



You're In Charge®

RETIREMENT PLAN SERVICES

Request for contract

for *Lincoln Director*SM start-up clients

Send completed Request for Contract and TPA Questionnaire forms to:

Lincoln Financial Group
RPS New Business
150 N. Radnor-Chester Road
130-503R
Radnor, PA 19087
Phone: 877-533-9710, option 3

Note: Both pieces (Request for Contract and TPA Questionnaire) must be received by Lincoln before a Plan can be implemented.

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Section A - General information

1. Plan Sponsor/Plan information

Plan Sponsor name _____ (Plan Sponsor)

Address _____

City _____ State _____ Zip _____

Phone _____ Employer identification number (EIN) _____

- Plan type (check one):

Defined benefit

Defined contribution

401(k) Money purchase Profit sharing 457(b) governmental

- To whom should The Lincoln National Life Insurance Company and/or Lincoln Life & Annuity Company of New York (herein separately or collectively referred to as "Lincoln") send Plan Sponsor materials, such as the contract and Plan Sponsor Administration Guide, DIR-REFG-BRC001, that are produced as a result of the processing of this application?

Note: The Request for Contract makes up the application for the Lincoln DirectorSM contract.

Financial advisor

Plan Sponsor

Note: Participant welcome packages for allocated contracts will be mailed automatically to the participant.

- Quarterly statements will be mailed to each participant's home address.

- Type of sponsor organization for tax purposes (check one)

For-profit corporation S corporation Sole proprietorship

Not-for-profit corporation Partnership* Limited liability partnership*

Limited liability company* taxed as: Partnership Corporation S corporation

Other _____

If you have selected one of the boxes with an asterisk (), please check one of the following, which is required by the Securities Act of 1933:

The Plan Sponsor is a law firm, investment banking firm, pension consulting firm or investment advisory firm with such knowledge and experience in financial and business matters that the Plan Sponsor is able to represent adequately its interests and those of its employees.

Independent advice was obtained from a person or firm*, who, because of knowledge and experience in financial matters, is able to adequately represent the interests of the Plan Sponsor and its employees.

By checking one of these boxes, the Plan Sponsor confirms that review has been performed by an individual or firm not having a material relationship with The Lincoln National Life Insurance Company and/or Lincoln Life & Annuity Company of New York. The reviewer, by virtue of knowledge and experience in financial and business matters, is able to adequately represent the interests of the Plan Sponsor and its employees.

2. Plan contact information

Role: Plan Sponsor* (Fiduciary to the Plan) Full access, including all roles

<u>Name</u>	<u>Email address</u>	<u>Phone number</u>	<u>Online access level</u>
_____	_____	_____	Full access

Role: Plan contact* (Day-to-day Plan contact. All Plan communications will be delivered to this individual.)

<u>Name</u>	<u>Email address</u>	<u>Phone number</u>	<u>Online access level</u>
_____	_____	_____	<input type="checkbox"/> Full access
			<input type="checkbox"/> Contribution uploads only

Role: Authorized signer (Individual authorized to approve and sign distribution forms.)

<u>Name</u>	<u>Email address</u>	<u>Phone number</u>	<u>Online access level</u>
_____	_____	_____	<input type="checkbox"/> Full access
_____	_____	_____	<input type="checkbox"/> Full access
_____	_____	_____	<input type="checkbox"/> Full access

Role: Payroll contact* (Individual responsible for remitting contributions for the Plan.)

<u>Name</u>	<u>Email address</u>	<u>Phone number</u>	<u>Online access level</u>
_____	_____	_____	<input type="checkbox"/> Full access
			<input type="checkbox"/> Contribution uploads only

Role: Other: _____ (Please specify role.)

<u>Name</u>	<u>Email address</u>	<u>Phone number</u>	<u>Online access level</u>
_____	_____	_____	<input type="checkbox"/> Full access
			<input type="checkbox"/> Contribution uploads only

*Note: Plan Sponsor, Plan contact and payroll contact fields must be completed. If the Plan contact and/or payroll contact will be the same individual as the Plan Sponsor, please indicate this.

3. Payment method for contributions

- Payment method for contributions (check one)
 - Check (drawn on the Plan Sponsor's account) (This will be the default if no other selection is made.)
 - Wire transfer
 - ACH debit; if selected, a voided check or the information described is required

ACH debit authorization

I hereby authorize Lincoln to initiate debit entries from the Plan's checking account identified by the bank and routing information provided here. This authorization will allow Lincoln to access only those funds against which it is authorized to draw. If I change financial institutions or account numbers or wish to discontinue this agreement, I agree to provide Lincoln a 30-day written notice. **Notice to the financial institution (or depository) only will not be sufficient.** Any debit returned to Lincoln that's marked "insufficient funds" or "uncollected funds" will automatically be processed a second time against the Plan's account Lincoln assumes no responsibility for bank charges for investment losses on these debits.

Bank name _____

ABA routing no. _____ Bank account no. _____

4. Tax reporting

The Internal Revenue Code requires the Plan Sponsor to withhold and report taxes on Form 1099-R on all taxable distributions from all eligible retirement Plans. The Plan Sponsor is allowed to delegate this withholding responsibility. By executing this Request for Contract (RFC) and subsequently issued *Lincoln Director*SM contract as the responsible plan fiduciary, you elect to transfer the withholding responsibility to Lincoln. You agree to provide Lincoln the information necessary to fulfill this responsibility. You understand Lincoln will make all checks for benefit distributions payable to the participant and will withhold and send all applicable taxes to the IRS and the state, as applicable. Lincoln will provide the required IRS Form 1099-R, in a time period required by law, for attachment to the participant's tax return.

(check one)

- Yes I choose to transfer the withholding responsibility to Lincoln. I agree to provide Lincoln the information necessary to fulfill this responsibility. I understand that Lincoln will make all checks for benefit distributions payable to the participant and will withhold and send all applicable taxes to the IRS and the state, as applicable. Lincoln will provide the required IRS Form 1099-R, in a time period required by law, for attachment to the participant's tax return.
- No I choose to retain sole responsibility for the tax reporting and not to transfer the withholding responsibility to Lincoln.

5. Contract information and disclosure

The effective date of the contract will be the first day of the month this form is received in good order by Lincoln RPS New Business.

• Contract type

Allocated (for defined contribution Plans)

Unallocated (for defined benefit Plans)

• Lincoln Director share class (separate account charge) 2 %

• Initial asset fee _____ %

- The asset fee will be withdrawn from the account value.

- The asset fees and account charges will show on the quarterly statement as an asset fee from each participant's account.

- Territory code _____

• Employer charge \$ 750

• Per participant account charge \$ 25

• Commission schedule disclosure

Commissions will be paid by Lincoln to the financial advisor or to the financial advisor's broker-dealer, or agency on the sale of the products indicated here. **The commissions listed are selected by the financial advisor from a range of available pricing options. These options have varied cost and commission structures that enable the financial advisor to match the cost of the Plan to the level of services he or she will provide. Any commissions paid to the financial advisor may be charged back if the annuity contract for the Plan is rescinded or canceled or if the assets are transferred from such contract to a product not offered by Lincoln within twelve (12) months of the first deposit into the contract.**

Type of insurance or annuity contract or transaction

Commission schedule

Group variable annuity contract
(check and complete all that apply)

Deposit-based commissions _____, _____ %; years _____

Asset-based commissions _____, _____ %; years _____

By signing and dating this RFC, you, as the responsible Plan fiduciary, acknowledge the following:

- You understand that if your financial advisor is a registered representative of a broker-dealer affiliated with Lincoln, he or she is subject to the supervision of that Lincoln-affiliated broker-dealer. With the exception of this limited supervisory role, Lincoln is not in a position to exercise any control over your financial advisor's decisions regarding the financial products he or she may recommend to clients.
- You understand the expense charges, adjustments, or other charges that may be applicable to the product as outlined above.
- You understand the financial advisor affiliation disclosure above.
- You are authorized to approve these matters on behalf of the Plan and approve the purchase of the contract referenced above.
- You understand that the provisions of this contract will govern when accepted.
- A copy of this form should be retained by the financial advisor for six years from the date of this disclosure statement.

6. Financial advisor information

Financial advisor name	Financial advisor number	Email	Social Security number	Financial advisor split	Broker-dealer/ agency name
_____	_____	_____	- -	_____	_____
_____	_____	_____	- -	_____	_____
_____	_____	_____	- -	_____	_____
				= 100%	_____

Broker-dealer branch ID# _____ Broker ID# (Production credit tracking #) _____

Servicing advisor name _____

Address _____

City _____ State _____ Zip _____

Phone _____

- Is any financial advisor named above:

A party in interest? Yes No

- a partial owner or owner of the company purchasing this contract?
- owned or employed by the company purchasing this contract?
- directly or indirectly controlling, controlled by, or under common control with the agent?

A Plan Sponsor of the Plan? Yes No

A fiduciary who is expressly authorized in writing to manage, acquire or dispose of the assets of the Plan? Yes No

A Plan Sponsor whose employees are covered by the Plan? Yes No

A relative of any of the Plan Sponsors? Yes No

- a spouse?
- a child or grandchild?
- a spouse of a child or grandchild?

If "Yes" is checked in any box, a contract version that pays no commission must be selected to avoid a prohibited transaction.

7. Investment options

- **Preset lineup selection**

- **Preset lineup (choose one):**

(Select either a Fundamental lineup, Standard lineup or Extended lineup from the options listed here, as well as a target-date suite on the following page.)

- The QDIA selection can be found on the following page.

