the contract year of a full surrender, any applicable surrender charge or MVA will be waived on any remaining maximum free partial surrender amount.

(continued)

**Contract Values Provisions (continued)****Maximum Free Partial Surrender Percentage**

The maximum free partial surrender percentage is shown on the schedule page. It is the percentage used to determine the maximum free partial surrender amount.

**Surrender Charge Period**

The surrender charge period is the number of contract years during which there is a surrender charge. The surrender charge period is measured from the contract date. The surrender charge period is shown on the schedule page. After the surrender charge period, no surrender charges apply.

**Surrender Charge Schedule**

The surrender charge schedule is shown on the schedule page. Surrender charges are a percentage of the accumulation value surrendered after the application of any MVA. The surrender charge percentage varies by the contract year in which the surrender occurs. The surrender charge percentage is shown in the surrender charge schedule shown on the schedule page.

**Minimum Values**

The cash surrender value, the paid-up annuity, and the death benefit will not be less than the minimum that is required by state law where this contract is issued.

**Taxes**

We reserve the right to deduct any taxes paid by us to any governmental entity relating to this contract, including without limitation, federal, state and local income tax, estate tax, inheritance tax, purchase payment tax and any other taxes required by law.

We will, at our sole discretion, determine when taxes relate to this contract, including, for example, when taxes result from receipt by us of the purchase payment, a partial or full surrender is made, the contract is annuitized, a death benefit or any other payment is made.

We may, at our sole discretion, pay taxes when due and make a deduction at a later date. Payment at an earlier date does not waive our right to make a deduction at a later date.

**Annual Statement**

We will send the Owner at least annually a statement. The statement will show the accumulation value at the end of the reporting period. The statement will show other information including any information required by state or federal laws and regulations.

## Benefit and Payment Provisions

This contract is intended to qualify as an annuity contract under Section 72 of the Internal Revenue Code as amended. The Benefit and Payment Provisions should be interpreted consistently with the distribution rules. If this contract is sold as a qualified retirement plan (including an individual Retirement Annuity), the distribution provisions of the qualified retirement plan endorsement attached to this contract may amend and replace certain provisions of this contract.

### Maturity Date

The maturity date is shown on the schedule page. The definition of the maturity date is shown in the Definitions provision.

The Owner may change the maturity date anytime before annuity payments begin. The new maturity date must:

1. Be no earlier than the [5th] contract anniversary; and
2. Occur on or before the later of:
  - a. The [10<sup>th</sup>] contract anniversary; or
  - b. The contract anniversary on or immediately following the Annuitant's [95<sup>th</sup>] birthday.

### Death Benefit Before Annuity Payments Begin

While this contract is in force, upon the death of the Owner when there is no Joint Owner, a death benefit will be payable to the beneficiary when we receive due proof of the Owner's death before annuity payments begin.

While this contract is in force, upon the death of either the Owner or Joint Owner when there is a Joint Owner, the surviving Owner, if any, becomes the beneficiary and a death benefit will be payable to the beneficiary when we receive due proof of the Owner's or Joint Owner's death before annuity payments begin. A surviving Owner must survive the deceased Owner by more than 24 hours. Any named beneficiary at the time of death of either the Owner or Joint Owner is replaced by the surviving Owner.

While this contract is in force, upon the death of an Annuitant who is the Owner or Joint Owner, the surviving Owner, if any, becomes the beneficiary and a death benefit will be payable to the beneficiary when we receive due proof of the Annuitant's death before annuity payments begin. The surviving Owner must survive the deceased Annuitant by more than 24 hours. Any named beneficiary at the time of death of the Annuitant is replaced by the surviving Owner.

While this contract is in force, upon the death of an Annuitant when the Annuitant is not the Owner or Joint Owner, the Owner and Joint Owner, if any, may choose a new Annuitant or a death benefit may be payable. If a new Annuitant is not chosen, the Owner (or Joint Owner if younger than the Owner) becomes the Annuitant. Instead of naming a new Annuitant and continuing the contract, the Owner and Joint Owner, if any, may request that a death benefit be paid to the Owner (and Joint Owner, if any, in equal shares). A death benefit can only be paid if the Annuitant named has not been previously changed, we receive due proof of the Annuitant's death before annuity payments begin, and within 75 days of the date of death of the Annuitant we receive written notification of the Owner's and Joint Owner's election to receive the death benefit. If this contract is issued to a non-natural person, for example, a trust, corporation, partnership, see the Special Ownership (Death Benefit Before Annuity Payments Begin) provision.

