



# Annuity Suitability and Best Interest Form and Summary Customer Disclosure—NY

Lincoln Life & Annuity Company of New York ("Company", "Lincoln")

**This form is required for all annuity products. If the owner is to be a revocable trust, responses should be based on the trust settlor's/grantor's overall income, assets, and health.** This form is not required if the owner is an Irrevocable Trust.

It is important that the annuity contract<sup>1</sup> recommended to you be suitable and in your best interest based on the evaluation of relevant suitability information. Your producer's recommendation must reflect the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use under similar circumstances then prevailing. Your producer must consider only your interests in making a recommendation. You should be reasonably satisfied that the product meets your needs and objectives; and that you have the knowledge necessary to make an informed decision. If the purchase of this annuity contract involves a replacement of an existing annuity or life insurance policy, you should know that the Company does not encourage such replacements unless you have all the relevant facts. Additionally, you should be satisfied that you are fully educated on the advantages and disadvantages of a replacement and that you have received complete and accurate replacement forms as required by state regulations. The Company expects each producer selling its products to determine the appropriateness of each product recommendation according to the Company's guidelines prior to submitting an application. Please read the questions and statements on this Annuity Suitability and Best Interest Form and Disclosure carefully. Please complete the Financial Information in Section 2 below as completely as possible. Financial information is needed in order to make an informed suitability and best interest determination.

**If more information is required to determine suitability, you may be contacted and asked to confirm in writing by initialing and dating the suitability form changes. Please be aware that Lincoln may decline this request if information is incomplete or is not adequate to make an informed suitability decision.**

**Note: ANY AMENDMENTS TO ANSWERS ON THIS FORM MUST BE INITIALED AND DATED BY THE OWNER.**

## 1. General Information – Based on the Owner/Applicant/Grantor.

- a. Owner Name: \_\_\_\_\_ b. Age (years): \_\_\_\_\_
- c. Social Security/Tax ID Number: \_\_\_\_\_
- d. Joint Owner Name (if any): \_\_\_\_\_ e. Age (years): \_\_\_\_\_
- f. Federal Tax Bracket (Approximate): ☐ Less than 13% ☐ 13 - 24% ☐ Greater than 24%
- g. Do you currently have a Reverse Mortgage? (If Yes, do not continue) ☐ Yes ☐ No
- h. Do you reside in a Nursing Home/Memory Care Unit (other than for temporary rehabilitative services)? ☐ Yes ☐ No
- i. Total Premium/Purchase Payment (Approximate): \$ \_\_\_\_\_

<sup>1</sup> Contract may be referred to as "policy" or "certificate."

---

## 2. Financial Information

Responses below should be for combined household excluding dependents.

- a. Annual Income: \$ \_\_\_\_\_
- b. Annual Expenses: \$ \_\_\_\_\_  
(Includes existing financial liabilities and obligations you consider to be significant; for example: mortgage, large credit card debt balances, auto or student loans, and permanent life insurance premiums.)
- c. Duration of existing liabilities and obligations (Longest duration of the expenses in years).  
☐ 0-4 years    ☐ 5-10 years    ☐ 10+ years
- d. Are your expenses more than 65% of your income? ☐ Yes ☐ No  
If yes, please provide additional information as to why this purchase is in your best interest.  
\_\_\_\_\_  
\_\_\_\_\_
- e. Total Net Worth: \$ \_\_\_\_\_  
(All assets including checking and savings account balances, value of securities such as stocks or bonds, home value, investment holdings and life insurance, etc. minus liabilities.)
- f. Value of all Annuities **including** this purchase premium: \$ \_\_\_\_\_
- g. Do you have 70% or more of your total net worth in annuities, including this purchase? ☐ Yes ☐ No  
If yes, please explain how this is financially suitable and how you will pay for unexpected emergencies during the surrender period:  
\_\_\_\_\_  
\_\_\_\_\_
- h. Liquid Net Worth: \$ \_\_\_\_\_  
(Net worth that can readily be turned into cash. **Do not include assets funding this annuity.**)
- i. Is your Liquid Net Worth less than \$30,000? ☐ Yes ☐ No  
If yes, please explain how this is financially suitable and how you will pay for unexpected emergencies during the surrender period:  
\_\_\_\_\_  
\_\_\_\_\_