	SA#	Fund name
<input type="checkbox"/> Fundamental lineup		
Large Blend	CG	Vanguard 500 Index Fund Admiral Class (Passive)
Large Blend	AR	Vanguard Dividend Growth Fund Investor Shares (Active)
Mid-Cap Blend	CD	SSgA S&P MidCap Index Fund - Class C
Small Blend	7L	DFA U.S. Small Cap Portfolio Institutional Class
Foreign Large Blend	6F	American Funds International Growth and Income Fund Class R-6 (Active)
Inflation-Protected Bond	AW	Vanguard Inflation-Protected Securities Fund Admiral Shares
Intermediate-Term Bond	8G	JPMorgan Core Bond Fund Class R6
Ultrashort Bond	C7	Federated Government Ultrashort Duration Fund
Moderate Allocation	6B	American Funds American Balanced Fund® Class R-6
Cash/Stable Value	GTEE	Guaranteed Stable Value Account
<input type="checkbox"/> Standard lineup		
Large Growth	9J	MFS® Growth Fund Class R5
Large Blend	CG	Vanguard 500 Index Fund Admiral Class (Passive)
Large Value	7Y	Invesco Diversified Dividend Fund Class R6
Mid-Cap Blend	CD	SSgA S&P MidCap Index Fund - Class C
Small Growth	A6	Prudential Jennison Small Company Fund Class Q
Small Value	7M	DFA U.S. Small Cap Value Portfolio Institutional Class
Diversified Emerging Mkts	CB	Oppenheimer Developing Markets Fund Class I
Foreign Large Blend	6F	American Funds International Growth and Income Fund Class R-6 (Active)
Foreign Large Blend	CH	Vanguard Developed Markets Index Fund Admiral Shares (Passive)
Real Estate	B5	Vanguard REIT Index Fund Admiral Shares
Inflation-Protected Bond	AW	Vanguard Inflation-Protected Securities Fund Admiral Shares
Intermediate-Term Bond	8G	JPMorgan Core Bond Fund Class R6
Multisector Bond	A3	PIMCO Income Fund Institutional Class
Ultrashort Bond	C7	Federated Government Ultrashort Duration Fund
Moderate Allocation	6B	American Funds American Balanced Fund® Class R-6
Cash/Stable Value	GTEE	Guaranteed Stable Value Account
<input type="checkbox"/> Extended lineup		
Large Growth	9J	MFS® Growth Fund Class R5
Large Blend	CG	Vanguard 500 Index Fund Admiral Class (Passive)
Large Blend	AR	Vanguard Dividend Growth Fund Investor Shares (Active)
Large Value	7Y	Invesco Diversified Dividend Fund Class R6
Mid-Cap Growth	7P	Eaton Vance Atlanta Capital SMID-Cap Fund Class R6
Mid-Cap Value	B6	Vanguard Selected Value Fund Investor Shares
Small Growth	A6	Prudential Jennison Small Company Fund Class Q
Small Value	7M	DFA U.S. Small Cap Value Portfolio Institutional Class
Foreign Large Growth	9V	Oppenheimer International Growth Fund Class I
Foreign Large Blend	6F	American Funds International Growth and Income Fund Class R-6 (Active)
Foreign Large Value	AY	Vanguard International Value Fund Investor Shares
World Stock	6D	American Funds Capital World Growth and Income Fund® Class R-6
Diversified Emerging Mkts	CB	Oppenheimer Developing Markets Fund Class I
Commodities Broad Basket	9Y	PIMCO CommodityRealReturn Strategy Fund Institutional Class
Real Estate	B5	Vanguard REIT Index Fund Admiral Shares
High Yield Bond	7Q	Eaton Vance Income Fund of Boston Class R6
Inflation-Protected Bond	AW	Vanguard Inflation-Protected Securities Fund Admiral Shares
Intermediate-Term Bond	8G	JPMorgan Core Bond Fund Class R6
Multisector Bond	A3	PIMCO Income Fund Institutional Class
Ultrashort Bond	C7	Federated Government Ultrashort Duration Fund
World Bond	AN	Templeton Global Bond Fund Class R6
Moderate Allocation	6B	American Funds American Balanced Fund® Class R-6
Cash/Stable Value	GTEE	Guaranteed Stable Value Account

• **Target-date options and Qualified Default Investment Alternative (QDIA) selections¹**

Contributions received without investment instructions are held in a Plan Sponsor account.

Target-date options: Will the target-date option below be used as the plan's QDIA? Yes No

SA Fund	Birth year	SA Fund	Birth year
<input type="checkbox"/> American Century One Choice® funds ^{2,3}		<input type="checkbox"/> JPMorgan SmartRetirement® funds ^{2,5}	
3Y American Century One Choice® In Retirement Portfolio R6 Class	Prior to 1953	8X JPMorgan SmartRetirement® Income Fund Class R6	Prior to 1949
3Q American Century One Choice® 2020 Portfolio R6 Class	1953 to 1957	8N JPMorgan SmartRetirement® 2015 Fund Class R6	1949 to 1953
3R American Century One Choice® 2025 Portfolio R6 Class	1958 to 1962	8P JPMorgan SmartRetirement® 2020 Fund Class R6	1954 to 1958
3S American Century One Choice® 2030 Portfolio R6 Class	1963 to 1967	8Q JPMorgan SmartRetirement® 2025 Fund Class R6	1959 to 1963
3T American Century One Choice® 2035 Portfolio R6 Class	1968 to 1972	8R JPMorgan SmartRetirement® 2030 Fund Class R6	1964 to 1968
3U American Century One Choice® 2040 Portfolio R6 Class	1973 to 1977	8S JPMorgan SmartRetirement® 2035 Fund Class R6	1969 to 1973
3V American Century One Choice® 2045 Portfolio R6 Class	1978 to 1982	8T JPMorgan SmartRetirement® 2040 Fund Class R6	1974 to 1978
3W American Century One Choice® 2050 Portfolio R6 Class	1983 to 1987	8U JPMorgan SmartRetirement® 2045 Fund Class R6	1979 to 1983
3X American Century One Choice® 2055 Portfolio R6 Class	1988 to 1992	8V JPMorgan SmartRetirement® 2050 Fund Class R6	1984 to 1988
DU American Century One Choice® 2060 Portfolio R6 Class	1993 +	8W JPMorgan SmartRetirement® 2055 Fund Class R6	1989 +
<input type="checkbox"/> American Funds Target Date Retirement Series® ^{2,4}		<input type="checkbox"/> T. Rowe Price Retirement funds ^{2,3}	
5Q American Funds 2010 Target Date Retirement Fund® Class R-6	Prior to 1953	AB T. Rowe Price Retirement I 2010 Fund I Class	Prior to 1948
5R American Funds 2015 Target Date Retirement Fund® Class R-6	1953 to 1957	AC T. Rowe Price Retirement I 2015 Fund I Class	1948 to 1952
5S American Funds 2020 Target Date Retirement Fund® Class R-6	1958 to 1962	AD T. Rowe Price Retirement I 2020 Fund I Class	1953 to 1957
5T American Funds 2025 Target Date Retirement Fund® Class R-6	1963 to 1967	AE T. Rowe Price Retirement I 2025 Fund I Class	1958 to 1962
5U American Funds 2030 Target Date Retirement Fund® Class R-6	1968 to 1972	AF T. Rowe Price Retirement I 2030 Fund I Class	1963 to 1967
5V American Funds 2035 Target Date Retirement Fund® Class R-6	1973 to 1977	AG T. Rowe Price Retirement I 2035 Fund I Class	1968 to 1972
5W American Funds 2040 Target Date Retirement Fund® Class R-6	1978 to 1982	AH T. Rowe Price Retirement I 2040 Fund I Class	1973 to 1977
5X American Funds 2045 Target Date Retirement Fund® Class R-6	1983 to 1987	AJ T. Rowe Price Retirement I 2045 Fund I Class	1978 to 1982
5Y American Funds 2050 Target Date Retirement Fund® Class R-6	1988 to 1992	AK T. Rowe Price Retirement I 2050 Fund I Class	1983 to 1987
5Z American Funds 2055 Target Date Retirement Fund® Class R-6	1993 to 1997	AL T. Rowe Price Retirement I 2055 Fund I Class	1988 to 1992
DV American Funds 2060 Target Date Retirement Fund® Class R-6	1998+	AM T. Rowe Price Retirement I 2060 Fund I Class	1993 +
<input type="checkbox"/> BlackRock LifePath® Index funds ^{2,3}		<input type="checkbox"/> Vanguard Target Retirement options ^{2,3}	
DT BlackRock LifePath® Index Retirement Fund Class K Shares	Prior to 1953	BM Vanguard Target Retirement Income Fund Investor Shares	Prior to 1943
6P BlackRock LifePath® Index 2020 Fund Class K Shares	1953 to 1957	B9 Vanguard Target Retirement 2010 Fund Investor Shares	1943 to 1947
6Q BlackRock LifePath® Index 2025 Fund Class K Shares	1958 to 1962	BA Vanguard Target Retirement 2015 Fund Investor Shares	1948 to 1952
6R BlackRock LifePath® Index 2030 Fund Class K Shares	1963 to 1967	BB Vanguard Target Retirement 2020 Fund Investor Shares	1953 to 1957
6S BlackRock LifePath® Index 2035 Fund Class K Shares	1968 to 1972	BC Vanguard Target Retirement 2025 Fund Investor Shares	1958 to 1962
6T BlackRock LifePath® Index 2040 Fund Class K Shares	1973 to 1977	BD Vanguard Target Retirement 2030 Fund Investor Shares	1963 to 1967
6U BlackRock LifePath® Index 2045 Fund Class K Shares	1978 to 1982	BE Vanguard Target Retirement 2035 Fund Investor Shares	1968 to 1972
6V BlackRock LifePath® Index 2050 Fund Class K Shares	1983 to 1987	BF Vanguard Target Retirement 2040 Fund Investor Shares	1973 to 1977
6W BlackRock LifePath® Index 2055 Fund Class K Shares	1988 +	BG Vanguard Target Retirement 2045 Fund Investor Shares	1978 to 1982
		BH Vanguard Target Retirement 2050 Fund Investor Shares	1983 to 1987
		BK Vanguard Target Retirement 2055 Fund Investor Shares	1988 to 1992
		BL Vanguard Target Retirement 2060 Fund Investor Shares	1993 +

Balanced options: Will the investment below be used as the plan's QDIA? Yes No

SA6B American Funds American Balanced Fund® Class R-6

¹ The investment options listed meet the Department of Labor's (DOL's) Qualified Default Investment Alternative (QDIA) criteria.

² In order to use these options, the Plan Sponsor must agree to provide date of birth information for each participant along with contributions. If the date of birth is not provided, defaulted contributions will be invested in the plan sponsor account. The contribution and any earnings and/or losses on the contribution held in the plan sponsor account will be allocated at the direction of the plan sponsor. Upon receipt, the participant's future investment allocations will be directed to the age-appropriate investment option as noted.

³ The year in the American Century One Choice® fund name, the BlackRock LifePath® Index fund name, T. Rowe Price Retirement funds, and the Vanguard Target Retirement fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the work force. In selecting the American Century One Choice® funds, BlackRock LifePath® Index funds, T. Rowe Price Retirement funds or Vanguard Target Retirement funds as the QDIA, Plan Sponsor must determine how participants will be defaulted into the funds if a portion or all of participant account balances will be reallocated to the American Century One Choice® funds, BlackRock LifePath® Index funds, T. Rowe Price Retirement funds, or Vanguard Target Retirement funds and/or participants will be defaulted into the funds (e.g., participant's age, normal retirement date under the Plan, life expectancy or other unique participant circumstances). The birth ranges identified for the American Century One Choice® funds, BlackRock LifePath® Index funds, T. Rowe Price Retirement funds or Vanguard Target Retirement funds have been prepared for a hypothetical Plan Sponsor utilizing an approximate target retirement age range of 63 to 67 for its plan participants. By designating the American Century One Choice® funds, the BlackRock LifePath® Index funds, T. Rowe Price Retirement funds, or the Vanguard Target Retirement funds as the Plan's QDIA, the Plan Sponsor is directing Lincoln to use birth ranges listed.