A death benefit will not be paid on the death of an Annuitant if the Annuitant has been changed after the contract date unless the change was made because of the death of the prior named Annuitant.

A death benefit will be an amount equal to the accumulation value.

For purposes of calculating the death benefit, we will use the contract values as of the date we receive due proof of the Owner's, Joint Owner's or Annuitant's death.

If the applicable law requires the death benefit to be calculated in a manner that results in a larger death benefit, we will pay the larger benefit amount.

The entire death benefit must be paid within 5 years of the Owner's death unless:

1. The beneficiary is the Owner's spouse -- then the beneficiary may choose to become the Owner and keep this contract in force. If we do not receive a signed request for the death benefit within 90 days after the Owner's death, we will deem that the spouse chose to become the Owner and keep this contract in force; or
2. The beneficiary chooses to:
  - a. Have the death benefit paid under a payment option not longer than the beneficiary's life expectancy. Such payments to a non-spousal beneficiary must start within one year after the date of the Owner's death; or
  - b. Elect to leave the death benefit with the Company for 5 years. The death benefit will be applied under Payment Option 3 – Interest Installments of the payment options.

The Owner may designate that the beneficiary is to receive the death benefit proceeds either through an annuity for life of the beneficiary or over a period that does not exceed the life expectancy of the beneficiary. The Owner's designation must satisfy the distribution requirements described in 1 and 2 directly above. Such designation must be made in writing in a form acceptable to us, and may only be revoked by the Owner in writing in a form acceptable to us. Upon the Owner's death, the beneficiary cannot revoke or modify any designation made by the Owner on how the death benefit proceeds are to be received. If the Owner selects an annuity payment option, those payments must start to a non-spousal beneficiary within one year after the date of the Owner's death.

(continued)

**Benefit and Payment Provisions (continued)**

**Death Benefit Before Annuity Payments Begin (continued)**

For an Annuitant who is not the Owner or Joint Owner, and the Owner and Joint Owner if any, have elected to give death benefit, the entire death benefit must be paid within 5 years of the Annuitant's death unless:

1. The Owner and Joint Owner name a new Annuitant; or
2. The Owner and Joint Owner choose to:
  - a. Have the death benefit paid under a payment option not longer than the Owner's (or Joint Owner's if younger than the Owner) life expectancy. Such payments to a non-spousal Owner must start within one year after the date of the Annuitant's death; or
  - b. Elect to leave the death benefit with the Company for 5 years. The death benefit will be applied under Payment Option 3 – Interest Installments of the payment options.

**Special Ownership (Death Benefit Before Annuity Payments Begin)**

Internal Revenue Code ("IRC") Section 72(u), as amended, requires that if a contract is owned by a non-natural person, an increase in the accumulation value is taxable each year, unless the trust, corporation, partnership, association or other non-natural person owns the contract as agent for a natural person. If the Company issues a contract to a non-natural person that owns the contract as agent for a natural person, the Annuitant is considered the Owner for purposes of the Death Benefit Before Annuity Payments Begin provision. Any change of the Annuitant(s) may be considered a taxable event.

If this contract is issued to a non-natural person that, in fact, does not own the contract as agent for a natural person under the rules of IRC Section 72(u), an increase in the accumulation value is taxable each year.

For purposes of this provision, a non-natural person includes a trust, corporation, partnership or association. A natural person is a human being.

**Death Benefit After Annuity Payments Begin**

If the Owner, the Annuitant, or the Payee dies after annuity payments begin, annuity payments will continue but only as provided under the payment option in effect. No payment option can continue after the Owner's death unless it satisfies IRC Section 72(s) minimum distribution rules.

**Payment of Annuity**

If this contract is in force on the maturity date, we will pay the Payee an annuity under the payment option you choose. If the Owner does not name a Payee, the Annuitant will become the Payee. The first annuity payment is made on the maturity date.

**Payment Options**

Before the maturity date, you may choose a payment option, or change a previously elected payment option. If no payment option is elected, Fixed Payment Option 2 - Life Income With Guaranteed Period of 10 Years payable monthly becomes effective.

Proof of the Annuitant's and Joint Annuitant's, if any, age and sex is required before any Payment Option 2 - Life Income annuity payments begin.

**Annuitization**

When this contract is annuitized:

1. This contract is terminated; and
2. It is exchanged for a supplementary contract.

The MVA and surrender charges do not apply upon annuitization on or after the [5<sup>th</sup>]contract anniversary.

**Amount of Annuity Payment**

The initial annuity payment amount is no less than:

1. Each \$1,000.00 of annuity proceeds applied; times
2. The applicable payment option table factor under the payment option selected.