---

## 3. Available Funds – Liquidity Needs

Do you have sufficient cash or other liquid assets for living expenses and unexpected emergencies, such as medical expenses? ☐ Yes ☐ No

If "No", please explain \_\_\_\_\_

---

## 4. Financial Experience

Please provide length of experience for the following investment vehicles you have. Choose the corresponding letter from below to answer. (Complete all that apply)

**A** Less than 1 year    **B** 1 to 4 years    **C** 5+ years

Annuities \_\_\_\_\_ Life Insurance \_\_\_\_\_ Bonds \_\_\_\_\_ Stocks \_\_\_\_\_ CDs \_\_\_\_\_

Checking/Savings Account \_\_\_\_\_ Employer Retirement Account \_\_\_\_\_ Mutual Funds \_\_\_\_\_

---

## 5. Financial Objective(s) and Intended Use(s)

What are your financial objectives or intended use for this annuity? (Check all boxes that apply)

- ☐ Annuitize   ☐ Asset Accumulation   ☐ Guarantees   ☐ Growth Potential  
☐ Protection of Principal   ☐ Required Minimum Distribution   ☐ Retirement Income   ☐ Tax Deferral  
☐ Wealth Transfer (Pass assets to a beneficiary(ies) at death)  
☐ **i4LIFE**® Indexed Advantage rider or GLWB rider (if available)

If a rider was chosen: ☐ Purchased at issue   ☐ Will elect post issue

---

## 6. Financial Time Horizon

Do you anticipate negative material changes to your annual income, existing assets, liquidity needs, liquid net worth or financial situation and needs during the surrender charge period (if applicable)?

If Yes, will this impact your ability to afford this contract? ☐ Yes   ☐ No

If this will impact your ability to afford this contract, please explain how this is suitable and fits within your financial plan:

---

---

---

## 7. Risk Tolerance

a. What is your risk tolerance? (Select One)

☐ Conservative   ☐ Moderately Conservative   ☐ Moderate   ☐ Moderately Aggressive   ☐ Aggressive

b. Do you understand the features of the proposed annuity, and considering your overall risk tolerance, agree that this product is appropriate for your overall portfolio? ☐ Yes   ☐ No

c. Do you understand the possible non-guaranteed elements of the proposed annuity, such as future credited interest rates (renewal rates), variability in premium, cash value, fees, or death benefit? ☐ Yes   ☐ No

---

## 8. Product Considerations

I have been reasonably informed of the various features of this annuity including but not limited to: ☐ Yes   ☐ No

- |  |   |
|--|---|
| • Surrender period and surrender charge                                | • Product restrictions or exclusions              |
| • Index features   | • Potential charges for and features of riders    |
| • Availability of cash value   | • Limitations on interest returns                 |
| • Potential tax implications associated with various transactions      | • Guaranteed interest rate                        |
| • Death benefit(s)   | • Insurance and investment components             |
| • Fees such as mortality and expense fees and investment advisory fees | • Any applicable market risk                      |
|  | • The manner in which the producer is compensated |

## 9. Source of Funds

a. What type of product is being used to purchase this annuity? If funds are held in an IRA, please select the investment option below? (Check all boxes that apply)

- ☐ Annuity Replacement    ☐ Life Insurance Replacement    ☐ CDs    ☐ Gift    ☐ Loan    ☐ Money Market  
☐ Employer Retirement Account    ☐ Brokerage Account/Cash    ☐ Mutual Funds    ☐ Savings/Checking  
☐ Inheritance/Death Claim (in payout phase) - do not check Annuity Replacement or Life Insurance Replacement

(Please note: If client has already assumed ownership of a beneficiary contract this will be considered a replacement).