⁴ The year in the American Funds Target Date Retirement Series® fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the work force. In selecting the American Funds Target Date Retirement Series® funds as the QDIA, Plan Sponsor must determine how participants will be defaulted into the funds if a portion or all of participant account balances will be reallocated to the American Funds Target Date Retirement Series® funds and/or participants will be defaulted into the funds (e.g., participant's age, normal retirement date under the Plan, life expectancy or other unique participant circumstances). The birth ranges identified for the American Funds Target Date Retirement Series® funds have been prepared for a hypothetical Plan Sponsor utilizing an approximate target retirement age range of 58 to 62 for its plan participants. By designating the American Funds Target Date Retirement Series® funds as the Plan's QDIA, the Plan Sponsor is directing Lincoln to use birth ranges listed above.

⁵ The year in the JPMorgan SmartRetirement® fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the work force. In selecting the JPMorgan SmartRetirement® funds as the QDIA, Plan Sponsor must determine how participants will be defaulted into the funds if a portion or all of participant account balances will be reallocated to the JPMorgan SmartRetirement® funds and/or participants will be defaulted into the funds (e.g., participant's age, normal retirement date under the Plan, life expectancy or other unique participant circumstances). The birth ranges identified for the JPMorgan SmartRetirement® funds have been prepared for a hypothetical Plan Sponsor utilizing an approximate target retirement age range of 62 to 66 for its plan participants. By designating the JPMorgan SmartRetirement® funds as the Plan's QDIA, the Plan Sponsor is directing Lincoln to use birth ranges listed above.

Reminder: As required by the DOL, an initial and annual notice must be provided to affected participants (those with defaulted investments) by the Plan Sponsor. In order to receive fiduciary protection for defaulted investments, the Plan Sponsor must provide notices at least 30 days before initial investment into the QDIA and at least 30 days before the Plan year beginning. Sample notices for each QDIA investment option can be downloaded at LincolnFinancial.com.

• **Default fund selections**

(If one of the fund options listed is not selected, the Lincoln Guaranteed Stable Value Account will be used as the default account. Refer to Section E for the 90-day equity wash guidelines for the Lincoln Guaranteed Stable Value Account.)

Plan Sponsor account: This special account may be used for Plan Sponsor contributions that have yet to be allocated to participants accounts. The following investment option will be used for the Plan Sponsor account:

SA _____ Account name _____

Forfeiture account: This special account is used to place forfeitures until they are used by the Plan. The following investment option will be used for the forfeiture account:

SA _____ Account name _____

*An investment in a separate account is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the separate account seeks to preserve capital, it is possible to lose money by investing in this separate account. When interest rates rise, the value of fixed income securities generally declines. Likewise, when interest rates fall, the value of fixed income securities generally increases. There is no assurance that private guarantors or insurers will meet their obligations.

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Section B - Authorizations and signatures

Residents of all states except Alabama, Arkansas, Colorado, District of Columbia, Florida, Kentucky, Louisiana, Maine, Maryland, New Jersey, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia and Washington, please note: Any person who knowingly, and with intent to defraud any insurance company or other person, files or submits an application or statement of claim containing any materially false or deceptive information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and may subject such person to criminal and civil penalties.

For Arkansas, Colorado, Kentucky, Maine, New Mexico, Ohio, Rhode Island, Tennessee residents only: Any person who, knowingly and with intent to injure, defraud or deceive any insurance company or other person, files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and may subject such person to criminal and civil penalties, fines, imprisonment, or a denial of insurance benefits.

For Alabama and Louisiana residents only: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

For District of Columbia residents only: WARNING: it is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

For Florida and New Jersey residents only: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

For Maryland residents only: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

For New York residents only: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

For Oklahoma and Pennsylvania residents only: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

For Vermont residents only: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

For Washington residents only: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

By signing at the end of this section, I certify that I:

- Attest that all information provided and statements made in this Request for Contract are accurate and true.
- Am authorized to purchase this contract on behalf of the Plan, and the contributions used for the payment of premiums are:
 - qualified under Sections 401(a), 404(a)(2), or 414(d) of the Internal Revenue Code or in the opinion of my counsel are qualified, or
 - from a 457(b) governmental Plan.
- Attest that the underlying business of the entity establishing the Plan is not in any way related to a marijuana-related business. I further understand that if Lincoln discovers the business of the entity is in fact a marijuana-related business or is related to one, Lincoln has the unilateral right to discontinue the contract and all services immediately as a material misrepresentation by me.
- Understand that contributions should not be submitted with this application and I will be notified when the contract is active and ready to receive contributions. I also understand that if contributions are received before the contract is completed, Lincoln will receive "float" on these contributions as outlined in the "Float Notice" in Section E of this application. I agree to be bound by the terms of this application and when issued, the contract.
- Understand that all appropriate parties who handle Plan assets, including Plan Administrators, are required to be bonded or insured for an amount equal to at least \$1,000, or 10% of Plan assets up to a maximum of \$1,000,000.
- Authorize Lincoln to annually file (if required for my Plan) the Pooled Separate Accounts (PSAs) information directly with the Department of Labor.
- Grant the service provider/third party administrator access to nonpublic contract and participant information, as outlined in Section C on the TPA Authorization and Direction Form.
- Have read, understand and agree to the provisions in the Contract Information and Disclosure section starting in Section A, Item 5, of this application, and
 - have been advised that the third party administrator, if any, utilized by my Plan may be eligible to participate in partner recognition programs sponsored by Lincoln National Corporation and its affiliates, as outlined in the 408(b)(2) Service Provider & Form 5500 Schedule C Disclosures document starting in Section G, of this application, and
 - understand that the financial advisor may select from a number of pricing options with varied costs and commissions.

- Have read, understand and agree to the provisions in the Privacy Notice, Float Notice, Market Value Adjustment and Business Continuity Plan Summary in Section E of this application.
- Have read, understand and agree to the provisions in the authorization of the ACH debit payment contribution method to provide a secure internet website, if selected, in the Payment Method for Contributions section in Section A, Item 3, of this application.
- Acknowledge that Lincoln provides only nondiscretionary, non-fiduciary services in connection with the administration of the Plan.
- Acknowledge that Lincoln will rely on information provided by the TPA within the TPA Questionnaire, RPS27608-DIR2.0.
- Have read, understand and agree to the provision in the Loan Agreement in Section F of this application.
- Have read, understand and agree to the provision in the TPA Authorization and Direction Form in Section C of this application.
- Agree to the rules governing the use of telephone services and online services.
- I have fiduciary responsibility within the meaning of Section 404 of ERISA for the selection of the *Lincoln Director*SM investment options in which plan assets will be invested.
- In selecting the preset investment lineup, target-date investment option, QDIA, and contract-level defaults, as applicable, Lincoln did not render investment advice as to the value of securities or other property or make any recommendation as to the advisability of investing in, purchasing or selling securities or other property.
- Once participant records have been updated on systems administered by Lincoln, participants who wish to transfer funds within their accounts must initiate a change by calling 800-510-4015 or logging on to our website, LincolnFinancial.com. These changes, which consist of (1) transferring existing account balances from one or more investment options to other investment options available in the investment lineup and (2) changing investment allocations for future contributions.
- If I want to change the Plan's Qualified Default Investment Alternative (QDIA), I must also complete and submit a QDIA Selection Form.
- Changes to target-date funds may require additional forms.
- By designating the American Century One Choice[®] funds, American Funds Target Date Retirement Series[®], BlackRock LifePath[®] Index funds, JPMorgan SmartRetirement[®] funds, T. Rowe Price Retirement funds or Vanguard Target Retirement options as the Plan's QDIA, I, as the Plan Sponsor, am directing Lincoln to use birth ranges provided herein for those funds.
- Have been provided a copy of the 408(b)(2) Service Provider & Form 5500 Schedule C Disclosures for *Lincoln Director*SM Clients with this RFC.
- Have been provided and reviewed all relevant documents, disclosures and other information related to the QDIA option that I have selected.
- **For Financial advisor only:** Agree to pay any chargebacks if the annuity contract for the Plan is rescinded, canceled or the assets are transferred from such contract to a product not offered by Lincoln within twelve (12) months of the first deposit into the contract.

Plan Sponsor certification of these attestations:

Name (please print) _____ Title _____
 Signature _____ Date _____
Signature required

Financial advisor

Name (please print) _____ Title _____
 Signature _____ Date _____
 Include city and state where this application is being signed.

City _____ State _____

Note: This information is needed to validate the financial advisor's licensing.

If the sale was solicited in a state other than the client's state of domicile listed in Section A, Item 1, please list the state _____

Section C - TPA authorization and direction

TPA authorization and direction form

Plan and third party administration (TPA) information

Plan name _____

TPA name _____

TPA contact name _____ Phone _____

Email _____

City _____ State _____

TPA authorization and direction

By executing this Request for Contract, the Plan Sponsor directs, authorizes and acknowledges that:

- The Plan Sponsor has entered into a separate contract with a TPA, who will provide certain services to the Plan, including, but not limited to, submitting contributions, processing loans or distributions and changing participant data on Lincoln files.
- The Plan Sponsor hereby authorizes Lincoln to accept instructions from the TPA and agrees that Lincoln may rely on the instructions and information received from the TPA without the need of any further authorization, including, but not limited to, the following transactions: (1) preparation of corrective distributions; (2) return of ineligible contributions; and (3) requesting forced distributions.
- The Plan Sponsor authorizes Lincoln to provide the TPA with internet access to Lincoln's administration systems to view participant accounts, submit contributions, process deductions and make changes to participant accounts.
- The Plan Sponsor authorizes Lincoln to provide the TPA with reports and information requested by the TPA to assist the TPA in performing its duties for the Plan.
- The Plan Sponsor agrees that Lincoln may rely on this authorization from the Plan Sponsor until Lincoln is notified in writing of the termination or change in the TPA.
- The Plan Sponsor expressly directs and authorizes Lincoln to disclose otherwise confidential and proprietary information to the TPA.
- The Plan Sponsor will indemnify Lincoln, its officers, employees and agents from and against any and all damages, losses, costs, judgments, fines and expenses (including attorneys' fees and disbursements) of any kind or nature (hereinafter in the aggregate the "losses") imposed on or incurred by Lincoln, its officers, employees and agents by reason of the reliance on the Plan Sponsor and/or TPA's direction regarding Plan activities, including any losses arising out of any threatened, pending, or completed claim, action, suit, or proceeding, whether civil, criminal, administrative, or investigative, to the extent such losses are the result of Plan Sponsor or its TPA's intentional wrongdoing or its negligent actions or omissions.
- The person executing this form is an authorized representative of the Plan Sponsor in the Plan Sponsor's capacity as a fiduciary of the Plan within the meaning section 3(21) of the Employee Retirement Income Security Act (ERISA) or applicable State law.

This TPA authorization and direction will remain in effect until the Plan Sponsor or another responsible Plan fiduciary sends written notice to Lincoln.