If Payment Option 2 - Life Income is chosen, the applicable factor is determined by the Annuitant's age and sex at the time annuity payments begin.

If the annuity payment is less than \$50.00, we reserve the right to change the annuity payment frequency so that the annuity payments are at least equal to \$50.00.

If on the maturity date the annuity proceeds are less than \$2,000.00, we will pay the Payee the annuity proceeds in one lump sum.

**Annuity Proceeds**

The annuity proceeds available upon annuitization equal the accumulation value less any taxes payable by us and not previously deducted.

**Proof of Survival**

We can require proof that the Annuitant and Joint Annuitant, if any, is alive on any date an annuity payment is payable.

## Payment Options

1. **Income for Fixed Period** Annuity payments are paid as mutually agreed for at least 5 years.
2. **Life Income** Annuity payments are paid as elected under a, b, or c:
  - a. **Life Only** - The annuity payments are paid as long as the Annuitant lives.
  - b. **Guaranteed Period** - The annuity payments are paid during the guaranteed period. After that, annuity payments are paid as long as the Annuitant lives.
  - c. **Installment Refund** – The annuity payments are paid until the sum of the payments equals the amount of annuity proceeds on the maturity date. After that, the annuity payments are paid as long as the Annuitant lives.
3. **Interest** For an agreed period of at least 5 years, annuity proceeds will be held by us and will earn interest at a rate we declare annually. During the period:
  - a. Interest is paid periodically to the Payee; or
  - b. Interest accumulates.

Any time during the period, annuity proceeds plus any accumulated interest may be applied under another payment option. At the end of the period, annuity proceeds plus any accumulated interest may be taken in a lump sum payment or applied under another payment option.
4. **Income of Fixed Amount** Annuity payments are paid in an agreed amount until annuity proceeds and interest are exhausted. The payment period must be for at least 5 years.

We reserve the right to offer additional payment options.

### When Annuity Payments Begin

Interest under Payment Option 3 - Interest will be paid at the end of each payment period. Annuity payments under all other payment options are made at the beginning of each payment period. Payment periods begin on the date the annuity payments begin.

### Guaranteed and Excess Interest

Annuity payments under Payment Options 1, 2, 3, and 4 are calculated at a guaranteed interest rate of [1.50%]. If we declare more than that interest rate, the excess will be paid as determined by us under Payment Options 1, 3, and 4 and during the Payment Option 2 guaranteed and installment refund periods.

### Payment Option Tables

The Payment Option Tables show monthly annuity payments based on \$1,000.00 of annuity proceeds. Upon request, the annuity payments under any payment option can be paid quarterly, semi-annually or annually. The annuity payments for any age, sex or payment frequency not shown are furnished upon request.

### Protection Against Creditors

As permitted by law, funds held and payment option payments shall not be subject to levy, attachment or other judicial process.

### Death of Payee

If any annuity payments remain unpaid under a payment option upon the Payee's death, any remaining annuity payments will be made under the supplementary contract terms.

### Supplementary Contract

Before the annuity payments begin under a payment option, this contract must be exchanged for a supplementary contract expressing the annuity payment terms. When this contract is exchanged for a supplementary contract, this contract is terminated.

**Payment Option Tables**

**Monthly Income per \$1,000 of Annuity Proceeds**

**Guaranteed Basis of Calculation for Payment Options**  
**Payment Option 1, 3 and 4:** Interest compounded annually  
**Payment Option 2:** Interest compounded annually and the Annuity 2000 Mortality Table with two-year age setback.

**SAMPLE**

**Payment Option 1 - Income for Fixed Period**

No. of Years	Monthly Income	No. of Years	Monthly Income	No. of Years	Monthly Income	No. of Years	Monthly Income	No. of Years	Monthly Income	No. of Years	Monthly Income
5	\$17.28	8	\$11.04	11	\$8.21	14	\$6.59	17	\$5.55	20	\$4.81
6	14.51	9	9.89	12	7.58	15	6.20	18	5.27		
7	12.53	10	8.96	13	7.05	16	5.85	19	5.03		

