Lincoln Financial®

Penalty-Free Income Before Age 59½

With Lincoln annuities and *i4LIFE*® Advantage



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

Insurance products issued by:
The Lincoln National Life Insurance Company
Lincoln Life & Annuity Company of New York

For use with the general public.

9182195

You don't need to retire to create a tax-advantaged lifetime income stream

Your goal is to have a lifetime income stream before age 59½ that lets you maintain control of your assets — but you're concerned about the federal tax penalty on retirement income for early withdrawals. Relax. We have a strategy that may help.

i4LIFE offers withdrawals before age 59½ with no additional taxes

i4LIFE® Advantage is an optional lifetime income benefit available with Lincoln annuities for an additional charge. According to the federal tax code, distributions from an immediate annuity are not subject to a tax penalty; however, investors can't take additional withdrawals from traditional immediate annuities because there is no account value for them to access.



By electing *i4LIFE* — within 12 months of purchasing the contract — you can access guaranteed lifetime income and additional withdrawals without incurring the 10% early withdrawal tax.

Good news for you

When elected with nonqualified money and regular payments start within one year of contract purchase, *i4LIFE* qualifies as an immediate annuity under Internal Revenue Code Section 72(u)(4). So it can be used to generate lifetime income while providing access to account value without incurring the 10% early withdrawal tax normally assessed on additional withdrawals taken prior to age 59½.[1]

This strategy may be appropriate if you have sufficient assets to take distributions for an extended period of time and can retire comfortably. Of course, all applicable income taxes must still be paid, and you should consult with a tax professional regarding your specific situation.

Annuities are long-term investment products that offer tax-deferred growth, access to a lifetime income stream, and death benefit protection. Variable and registered index-linked annuities may be subject to market fluctuation, investment risk, possible loss of principal and there may be costs associated. Optional features may be built-in or if selected, are available for an additional charge.

[1] Additional withdrawals reduce the cost basis, account value, death benefit, and future income payments proportionately, and are subject to ordinary income tax to the extent of the gain.

Jim and Sandy

They've built a successful business and are ready to retire early. Now, Jim and Sandy are exploring how to start a stream of retirement income before age 59½ — without triggering the 10% early withdrawal penalty. Here's what they did:



1 **Jim and Sandy have $2,000,000 earmarked for retirement income.**

They were able to sell their business and are ready to retire at age 50. They have several options for a lifetime income stream, but want to make sure they retain control over their money "just in case."

2 **Jim and Sandy purchase a Lincoln annuity with *i4LIFE*® Advantage.**

Their financial professional explains that *i4LIFE* is an optional benefit available for an additional cost. It provides a lifetime income stream and, for nonqualified assets, a tax exclusion ratio. This means they get a portion of their principal back (untaxed) with each payment.

3 **They receive tax-efficient annual lifetime income payments with growth potential.**

Jim and Sandy pay regular income taxes only on the portion of gains in each payment, rather than as a lump sum. Their first-year total income was $75,762 (63% of which was nontaxable return of principal). Every year, their payment may increase if their returns exceed the Assumed Investment (or Interest) Return (AIR).

4 **Jim and Sandy can take penalty-free additional withdrawals (with the benefit of the exclusion ratio) at any age.**

What makes *i4LIFE* different? Jim and Sandy keep control of their account value and can take additional withdrawals with no 10% federal tax penalty. They also have a death benefit, can change their allocation, or even cash out of the contract. For this strategy to work, *i4LIFE* payments must be taken within a year of the investment in an insurance contract.

Example is hypothetical and for illustrative purposes only.

These assumptions represent a 50-year-old couple with a 0.40% charge for *i4LIFE*® Advantage, an annual payment, 3% AIR, and a 35-year Access Period. Payments may vary slightly in certain states. Additional withdrawals will recalculate the *i4LIFE*® payment.

Lincoln Financial®

Your tomorrow.
Our priority.®

Designed to help you reach your retirement goals while keeping control of your assets. Learn more about wealth protection strategies from your financial professional.

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Annuities may be fixed, variable, or indexed and are long-term investment products designed for retirement purposes. Variable or indexed annuities may be subject to market fluctuation, investment risk, and possible loss of principal. Optional features may be built-in or if selected, are available for an additional charge. A fixed indexed annuity is not a registered security or stock market investment and does not directly participate in any stock or equity investments, or index. Registered index-linked annuity products are complex insurance and investment vehicles.

For registered index-linked annuities, material is authorized for use only when preceded or accompanied by prospectus, which describes investment objectives, risk factors, fees and charges that may apply as well as other important information.

Variable products are sold by prospectuses, which contain the investment objectives, risks, and charges and expenses of the variable product and its underlying investment options. The applicable prospectuses contain this and other important information.

Please call 888-868-2583 for free prospectuses. Read carefully before you invest or send money.

Annuities may include surrender charges, administrative fees and other costs that can reduce returns. Earnings grow tax-deferred, but withdrawals are subject to ordinary income tax and may incur a 10% penalty if taken before age 59½.

i4LIFE® Advantage is available with Lincoln annuities (contract forms 30070-A 8/03, 30070-A-ID 8/03, 30070-B, 30070-BID, ICC23-60020 and 23-60020, ICC23-60021 and 23-60021, ICC23-60022 and 23-60022, ICC1515-619, 25-50096, 25-50097, ICC25-50096, ICC25-50097 and state variations). Lincoln annuities are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.**

In New York, *i4LIFE*® Advantage is available with Lincoln annuities (contract forms 24-70030 through 24-70035). Contracts sold in New York are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer.

All contract and rider guarantees, including those for optional benefits, fixed subaccount crediting rates, or annuity payout rates, are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer or insurance agency from which this annuity is purchased, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

There is no additional tax-deferral benefit for an annuity contract purchased in an IRA or other tax-qualified plan.

Products and features are subject to state availability.

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