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Section D - Enrollment kit



For use with:
Lincoln DirectorSM
Lincoln DirectorSM in New York

Enrollment kit order form

Important information

Do you need enrollment materials?

- Yes - Order enrollment kits by completing this form.
- No - I'm sending an electronic census file with the participants' investment elections.

Please complete this form in its entirety to request enrollment kits. Fax the completed form to 260-455-0200. Delivery of kits may take **7 to 10 business days** from receipt of a fully completed form.

Note: Enrollment kits will be prepared based upon the elections made in Section A, Item 7, Investment Options. If the Plan Sponsor elects to make changes to their investment lineup and/or qualified default investment alternative (QDIA) before enrollment kits are ordered, please contact your account manager for the forms required to make that change.

1. General information

• **Requestor information**

Name _____ Date kits are needed _____
Phone _____ Email _____

• **Plan information**

Company name _____

• **Contract number (if assigned):** GP _____

Check one box per row

- **Plan type:** 401(k) Money purchase Profit sharing 457(b) governmental plan
- **Roth:** Yes No

2. Options and quantities

- **Customized enrollment materials*** English quantity: _____ Spanish quantity: _____
(Complete sections 3 and 4. The financial advisor's name and phone number may be included on the kit.)
- **Additional materials:** *Available in both Spanish and English
 Participant rollover forms** Quantity: _____ **Available in English only
- **Educational materials:** Additional participant materials, including Spanish materials, which do not contain time-sensitive or plan-specific information, can be ordered at no charge with UPS Ground shipping via LincolnFinancial.com or through our sales desk.

3. Customization

- Plan name/title on kit front cover _____
- Financial advisor information on kit front cover (optional)
Name _____
Firm _____
Phone _____ Email _____

4. Provide shipping address

Please provide a street address. No deliveries are made to a P.O. Box.
Our vendor will select the most efficient and cost-effective delivery method for your order.

Company name _____ Phone _____
Contact name _____
Address _____
City _____ State _____ Zip _____
Special instructions _____

Lincoln DirectorSM, a group variable annuity contract, is issued on variations of contract form 19476 and state variations and amendment forms AR-450A and AR-451A by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., Radnor, PA, 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.**

Contracts sold in New York are issued on variations of contract form 19476NY and amendment forms AR-450A and AR-451A by Lincoln Life & Annuity Company of New York, Syracuse, NY. **Contractual obligations are subject to the claims-paying ability of Lincoln Life & Annuity Company of New York.**

Product and features subject to state availability. Limitations and exclusions may apply.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

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Section E - Privacy Notice, Float Notice, Market Value Adjustment and Business Continuity Plan Summary

Note: Please make a copy of this notice for future reference or visit LincolnFinancial.com to obtain a copy.

Lincoln Financial Group® Privacy Practices Notice

The Lincoln Financial Group companies* are committed to protecting your privacy. To provide the products and services you expect from a financial services leader, we must collect personal information about you. We do not sell your personal information to third parties. This Notice describes our current privacy practices. While your relationship with us continues, we will update and send our Privacy Practices Notice as required by law. Even after that relationship ends, we will continue to protect your personal information. You do not need to take any action because of this Notice, but you do have certain rights as described below.

Information We May Collect And Use

We collect personal information about you to help us identify you as our customer or our former customer; to process your requests and transactions; to offer investment or insurance services to you; to pay your claim; or to tell you about our products or services we believe you may want and use; and as otherwise permitted by law. The type of personal information we collect depends on the products or services you request and may include the following:

- **Information from you:** When you submit your application or other forms, you give us information such as your name, address, Social Security number; and your financial, health, and employment history.
- **Information about your transactions:** We maintain information about your transactions with us, such as the products you buy from us; the amount you paid for those products; your account balances; and your payment and claims history.
- **Information from outside our family of companies:** If you are purchasing insurance products, we may collect information from consumer reporting agencies such as your credit history; credit scores; and driving and employment records. With your authorization, we may also collect information, such as medical information from other individuals or businesses.
- **Information from your employer:** If your employer purchases group products from us, we may obtain information about you from your employer in order to enroll you in the Plan.

How We Use Your Personal Information

We may share your personal information within our companies and with certain service providers. They use this information to process transactions you have requested; provide customer service; and inform you of products or services we offer that you may find useful. Our service providers may or may not be affiliated with us. They include financial service providers (for example, third party administrators; broker-dealers; insurance agents and brokers, registered representatives; reinsurers and other financial services companies with whom we have joint marketing agreements). Our service providers also include non-financial companies and individuals (for example, consultants; vendors; and companies that perform marketing services on our behalf). Information we obtain from a report prepared by a service provider may be kept by the service provider and shared with other persons; however, we require our service providers to protect your personal information and to use or disclose it only for the work they are performing for us, or as permitted by law.

When you apply for one of our products, we may share information about your application with credit bureaus. We also may provide information to group policy owners, regulatory authorities and law enforcement officials, and to other non-affiliated or affiliated parties as permitted by law. In the event of a sale of all or part of our businesses, we may share customer information as part of the sale. **We do not sell or share your information with outside marketers who may want to offer you their own products and services; nor do we share information we receive about you from a consumer reporting agency. You do not need to take any action for this benefit.**

Security of Information

We have an important responsibility to keep your information safe. We use safeguards to protect your information from unauthorized disclosure. Our employees are authorized to access your information only when they need it to provide you with products, services, or to maintain your accounts. Employees who have access to your personal information are required to keep it confidential. Employees are trained on the importance of data privacy.

Your Rights Regarding Your Personal Information

Access: We want to make sure we have accurate information about you. Upon written request we will tell you, within 30 business days, what personal information we have about you. You may see a copy of your personal information in person or receive a copy by mail, whichever you prefer. We will share with you who provided the information. In some cases we may provide your medical information to your personal physician. We will not provide you with information we have collected in connection with, or in anticipation of, a claim or legal proceeding. If you request a copy of the information, we may charge you a fee for copying and mailing costs. In very limited circumstances, your request may be denied. You may then request that the denial be reviewed.

Accuracy of Information: If you feel the personal information we have about you is inaccurate or incomplete, you may ask us to amend the information. Your request must be in writing and must include the reason you are requesting the change. We will respond within 30 business days. If we make changes to your records as a result of your request, we will notify you in writing and we will send the updated information, at your request, to any person who may have received the information within the prior two years. We will also send the updated information to any insurance support organization that gave us the information, and any service provider that received the information within the prior 7 years. If your requested change is denied, we will provide you with reasons for the denial. You may write to request the denial be reviewed. A copy of your request will be kept on file with your personal information so anyone reviewing your information in the future will be aware of your request.

Accounting of Disclosures: If applicable, you may request an accounting of disclosures made of your medical information, except for disclosures:

- For purposes of payment activities or company operations;
- To the individual who is the subject of the personal information or to that individual's personal representative;
- To persons involved in your health care;
- For notification for disaster relief purposes;
- For national security or intelligence purposes;
- To law enforcement officials or correctional institutions; or
- For which an authorization is required.

You may request an accounting of disclosures for a time period of less than two years from the date of your request.

You may ask in writing for the specific reasons for an adverse underwriting decision. An adverse underwriting decision is where we decline your application for insurance, offer to insure you at a higher than standard rate, or terminate your coverage.

Your state may provide for additional privacy protections under applicable laws. We will protect your information in accordance with these additional protections.

Questions about your personal information should be directed to:

Lincoln Financial Group
Attn: Enterprise Compliance and Ethics
Corporate Privacy Office, 7C-01
1300 S. Clinton St.
Fort Wayne, IN 46802

Please include all policy/contract/account numbers with your correspondence.

*This information applies to the following Lincoln Financial Group companies:

First Penn-Pacific Life Insurance Company	Lincoln Life & Annuity Company of New York
Lincoln Financial Group Trust Company, Inc.	Lincoln Retirement Services Company, LLC
Lincoln Financial Investment Services Corporation	Lincoln Variable Insurance Products Trust
Lincoln Investment Advisors Corporation	The Lincoln National Life Insurance Company
Lincoln Financial Distributors, Inc.	Lincoln Advisors Trust

Float notice

Another important priority for us is providing you with accurate information on how your investment contract works. Part of that responsibility includes informing you about float.

"Float" is a term that refers to interest earned: (i) on contributions from the date received by the investing company until the contributions are credited to the client's investment contract and (ii) on distributions from the date the distribution check is issued from the investment contract by the investing company until the date the check is presented for payment. Under these circumstances, Lincoln National Corporation will receive float on contributions. Funds are deposited directly into an account of The Lincoln National Life Insurance Company and/or Lincoln Life & Annuity Company of New York (Lincoln). Interest will be earned on assets deposited into this account based on AA financial commercial paper 30-day investments.

Contributions

It is our policy to process contributions as soon as administratively possible and to credit your contract within three business days of receipt of contribution information "in good order."

Distributions

Presentation for payment of distribution checks is controlled by the recipients of those checks. If the check is not presented for payment, float will continue to be earned through the period developed by Lincoln for handling "stale" checks. After that period, the funds will be redeposited to the Plan's investment contract.

Market value adjustment

A market value adjustment may also apply to the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio if the contract is terminated and surrendered in a lump sum. Alternatively, if the contract is terminated, the Plan Sponsor can avoid a market value adjustment by electing to have the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio paid in installments over a five-year period.

$$\frac{\text{Current bond price}}{\text{Par value of that bond}}$$

The current generic bond price is equal to the price of a bond that is:

1. issued with a maturity of 6.5 years
2. bearing interest in the 5-year average of the Barclays Capital U.S. Aggregate Bond Index as of the most recent month end prior to the date of termination, however, if the contract has been in force for less than 2 years, the average yield will be computed over the time period that the contract has been in force

Market value adjustment (cont'd.)

3. calculated to yield the Barclays Capital U.S. Aggregate Bond Index as of the most recent month-end prior to the date of termination

If the above-described fraction is greater than one (1), there is no market value adjustment.

In states where an MVA is not allowed, installments over a five-year period will be the only available option if the contract is terminated.

90-Day Equity Wash

Transfers from the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio may be subject to a 90-day equity wash provision as follows:

- Direct transfers from the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio to a competing investment option are not permitted at any time.
- If a participant makes a transfer from the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio to any non-competing investment option, all other transfers to a competing investment option from any other investment option are immediately restricted for 90 days to prevent indirect transfers.
- When a transfer occurs from any other investment option to the competing investment option, all transfers from the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio are restricted for 90 days.