**Payment Option 2 - Life Income - Monthly Income**

Attained Age of Annuitant	Life Only	Annuitant Guaranteed Period				Installment Refund
		5 Yrs.	10 Yrs.	15 Yrs.	20 Yrs.	
40	\$2.47	\$2.47	\$2.47	\$2.47	\$2.46	\$2.42
41	2.51	2.51	2.51	2.50	2.50	2.45
42	2.55	2.55	2.54	2.54	2.53	2.48
43	2.59	2.59	2.58	2.58	2.57	2.52
44	2.63	2.63	2.62	2.62	2.61	2.55
45	2.67	2.67	2.67	2.66	2.65	2.59
46	2.71	2.71	2.71	2.70	2.69	2.63
47	2.76	2.76	2.76	2.75	2.73	2.66
48	2.81	2.81	2.80	2.79	2.78	2.71
49	2.86	2.86	2.85	2.84	2.83	2.75
50	2.92	2.91	2.91	2.90	2.87	2.79
51	2.97	2.97	2.96	2.95	2.92	2.84
52	3.03	3.03	3.02	3.00	2.98	2.89
53	3.09	3.09	3.08	3.06	3.03	2.94
54	3.16	3.16	3.14	3.12	3.09	2.99
55	3.23	3.22	3.21	3.19	3.15	3.04
56	3.30	3.30	3.28	3.25	3.21	3.10
57	3.38	3.37	3.35	3.32	3.27	3.16
58	3.46	3.45	3.43	3.40	3.34	3.22
59	3.54	3.53	3.51	3.47	3.40	3.29
60	3.63	3.62	3.60	3.55	3.47	3.36
61	3.73	3.72	3.69	3.64	3.54	3.43
62	3.83	3.82	3.79	3.72	3.62	3.50
63	3.93	3.92	3.89	3.81	3.69	3.58
64	4.05	4.04	3.99	3.91	3.77	3.66
65	4.17	4.15	4.10	4.01	3.84	3.75
66	4.30	4.28	4.22	4.11	3.92	3.84
67	4.44	4.42	4.35	4.21	4.00	3.93
68	4.58	4.56	4.48	4.32	4.07	4.03
69	4.74	4.71	4.62	4.43	4.15	4.14
70	4.91	4.88	4.77	4.55	4.22	4.24
71	5.09	5.06	4.92	4.66	4.29	4.36
72	5.29	5.24	5.08	4.78	4.36	4.49
73	5.50	5.45	5.25	4.90	4.42	4.61
74	5.73	5.66	5.43	5.02	4.48	4.75
75	5.98	5.90	5.62	5.14	4.53	4.89
76	6.25	6.14	5.81	5.25	4.58	5.05
77	6.53	6.41	6.01	5.36	4.62	5.21
78	6.85	6.69	6.21	5.46	4.65	5.38
79	7.18	7.00	6.41	5.56	4.69	5.56
80	7.55	7.32	6.62	5.65	4.71	5.75
81	7.94	7.66	6.83	5.73	4.74	5.95
82	8.37	8.02	7.03	5.81	4.75	6.15
83	8.84	8.40	7.23	5.87	4.77	6.38
84	9.34	8.80	7.42	5.93	4.78	6.62
85	9.89	9.21	7.60	5.98	4.79	6.86

**Payment Option 3 - Interest Installments**

Monthly	\$ 1.24
Quarterly	3.73
Semi-Annually	7.47
Annually	15.00

**Payment Option 4 - Income of Fixed Amount**

Monthly Income	Years	Months	Monthly Income	Years	Months	Monthly Income	Years	Months
\$5.00	19	1	\$7.50	12	1	\$12.50	7	0
6.00	15	6	8.00	11	3	15.00	5	9
6.67	13	9	9.00	9	11	16.67	5	2
7.00	13	1	10.00	8	10	17.50	4	11

At the end of the Payment Option 4 periods shown, there may be a small remaining balance which will be paid.

# SAMPLE

This page intentionally left blank.

---

## **SINGLE PURCHASE PAYMENT DEFERRED ANNUITY WITH MARKET VALUE ADJUSTMENT**

**Single Purchase Payment Deferred Annuity in which the contract may be subject to a Market Value Adjustment that can result in either an upward or downward adjustment in the accumulation value surrendered. Annuity payments begin on the maturity date. A death benefit is payable if the Owner's or Annuitant's death occurs before annuity payments begin.  
Non-participating (No dividends).**

---

### **The Lincoln National Life Insurance Company**

[1300 South Clinton Street, Fort Wayne, Indiana 46801]

#### **Important Information**

**This contract is a valuable asset. Read it carefully and file it with your other valuable papers.**

When writing our administrative office, please give the contract number, and the Owner's full name and address.

Contact our administrative office [1300 South Clinton Street, Fort Wayne, Indiana 46801,]  
[Phone: 800-950-2454]. or one of our agents/representatives, for the following services:

1. Information about this contract;
2. Preparing claims papers, or other notices, elections or requests;
3. Examining any proposal that you surrender this contract -- this is for your own protection; or
4. Additional annuity or insurance services.