Business continuity plan summary

Lincoln National Corporation (LNC), headquartered in Radnor, PA, is the parent corporation of, among others, The Lincoln National Life Insurance Company, First Penn-Pacific Life Insurance Company (FPP) and Lincoln Life & Annuity Company of New York (LNY). LNC's subsidiaries have offices located in Atlanta, GA; Concord, NH; Fort Wayne, IN; Greensboro, NC; Hartford, CT; Omaha, NE; Philadelphia, PA; Rolling Meadows, IL; and Syracuse, NY. Lincoln Financial Advisors Corporation, Lincoln Financial Distributors, Inc. (LFD), and Lincoln Financial Securities Corporation have business locations throughout the USA; Lincoln Financial Investment Services Corporation has operations in Fort Wayne, IN; Hartford, CT and Radnor, PA. Unless the context otherwise implies, as used herein LNC refers to LNC and its subsidiaries.

LNC is committed to safeguarding the interests of its clients and customers in the event of an emergency or significant business disruption (SBD). LNC's broad business continuity strategy is designed to enable LNC to meet its existing obligations to its clients and customers in the event of an emergency or SBD by safeguarding employees and property, making a financial and operational assessment, recovering and resuming operations, protecting all of LNC's books and records, and allowing customers to conduct business.

Business continuity planning

LNC has a documented corporate policy requiring each business unit to develop a business continuity plan. In support of this policy, LNC's Business Resilience area has the full-time responsibility of coordinating the development, testing and maintenance of all LNC Business Continuity Plans. Business Resilience also manages contracts with recovery services vendors and is responsible for management reporting on all aspects of continuity. A formal systematic process with auditable controls enforces the corporate policy on continuity.

LNC's Business Continuity Plans address advance preparations and actions to be taken in response to disruptions of various magnitudes. The Business Continuity Plans address the potential impact of varying risks of disruptions to LNC employees, equipment, computer and telecommunications systems, and office facilities. While it is impossible to anticipate every type of disruption that could affect LNC's businesses, LNC takes an 'all hazards' approach to planning that encompasses reduction in workforce, loss of facility and loss of data.

Crisis management

Local crisis management teams are in place in all LNC locations. These local crisis teams are charged with recording and managing any potential or actual crisis at the site from the time a situation occurs to the resolution of the incident and resumption of normal business operations.

Backup and recovery

LNC maintains backup systems and power supplies that allow critical computer and telecommunications systems and facility functions to be maintained in the event of minor, local disruptions. The duration of the disruption will depend on the nature and extent of the emergency or SBD.

In the event of an SBD, where it is not possible to conduct business from one of LNC's offices, the company has contracted with a recovery services vendor for use of a remote alternate site equipped with resources to support critical business operations.

LNC's Business Continuity Plans are reviewed as necessary, and at least annually, to ensure they account for technology, business, operations, structure or location.

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Section F - Loan agreement

Loan agreement

Loans

By signing and dating this RFC, the Plan Sponsor hereby directs Lincoln as follows regarding Plan Loans:

Plan Sponsor responsibilities. The Plan Sponsor or, if delegated by the Plan Sponsor, any authorized official, employee or agent of the Plan Sponsor or Plan, shall provide Lincoln with data, information, Plan documents and other information and assistance reasonably needed by Lincoln to perform participant loan recordkeeping services, including, but not limited to:

- Reviewing each loan distribution request to determine if the requested loan is in compliance with the terms and conditions of the Plan and Section 72(p) of the Internal Revenue Code (Code)
- Validating and reporting to Lincoln a participant's vested account balance amount, available loan amount, and interest applicable to the requested loan
- Approving or declining each loan distribution request. If approved, the Plan Sponsor shall acknowledge approval by signing the applicable Lincoln Loan Request Form executed by the participant or approving the loan online, if applicable
- Ensuring delivery of the loan promissory note and the Truth in Lending Act disclosure statement to participants who receive loan distributions from the Plan
- Deducting loan payments determined in accordance with the applicable amortization schedule from a participant's wages via payroll deduction
- Transmitting loan payments to Lincoln in a timely manner in accordance with applicable federal laws and regulations via approved electronic format
- Identifying the loan payment amount transmitted to Lincoln by the corresponding loan payment number on the amortization schedule

Plan Sponsor acknowledgement. The Plan Sponsor acknowledges the following regarding participant loan recordkeeping services provided by Lincoln to the Plan:

- Participants agree to the terms of the loan promissory note and receive a loan distribution by executing the Lincoln Loan Request Form and either (1) endorsing the loan distribution check received or (2) accepting loan distribution funds received electronically by exercising control over those electronic funds or failing to return those funds after receipt of notice from Lincoln of an error in delivery of all or part of those funds
- Lincoln does not provide recordkeeping services for loan refinancing
- Lincoln charges and deducts the following fees from a participant's Plan account for loans for which Lincoln keeps records: (1) \$60.00 origination fee (The origination fee is waived for existing loans originating from prior recordkeepers or loans for which Lincoln didn't previously keep records.), and (2) \$30.00 annual service fee

Lincoln responsibilities. Lincoln shall provide the following participant loan recordkeeping services to the Plan:

- Make loan information within Lincoln WebAccess available to the Plan Sponsor and participants for loan modeling
- Make loans available online, if the Plan has chosen online loans
- Make Lincoln administrative forms, Loan policy, website and any voice response system developed by Lincoln with respect to administration of loan recordkeeping services for the Plan available to the Plan Sponsor and participants
- Produce loan promissory notes, amortization schedules and Truth in Lending Act disclosure notices upon execution of loan distribution requests by participants
- Provide loan distribution amounts to participants in the form of a check or an Automated Clearing House (ACH) transfer
- Make participant loan reports within Lincoln WebAccess, including loan balance, activity and payment history, available to the Plan Sponsor and participants
- Distribute quarterly pension benefit statements to participants for whose Plans Lincoln keeps records detailing the dollar amount of fees and expenses attributable to a participant's loan during the preceding quarter (ERISA Plans only)
- Produce federal income tax reports for loans, including defaulted loans, if the Plan Sponsor has transferred such tax reporting responsibility to Lincoln
- Deduct applicable loan origination and annual service fees from participant accounts for loans for which Lincoln is the recordkeeper

Lincoln automatic default policy for Plan loans

To ensure timely tax reporting of Plan loan defaults, Lincoln follows the administrative policy described here:

- Lincoln posts a Missed Loan Payment Report on a monthly basis to the Lincoln DATA DIRECT microsite established for the Plan Sponsor to submit contributions to the Plan. The report identifies all loans with payments that are one to 90 days past due.

In addition, the Plan Sponsor may request an ad hoc missed loan payment report via the Lincoln DATA DIRECT microsite for any frequency and time period. The Plan Sponsor may also schedule the report to run automatically on any frequency (e.g., weekly, monthly, quarterly, or annually). Lincoln will send the Plan Sponsor an email notification when the report is ready to be accessed via the Lincoln DATA DIRECT microsite.

Lincoln automatic default policy for Plan loans (cont'd.)

- The Plan Sponsor should review the missed loan payment report on a regular basis and resolve any discrepancies prior to the expiration of the 90-day cure period.
- A loan is considered in default once a missed payment has occurred. However, the federal tax code does provide exceptions of loan defaults. Valid exceptions to a loan default are: (i) the participant is on a leave of absence without pay for up to one year and the original maturity date has not passed; (ii) the participant is on a military leave of absence and the maturity date has not passed the original maturity date, plus the length of time spent on military leave; (iii) the cure period (if any) has not yet expired; and (iv) loan payments were deducted from the participant's pay in good faith, but an administrative error was caused by the plan recordkeeper, Plan Sponsor or TPA when applying the loan payment (please note that correction may be required under the DOL's Voluntary Fiduciary Correction Program).
- Once the 90-day cure period has expired, the loan default process is automated so that loans will automatically be reported as taxable income to the participant.
- Lincoln will generate a Form 1099-R to report defaulted loans as deemed distributions or loan offsets, as appropriate, for the year in which the loan defaults occurred.
- Lincoln recognizes a 90-day cure period unless a greater cure period has been communicated.
- The Plan Sponsor should review the missed loan payment report on a regular basis and resolve any discrepancies prior to the expiration of the cure period.

Third party administrators (TPAs)

Plan Sponsor direction to TPA. To the extent that the Plan Sponsor has contracted with a third party administrator (TPA) to provide administrative services to the Plan, the Plan Sponsor shall direct the TPA to work with Lincoln in the implementation and ongoing maintenance of participant loan recordkeeping services.

Plan Sponsor acknowledgement. The Plan Sponsor acknowledges the following regarding participant loan recordkeeping services provided by Lincoln to the Plan:

- The TPA may require additional or amended agreements or direction prior to implementing recordkeeping services with Lincoln. Additionally, some TPAs may refuse to abide by the Plan Sponsor's direction to work with Lincoln in the implementation and ongoing maintenance of participant loan recordkeeping services.
- Negotiating with the TPA to work with Lincoln in the implementation and ongoing maintenance of participant loan recordkeeping services is the sole responsibility of the Plan Sponsor.
- The Plan Sponsor agrees to hold Lincoln harmless for providing participant loan recordkeeping services to the Plan if TPA refuses to cooperate with the Plan Sponsor's direction to utilize Lincoln recordkeeping services.

Lincoln agreement to work in good faith with TPAs. Lincoln agrees to work in good faith with TPAs to develop implementation and ongoing maintenance procedures for participant loan recordkeeping services that are mutually agreeable to both Lincoln and the TPA.

Lincoln reliance on TPA direction. To the extent that the Plan Sponsor has contracted with a TPA to provide loan recordkeeping services to the Plan, the Plan Sponsor hereby authorizes Lincoln to accept instructions from the TPA and agrees that Lincoln may rely on the instructions and information received from the TPA without the need of any further authorization, including, but not limited to, the following transactions: (1) participant loan initiation and (2) vesting status updates. The Plan Sponsor understands that such authorization includes providing the TPA with internet access to Lincoln's administration systems to view participant accounts and make changes to participant accounts. The Plan Sponsor authorizes Lincoln to provide the TPA with reports and information requested by the TPA to assist the TPA in performing its duties for the Plan. The Plan Sponsor agrees that Lincoln may rely on this authorization from the Plan Sponsor until Lincoln is notified in writing of the termination or change in the TPA.

Plan Sponsor acknowledgements

- The Plan Sponsor will provide Lincoln with data, information, Plan documents and other information and assistance reasonably needed by Lincoln to perform participant loan recordkeeping services. The Plan Sponsor will be responsible for any and all losses which result from the failure of the Plan Sponsor, the Plan or any authorized official, employee or agent of the Plan Sponsor or Plan's failure to provide such information in a timely manner.
- The Plan Sponsor accepts the content and format of all administrative forms, website and any voice response system developed by Lincoln with respect to participant loan recordkeeping services provided to the Plan, including all material and forms provided to participants. The Plan Sponsor warrants that all such material correctly reflects the appropriate administration of the Plan.
- In providing participant loan recordkeeping services to the Plan, Lincoln: (1) acts as an independent contractor engaged by the Plan Sponsor; (2) does not act as the "administrator" or a "fiduciary" to the Plan within the meaning of ERISA; (3) reasonably relies, without making its own investigation, on any information received from the Plan Sponsor, the Plan or any authorized official, employee or agent of the Plan Sponsor or Plan; and (4) performs ministerial services with respect to the Plan, including facilitating participant loan transactions, solely at the direction of the Plan Sponsor.
- The terms of this agreement will not be amended, modified, changed or assigned except by an agreement in writing, signed by a duly authorized officer of each party.

Please retain a copy of this document for your records.



You're In Charge®

RETIREMENT PLAN SERVICES

408(b)(2) service provider & Form 5500 Schedule C disclosures

for *Lincoln Director*SM clients

Lincoln Financial Group
Servicing office - P.O. Box 2248
Fort Wayne, IN 46801-2248
800-510-4015

Lincoln Financial Group® affiliates, their distributors, and their respective employees, representatives, and/or insurance agents do not provide tax, accounting, or legal advice. Clients should consult their own independent advisor as to any tax, accounting or legal statements made herein.

Affiliates of Lincoln National Corporation include, but are not limited to, The Lincoln National Life Insurance Company, Lincoln Life and Annuity Company of New York, Lincoln Financial Advisors, Lincoln Financial Distributors, Inc., Lincoln Investment Advisors Corporation, Lincoln Financial Securities Corporation, and Lincoln Variable Insurance Products Trust, herein separately and collectively referred to as "Lincoln."

General overview

Overview of fiduciary responsibilities

So that you can meet your fiduciary responsibilities and we can meet our service provider fee disclosure responsibilities under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974 (ERISA) and Department of Labor (DOL) Regulation Section 2550.408b-2, we are disclosing to you the services Lincoln provides to your plan and the compensation received by Lincoln, its affiliates, and its subcontractors in exchange for those services. This document is intended to meet two goals:

1. Provide a comprehensive document that lists all of the services that may be provided by Lincoln to your plan and the fees your plan could be charged.

This document lists all of the compensation Lincoln receives for the various services we provide to any of our clients that invest in the *Lincoln Director*SM contract. Plan sponsors should note that not all the fees in this disclosure will apply to all plans. Rather, you are charged only for the services you selected as part of our offering. We are required to provide you with compensation information and other information related to the services we provide to your plan, including services provided by related parties. Please note that while we are required to disclose only the compensation already described, we often disclose other payments in order to help you better understand how services are provided to your plan.

2. Comply with the Form 5500 Schedule C fee disclosure requirements for eligible indirect compensation.

This disclosure is limited to compensation received in connection with the package of services for the *Lincoln Director*SM contract. If any service provider not related to Lincoln, including a service provider identified in this disclosure, is providing services or receiving compensation with respect to your plan, Lincoln is not responsible for the disclosure of such services or compensation. You will need to seek such disclosure from the other service provider. In addition, some of the information about compensation to unaffiliated entities that is presented here may have been provided to Lincoln by those unaffiliated entities. To the extent this occurs, Lincoln is not responsible for any inaccurate information.

Form 5500 Schedule C requirements

DOL regulations permit simplified reporting on your Form 5500 of certain types of compensation received by Lincoln with respect to your plan if certain disclosures regarding this compensation are made to you. The following is intended to meet the Lincoln goal of full and transparent fee disclosure and to permit simplified Form 5500 reporting in accordance with DOL rules. The charts in this document comply with Form 5500 Schedule C requirements for eligible indirect compensation purposes. Please note that Schedule C reporting requirements apply only to “large” plans with 100 or more participants.

Summary of the service provider 408(b)(2) regulations

Section 408(b)(2) of ERISA provides a statutory exemption to certain prohibited transactions related to fees paid to a service provider. Generally, any payment using your plan’s assets is a prohibited transaction unless a statutory or administrative exemption permits it. Under Section 408(b)(2) of ERISA, a payment is exempt from being a prohibited transaction only if the service arrangement under which it is paid is reasonable and necessary for the operation or establishment of a retirement plan. The regulations issued by the DOL provide that fees charged by a service provider will not be considered reasonable if the covered service provider does not comply with the disclosure requirements contained in the regulations.

The regulations identify three types of covered service providers that must provide disclosures. They include:

1. Fiduciaries to the plan.
2. Recordkeepers with investment platforms used by the plan.
3. Service providers that receive indirect compensation (compensation received from any source other than the covered plan, the plan sponsor, the covered service provider, an affiliate, or a subcontractor) for the following types of services:
 - a. Accounting
 - b. Auditing
 - c. Actuarial
 - d. Appraisal
 - e. Banking
 - f. Consulting
 - g. Custodial
 - h. Insurance
 - i. Investment advisory
 - j. Legal
 - k. Recordkeeping
 - l. Securities or other investment brokerage
 - m. Third party administration
 - n. Valuation services

Providers are generally considered to be covered service providers under the regulations if they enter into an arrangement and expect to receive at least \$1,000 in direct or indirect compensation. Since the regulations apply only to plans that are covered by ERISA, 457 governmental plans, non-ERISA 403(b) plans, and IRA-based plans, such as SIMPLEs and SEPs, are not covered by the regulations.

New clients that come to Lincoln will receive the disclosures reasonably in advance of the contract or arrangement with Lincoln. If there is a change to the disclosures, we will provide you an updated disclosure as soon as practical after the change, but not later than 60 days after we learn of the change.

Lincoln always strives for full and transparent fee disclosure to all of our clients. As a bundled provider, we will be attempting to provide you all of your plan fees, even fees that Lincoln does not keep, but passes along to other providers. Some of these other providers will be considered covered service providers under the regulations. As a result, they should be making disclosures, as well. It is important that you understand that the fees described in the disclosures other providers send you may also be disclosed by Lincoln. An example of this is clients that use the Morningstar Insight Series or Stadion Money Management, LLC (Stadion) managed account services. Fees for these services will be disclosed by Morningstar Investment Management LLC (Morningstar) or Stadion as required by DOL regulations and also may be disclosed by Lincoln as a courtesy.

We are required to make the following disclosures to you:

1. A description of the services provided
2. If we are a fiduciary; we must state it in writing, including a description of those fiduciary acts and responsibilities
3. The amount of compensation we receive for services provided, whether it is direct or indirect, and how we receive the compensation
4. Recordkeeping costs must be reported to you separately
5. Disclosures about the investments in your plan, which are required if we are acting as a fiduciary or a recordkeeper
6. Disclosures that show if we are sharing or allocating the fees we collect with affiliated parties (e.g., other entities under Lincoln) and subcontractors (i.e., non-affiliated entities, such as phone centers, to whom we outsource certain covered services we provide, as defined by Section 408(b)(2) regulations)

Fiduciaries to the plan

Lincoln is not a fiduciary and does not provide services as an ERISA or Advisers Act fiduciary for any purpose to the plan.

Morningstar Investment Management LLC (Morningstar) and Stadion, who are unaffiliated with Lincoln but provide services that are included in the Lincoln service package, will provide ERISA and Advisers Act fiduciary services and will receive compensation for their fiduciary services. Morningstar selects and maintains a recommended list of investment options for plans using the *Lincoln Director*SM contract.

Stadion provides fiduciary services as manager of the participant accounts of those participants who elect Stadion's account management services or who are defaulted into the managed account when the account is used as a Qualified Default Investment Alternative (QDIA). The chart included in this disclosure outlines the fees Morningstar and Stadion receive for their services, including fiduciary services.

Recordkeeping services provided with investment platform

Lincoln is the recordkeeper for your plan, and we maintain a recordkeeping platform that contains the investments offered and available under the *Lincoln Director*SM contract. The recordkeeping services we provide include some or all of the following services:

1. Plan design services
2. Plan document services
3. Plan setup, administration and annual reporting services
4. Multiple manager fund options
5. Communication materials distributed to plan participants
6. Assistance with ERISA Section 404(c) compliance
7. Access to Stadion account management services
8. Convenient access to plan sponsor and participant records - online and by phone
9. Access to investment fiduciary services offered through Morningstar
10. Information-gathering and reporting services
11. Transaction processing
12. Daily calculation of separate account unit values and allocation services
13. Daily interest rate calculation in the Lincoln Guaranteed Stable Value Account
14. Access to trust services if a directed trustee is desired by the plan sponsor
15. Comprehensive recordkeeping
16. Quarterly reports of plan assets and plan activity
17. Relationship management services
18. Sales support and sales assistance that explain the benefits of retirement plans and the *Lincoln Director*SM contract
19. Other administrative services required to oversee and to maintain your qualified plan

Payments by Lincoln to your third party administrator (TPA), if applicable

It is our intent to disclose all payments Lincoln makes to TPAs. Some TPAs may make separate disclosures of these same payments. If you receive disclosure of this compensation from your TPA, please understand that it is not in addition to the TPA compensation Lincoln discloses, and it should not be counted twice. Because we pay these TPAs some of the compensation we receive, the fees they charge you can be lower than they otherwise would be without this supplemental income.

Payments among related parties

The fees we are required to disclose in this category include (1) fees that are set on a transaction basis (e.g., commissions, soft dollars, finder's fees, or other similar incentive compensation based on business placed or retained), or (2) fees charged directly against the covered plan's investment and reflected in the net value of the investment. Within the *Lincoln Director*SM contract, no fees paid to subcontractors are charged directly against the investments, so you will not see any payments to such subcontractors. We do distribute the *Lincoln Director*SM product through agents and other intermediaries to whom we pay commissions or other incentive compensation. When a Lincoln agent or a registered representative of a Lincoln-affiliated broker-dealer sells a *Lincoln Director*SM contract to a plan, that individual is considered an affiliate and that compensation will be disclosed in this document as compensation received by an affiliate of Lincoln. However, Lincoln also allows unaffiliated intermediaries to sell the *Lincoln Director*SM contract. In this case, the unaffiliated intermediary and its broker-dealer are covered service providers under the regulations, and they will be making separate disclosures to you. Lincoln also discloses these payments as a courtesy to help you better understand how services are provided to your plan.

When a plan is sold, there is usually a commission called a gross dealer concession (GDC) paid to the broker-dealer of the individual who sold the *Lincoln Director*SM contract. The GDC usually is split into two parts: (1) part is kept by the broker-dealer to pay for overhead, support services to the broker or agent, payments to your agent's supervisor(s), and profits, and (2) part is paid to the broker or agent as a commission payment. In this disclosure, we provide the GDC for all intermediaries, but we can provide information only about the part paid as commission to the broker or agent when a Lincoln intermediary is involved. The part paid to your agent or broker often is referred to as the "grid rate." An agent's or broker's grid rate is the percentage of the total GDC he or she receives as commissions. Again, if the broker-dealer for your plan is not a Lincoln broker-dealer, that broker-dealer will be providing you information about the breakdown of the GDC.

The grid rate Lincoln provides to its agents can range from 40% to 93% of GDC. This grid rate is set at the discretion of the Lincoln broker-dealer and is adjusted from time to time on a discretionary basis. The grid rate changes monthly based on a variety of factors that may include, among other factors, assets in other Lincoln products, overall production of the agent or broker, and persistency of assets remaining with Lincoln.

Fees to terminate the contract: Generally, the plan sponsor does not need to pay a fee to transfer the plan to another service provider or to terminate the *Lincoln Director*SM contract. Market value adjustments (MVAs) are made for some contracts that hold the Lincoln Guaranteed Stable Value Account or Managed Principal Protection Portfolio (MPPP) as a plan asset. Here is an explanation of the MVA and how it is calculated:

An MVA is an adjustment to the amount taken from the Guaranteed Stable Value Account or MPPP. The amount paid is the withdrawal amount times the market value factor.

The market value factor is calculated as the lesser of 1.00 or the ratio of:

$$\frac{\text{Current bond price}}{\text{Par value of that bond}}$$

Where the current bond price is equal to the price of a bond:

1. Issued with a maturity of 6.5 years
2. Bearing interest at the five-year average of the Barclays Capital U.S. Aggregate Bond Index as of the most recent month-end prior to the receipt of the notice of termination. However, if the contract has been in force for less than 2 years, the average yield will be computed over the time period the contract has been in force
3. Calculated to yield the Barclays Capital U.S. Aggregate Bond Index as of the most recent month-end prior to the receipt of the Notice of Termination

Upon contract termination, you may elect either a lump-sum payout or a systematic payout. If a systematic payout is elected, no MVA will be assessed unless you elect to receive the remaining balance of the Guaranteed Stable Value Account or MPPP in a lump sum prior to the last scheduled systematic payout. The terms for the systematic payout are outlined in your contract. If a lump-sum payout is elected, an MVA may be assessed. Certain states do not allow a market value adjustment. In those states, the systematic payout option is the only option available.

On occasion, a client will want to transfer a plan to Lincoln, but the prior provider will impose a surrender or termination fee that the plan sponsor does not want to pay or does not want their employee to pay through a reduction of his or her retirement savings account balance. When requested, Lincoln may pay that surrender or termination fee for the client. When we provide this payment, Lincoln may impose its own fee to recoup reasonable start-up costs if a client then wants to leave Lincoln before a certain period of time.

The current Lincoln pricing and standard contracts do not have surrender charges or termination fees. However, we may provide special pricing in which your advisor or agent receives upfront or deposit-based compensation for all years the contract is in effect. If this is the compensation structure, the *Lincoln Director*SM contract may impose a surrender charge upon termination of the contract.

Estimate of fees collected for recordkeeping: If a service provider reasonably expects recordkeeping services to be provided, in whole or in part, without explicit compensation for such recordkeeping services, or if compensation for recordkeeping is offset based on other compensation received, the service provider must furnish a reasonable and good faith estimate of the cost of such recordkeeping services, including an explanation of the methodology and assumptions used to prepare the estimate and a detailed explanation of the recordkeeping services that will be provided to the plan. The following chart is a good faith estimate of how we generally charge clients for recordkeeping services. The estimates are based on periodic studies of aggregate expenses associated with the administration of this line of business.

	Servicing	Acquisition and setup fees (one-time fees)	Annual maintenance and overhead (year 2 and beyond)	Annual plan administration and Form 5500 fees (year 1 and beyond)
Contract	Full-serviced	\$2,000	\$1,050	\$1,575
Participant account	Full-serviced	\$40	\$40	\$25
Contract	TPA-serviced	\$1,100	\$1,020	n/a
Participant account	TPA-serviced	\$40	\$40	n/a

Fee chart

Please note: Your plan is charged for only those services that have been selected by you. Therefore, some of the fees included in the chart may not apply to your plan.

Fee/compensation description	Who pays this fee and how is it collected?	Who receives this fee?	Where is this fee disclosed?	Can this fee be used for recordkeeping services?																										
Per participant	This fee is typically debited from plan assets on an annual basis. It can also be billed to the plan sponsor on an annual basis.	This fee is received by Lincoln.	The per participant account charge is disclosed in the group annuity contract.	Yes																										
Asset charge	This fee is typically debited from plan assets on a monthly basis. It can also be billed to the plan sponsor on an annual basis.	This fee is received by Lincoln.	The asset charge is disclosed in the group annuity contract.	Yes																										
Employer charge	This is a flat dollar fee that is billed to the plan sponsor on an annual basis.	This fee is received by Lincoln.	The employer charge is disclosed in the group annuity contract.	Yes																										
Stadion StoryLine investment advice and account management services fee	This fee is applied to the accounts of participants who use Stadion StoryLine investment and account management services. This fee is deducted from participant accounts on a quarterly basis.	This fee is received by Stadion.	The fee is disclosed in the contract between the plan sponsor and Stadion and in the contract between the participant and Stadion. When Stadion StoryLine is used as a QDIA, the fee is 0.55%. The fee is disclosed to participants in the QDIA notice. The fee is disclosed in Stadion's agreement with the plan sponsor.	Yes. Stadion StoryLine shares some of these fees with Lincoln to pay for administrative services needed to support the Stadion StoryLine investment and account management services.																										
Plan documents and amendments to plan documents	This fee applies only to clients who rely on Lincoln for their plan document services. This fee is billed directly to the plan sponsor.	This fee is received by Lincoln.	This fee is disclosed on the Plan Document Services flier and fee schedule.	Yes																										
Loan processing and maintenance fee (for plans that use Lincoln loan administration services)	These fees are deducted from the plan accounts of participants who request a plan loan.	These fees are received by Lincoln.	These fees are listed in the Plan Loan Provisions that are part of the Lincoln loan kit. These fees are also disclosed on the truth-in-lending statement prepared by Lincoln. For most plans, these fees are \$60 for loan initiation and \$30 annually.	Yes																										
Separate Account charge	This charge is embedded in the <i>Lincoln DirectorSM</i> share class, and it reduces the separate account unit values in the <i>Lincoln DirectorSM</i> contract.	These fees are received by Lincoln.	This fee is disclosed in the group annuity contract. It is also disclosed in our proposals, various marketing pieces and participant disclosures. The 12 Separate Account charge levels are as follows: <table border="1"> <thead> <tr> <th>Level</th> <th>Charge</th> </tr> </thead> <tbody> <tr><td>1</td><td>0.00%</td></tr> <tr><td>2</td><td>0.10%</td></tr> <tr><td>3</td><td>0.20%</td></tr> <tr><td>4</td><td>0.30%</td></tr> <tr><td>5</td><td>0.40%</td></tr> <tr><td>6</td><td>0.50%</td></tr> <tr><td>7</td><td>0.60%</td></tr> <tr><td>8</td><td>0.70%</td></tr> <tr><td>9</td><td>0.80%</td></tr> <tr><td>10</td><td>0.90%</td></tr> <tr><td>11</td><td>1.00%</td></tr> <tr><td>12</td><td>2.00%</td></tr> </tbody> </table>	Level	Charge	1	0.00%	2	0.10%	3	0.20%	4	0.30%	5	0.40%	6	0.50%	7	0.60%	8	0.70%	9	0.80%	10	0.90%	11	1.00%	12	2.00%	Yes
Level	Charge																													
1	0.00%																													
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5	0.40%																													
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8	0.70%																													
9	0.80%																													
10	0.90%																													
11	1.00%																													
12	2.00%																													

Fee/compensation description	Who pays this fee and how is it collected?	Who receives this fee?	Where is this fee disclosed?	Can this fee be used for recordkeeping services?
Mutual fund operating expenses	These fees are included in the calculation of (i.e., reduce) the mutual fund net asset value (or share price) and are, therefore, included in the separate account unit values. These fees include the mutual fund company's investment management fee and other fund operating expenses.	These fees are received by the underlying mutual fund company to cover the costs of investment management and other operating costs of the fund.	These fees are disclosed in enrollment kits, fund fact sheets, and other marketing pieces. Mutual fund operating expenses are also disclosed in the fees and expenses section of the mutual fund's prospectus. Mutual fund prospectuses can be found on the websites of the various mutual fund companies.	No
Revenue sharing between Lincoln and broker-dealers (called a "marketing allowance")	Lincoln pays this fee. For some broker-dealers and other distributors, Lincoln will pay the distributor additional revenue over and above the GDC (gross dealer concession) in order to offset administrative expenses, promotional expenses, and due diligence expenses incurred for distribution of the <i>Lincoln Director</i> SM contract. This fee is paid by Lincoln from general assets. Thus, this fee is not in addition to other disclosed fees and, therefore, should not be counted twice.	Broker-dealers and other intermediaries receive this fee.	The marketing allowance is disclosed on the Schedule A report provided to you each year for use in filing your plan's annual Form 5500. This information also may be disclosed by your broker-dealer if it receives any such revenue.	No
Payments to Lincoln for Stadion administration and marketing costs	These fees are paid by Stadion. They are not in addition to any other fee disclosed here and should not be counted twice.	These fees are received by Lincoln to help offset some costs of the administrative infrastructure needed to support the relationship with Stadion. For example, Lincoln sends daily file feeds to and from Stadion so Stadion has an up-to-date fund position for participant accounts. Additionally, we support the ability to receive from Stadion file feeds that are converted into transactions, thereby enabling participant accounts to remain aligned with the desired asset allocations of Stadion's quantitative custom portfolios. Finally, Lincoln will act as a paying agent on behalf of Stadion.	These fees are outlined in the agreement between Stadion and Lincoln and the agreement between Stadion and the client. The fee is 0.20% on all assets managed by Stadion in the StoryLine service.	No
Other TPA payments (e.g., cost of hotel or conference entertainment)	These expenses may be paid by Lincoln, and, if so, are paid from general assets rather than being charged to the plan or plan sponsor.	These expenses are received by your TPA. They can include payments from Lincoln to the TPA to offset expenses for food, airfare, education, conference fees, and similar TPA expenses. These payments are made to the TPA for continued business support, including remaining up-to-date on enhancements to Lincoln products and on developments within the industry and regulatory environment.	Payment for these expenses is completed by Lincoln on an ad hoc basis rather than pursuant to a program that can be described in advance. Not all TPAs receive these items. If your TPA receives any of these items, he or she may disclose this to you. These amounts also are disclosed on the Schedule A report provided to you each year for use in filing your plan's annual Form 5500.	No

Fee/compensation description	Who pays this fee and how is it collected?	Who receives this fee?	Where is this fee disclosed?	Can this fee be used for recordkeeping services?
TPA subsidy	This is an optional fee that can be included as part of the asset charge. TPAs receive this fee when clients ask Lincoln to factor a portion of the fees for TPA services into the asset charge assessed to the plan by Lincoln.	This payment is received by your TPA for services they provide to the plan, including compliance testing, year-end reporting, plan design, facilitation of transaction approval, and other typical TPA services.	A TPA subsidy can be priced into the <i>Lincoln Director</i> SM contract and is used to offset TPA fees that normally would be billed to the plan sponsor or participants. The TPA subsidy can be paid as a flat dollar amount, on a per participant basis, or as a percentage of assets. The inclusion of a TPA subsidy in a contract's pricing is disclosed initially in the Request for Contract and annually on the Schedule A report provided to you for use in filing your plan's Form 5500.	No
Gross dealer concession (GDC)	The GDC is the amount paid by Lincoln on behalf of the representative that sold the <i>Lincoln Director</i> SM contract used as the plan's funding vehicle. The GDC fee is paid from our general assets. This fee is not in addition to other Lincoln fees already disclosed and, therefore, should not be counted twice.	If the representative is registered with a broker-dealer and this registration has been verified by Lincoln, the GDC is received by the representative's broker-dealer. The broker-dealer may be affiliated with Lincoln as part of Lincoln Financial Advisors Corporation (LFA) or Lincoln Financial Securities Corporation (LFS) or may be unaffiliated with Lincoln. In the case of Lincoln-affiliated broker-dealers, part of the GDC is used to pay the representative's compensation (and, in some cases, to pay compensation to certain other individuals involved in the sale) and part is retained by the broker-dealer. The compensation paid to the representative can vary depending on the representative's "grid rate" that is applied by the broker-dealer. In the case of an unaffiliated broker-dealer, the GDC is split in accordance with that broker-dealer's policy, which may be obtained from that broker-dealer. If the person/entity who sold the <i>Lincoln Director</i> SM contract to the plan is not a registered representative of a broker-dealer, or if affiliation with a broker-dealer has not been verified, the GDC is paid through LFA in the same manner as payment to an LFA registered representative (i.e., a grid rate is applied to determine the portion to be paid to the salesperson and the portion to be retained by LFA).	The GDC is disclosed as a "commission" in the Request for Contract. In general, the amount shown is the amount paid to your sales representative's broker-dealer for sales, education and promotional activities, plan enrollment, and other services performed by the advisor/representative. In some cases, there may be more than one sales representative involved in the sale of a <i>Lincoln Director</i> SM contract. If this is the case with your plan, the Request for Contract will also indicate the percentage of the GDC will be credited to each sales representative. This will be denoted as a percentage split. If your representative is registered with a Lincoln broker-dealer, you will receive a separate disclosure with details about the amount of the GDC paid to the representative and the amount retained by the broker-dealer. In addition, the GDC is disclosed on the Schedule A report provided to you each year for use in filing your plan's annual Form 5500.	No
Morningstar fee for fiduciary services	This fee is paid by Lincoln from its general assets. This fee is not in addition to other fees and, therefore, should not be counted twice.	This fee is received by Morningstar.	This fee is detailed in a contract between Morningstar and Lincoln. The amount of the fee is a flat dollar license fee plus a percentage of the assets of plans that use Morningstar's fiduciary services. The percentage is 0.03% of the assets in a plan that uses Morningstar. The flat dollar license fee is spread out over all the plans that use the Morningstar fiduciary services and generally will amount to one or two additional basis points in our pricing model. If a plan has \$600,000 in total assets, the 0.03% fee amounts to \$180.00.	No

Fee/compensation description	Who pays this fee and how is it collected?	Who receives this fee?	Where is this fee disclosed?	Can this fee be used for recordkeeping services?												
Float income (interest) that Lincoln earns on contributions and distributions in transit that temporarily reside in an interest-bearing Lincoln account	Interest income is paid by our bank on the plan assets that reside temporarily in the interest-bearing account while assets are in transit.	This income is received by Lincoln.	A description of this income is found in the Request for Contract.	No												
Withdrawal / surrender charge reimbursement	If Lincoln absorbed and paid for a surrender fee from a prior provider, this fee is deducted from plan assets.	This fee (if applicable) is received by Lincoln.	This fee is disclosed in the group annuity contract.	No												
TPA recognition program	This fee is paid by Lincoln from general assets. This fee is not in addition to the other disclosed fees and, therefore, should not be counted twice.	This fee is received by the TPA in exchange for promotion of the product. It is generally used by the TPA to offset the fees in the contract or would otherwise apply to TPA services rendered to the plan.	<p>The Request for Contract references these programs, but does not provide specific dollar amount disclosures. A description of the TPA recognition program follows.</p> <p>New sales bonus: A bonus on a new sale of a <i>Lincoln DirectorSM</i> contract for cases that qualify (one-time per plan payment based on total takeover assets, no flow for the calendar year).</p> <table border="1" data-bbox="992 764 1304 932"> <tr> <td>\$250,000-\$499,999</td> <td>\$1,000</td> </tr> <tr> <td>\$500,000-\$999,999</td> <td>\$2,000</td> </tr> <tr> <td>\$1,000,000-\$2,999,999</td> <td>\$5,000</td> </tr> <tr> <td>\$3,000,000-\$4,999,999</td> <td>\$7,500</td> </tr> <tr> <td>\$5,000,000 - \$7,499,999</td> <td>\$9,000</td> </tr> <tr> <td>\$7,500,000 - \$10,000,000</td> <td>\$12,000</td> </tr> </table> <p>Asset-based component requirements: If the TPA has generated \$2 million in new sales during the calendar year, we pay the TPA 5 basis points on all assets in our <i>Lincoln DirectorSM</i> product with that TPA. Or, if the TPA does not generate \$2 million in new sales, they can receive a payment based on all assets in our <i>Lincoln DirectorSM</i> product with that TPA if they have at least \$25 million in <i>Lincoln DirectorSM</i> assets and they are able to keep these plans with Lincoln (persistence bonus) according to the following schedule:</p> <p>95% of the plans stay with the <i>Lincoln DirectorSM</i> product = 5 basis points</p> <p>90% - 94.9% of the plans stay with the <i>Lincoln DirectorSM</i> product = 2.5 basis points</p> <p>For business that is considered either a Multiple Employer Plan or a Professional Employer Organization, we have a separate TPA award program.</p> <p>A new MEP/PEO with total takeover assets of \$5 million within the first 12 months will receive a one-time payment of \$5,000. A new participating plan within an existing MEP/PEO with takeover assets exceeding \$250,000 will receive a one-time payment of \$500.</p>	\$250,000-\$499,999	\$1,000	\$500,000-\$999,999	\$2,000	\$1,000,000-\$2,999,999	\$5,000	\$3,000,000-\$4,999,999	\$7,500	\$5,000,000 - \$7,499,999	\$9,000	\$7,500,000 - \$10,000,000	\$12,000	No
\$250,000-\$499,999	\$1,000															
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\$5,000,000 - \$7,499,999	\$9,000															
\$7,500,000 - \$10,000,000	\$12,000															

Fee/compensation description	Who pays this fee and how is it collected?	Who receives this fee?	Where is this fee disclosed?	Can this fee be used for recordkeeping services?
Promotional payments to TPAs to offset portions of administration costs and fees	These payments are made by Lincoln from general assets rather than being charged to the plan or plan sponsor.	These payments are received by your TPA.	<p>These payments are made pursuant to temporary promotional programs that Lincoln has offered in the past on a periodic basis and may offer again in the future. These programs generally provide payment to eligible TPAs based on the amount of business those TPAs bring to Lincoln during a specified period. The criteria for receiving a promotional payment vary depending on the particular promotion being offered. If Lincoln is engaging in a promotion at the time of sale to your plan, you will receive separate disclosure of its details. Your TPA also may disclose any such promotional payments to you.</p> <p>If these payments are made, they also are disclosed on the Schedule A report provided to you each year for use in filing your plan's annual Form 5500.</p>	No
Market value adjustment (MVA)	The MVA is deducted from the value of the Lincoln Guaranteed Stable Value Account and Managed Principal Protection Portfolio for certain account value withdrawals or surrender of the contract.	The MVA is received by Lincoln.	The MVA formula is disclosed in the group annuity contract issued to the plan sponsor and disclosed as a specific dollar amount as of a specific date as part of a plan sponsor's contract surrender.	No
Earnings on the Lincoln Guaranteed Stable Value Account	This income is earned on plan assets that are invested in the Lincoln Guaranteed Stable Value Account.	This income is received by Lincoln.	<p>Lincoln receives investment income and credits interest to the plan's annuity contract. Lincoln attempts to invest in such a way that it covers not only the cost of these interest credits, but also any expenses, revenue sharing to the plan, and the cost of capital. Since the contract provides guarantees of principal and interest, regulators and rating agencies require that significant capital be obtained to assure all guaranteed obligations will be met in adverse economic situations. Unlike non-guaranteed funds, which pay themselves first and credit whatever is left to the participant, insured contracts guarantee a minimum return to the participant and assume any uncertainty and risk of loss.</p>	No

Fee/compensation description	Who pays this fee and how is it collected?	Who receives this fee?	Where is this fee disclosed?	Can this fee be used for recordkeeping services?
Lincoln Inadvertent Processing Error Correction Policy	<p>Lincoln will correct any identified inadvertent processing error caused by Lincoln as soon as practicable after Lincoln has sufficient information to correct the error. In no event will Lincoln exercise discretionary authority or control over the correction of inadvertent processing errors. Inadvertent processing errors are exclusively defined as incorrect or untimely processing by Lincoln of transactions that are received in good order. Inadvertent processing errors do not include errors made by plan sponsors, participants or third parties.</p> <p>The Lincoln Inadvertent Processing Error Correction Policy is designed to restore the plan to the position it would have been in had the error not occurred, including restoration of participants to the benefits and rights they would have had if the error had not occurred. Accordingly, once an inadvertent processing error has been identified, Lincoln will promptly take action to place the plan and participants in a position financially equivalent to the position they would have been in had the error not occurred.</p>	Correction of inadvertent processing errors may result in excess gains being removed from a participant's account (Lincoln will keep the excess in this situation) and/or in Lincoln making the plan and participants whole for any loss to the plan and/or participant resulting from correcting the inadvertent processing error. In the latter situation, Lincoln will incur and absorb a loss.	The Lincoln Inadvertent Processing Error Correction Policy is furnished in this disclosure and in the Request for Contract.	No

Summary

Any discussion or disclosure regarding fees is not very meaningful without understanding the value you get for those fees and how those fees compare with those of other providers in the industry. Lincoln provides the following:

1. Our *Lincoln Director*SM product is competitively priced. We strive to make sure we are priced near the middle of the markets we serve with the *Lincoln Director*SM product and all the retirement products we offer.
2. Lincoln is committed to the retirement industry. We are dedicated to keeping our services, support, and partnerships effective and efficient in servicing plan sponsors and their plan participants.

If you have any questions about the fees you pay, please call your account manager for a review of the fees that apply to you.

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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A group variable annuity is a long-term investment product designed particularly for retirement purposes. Group annuities contain both investment and insurance components and have fees and expenses, including administrative and advisory fees. Optional features may be available for an additional charge. The annuity's value fluctuates with the market value of the underlying investment options and all assets accumulate tax-deferred.

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