☐ If not listed above (IRA is not an acceptable response): \_\_\_\_\_

b. Have you surrendered or replaced any annuity or life insurance policy(ies) (partial or full) within the past 60 months? ☐ Yes ☐ No

1. If yes, were the surrendered funds used fully to purchase another insurance product?

☐ Yes

☐ No, please provide the following:

Date of surrender: \_\_\_\_\_

Tax status: \_\_\_\_\_

Penalties Incurred: \_\_\_\_\_

Where funds were allocated: \_\_\_\_\_

c. Will the proposed annuity contract replace an existing annuity contract or life insurance policy? ☐ Yes ☐ No  
If "NO", move to Section 11, If "Yes", complete Section 10.

## 10. Replacement Comparison – This section is required to be completed if a replacement is taking place. If more than two contracts are being replaced an additional replacement comparison section will be required.

a. How many annuity contracts or life policies are being replaced?<sup>2</sup> \_\_\_\_\_.

b. Will you incur a charge or penalty to fund the purchase of this annuity? ☐ Yes ☐ No

c. What **long-term significant material benefit(s)** will you realize by replacing your current contract or policy? (Check all boxes that apply) (None or N/A are not acceptable. Answer is required.)

- ☐ Guarantees    ☐ Immediate Income    ☐ Lower Risk    ☐ More Stability    ☐ Reduced Fees    ☐ Retirement Income  
☐ Financial Objective Change    ☐ Higher Earning Potential    ☐ Safety of Principal  
☐ **i4LIFE®** Indexed Advantage rider or GLWB rider (if available)  
☐ Other, please explain: \_\_\_\_\_

d. Is this a like for like product replacement (Ex: FIA to FIA)? ☐ Yes ☐ No

*If yes, please provide additional detail how the features and benefits of the proposed Lincoln annuity will outweigh the benefits of the existing annuity(ies).*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<sup>2</sup>Include most recent statement for each replacement. If not included, there will be a delay in processing.

Continued on next page

**10. Replacement Comparison** – A recent statement is required for each contract/policy being replaced.

All questions must be answered (if there is no answer to the question, the client must write "N/A")

	Replacement Comparison	Existing Contract or Policy	Existing Contract or Policy	Replacement Annuity
e.	Insurer:			Lincoln
f.	Contract or Policy #:			TBD
g.	Contract Issue Date: (mm/dd/yy)			TBD
h.	Contract Type: (VA/RILA/FA/FIA/UL/VUL/IUL)			
i.	Marketing/Product Name:			
j.	Account Value:	\$ _____	\$ _____	Total Received
k.	Full Surrender Charge or Penalty amount (Gross Amount):	\$ _____	\$ _____	N/A
l.	Market Value Adjustment (if applicable) (+/-):			Not applicable at issue
m.	Long Term Care (LTC) Rider (if "yes" respond to bb)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	N/A
n.	Death Benefit Amount:	\$ _____	\$ _____	Total Received
o.	Initial Surrender Charge Period in Years:	_____ yrs.	_____ yrs.	_____ yrs.
p.	Surrender Charge Schedule for Remaining Years:			
q.	Annual Free Withdrawal Percentage Rate:	_____ %	_____ %	10%
r.	Initial Bonus Percentage or Amount:			N/A
s.	Potential Loss of Bonus if Exchanged?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	N/A
t.	Fixed or Cap Rate (%) / Term (Years)	_____	_____	_____
u.	Participation Rate (%) / Term (Years):	_____	_____	_____
v.	Trigger or Spread Rate (%) / Term (Years):	_____	_____	_____
w.	Administrative Fees, Margins (M&E), Asset Fees, and Rider Fees:			
x.	Living Benefit or Income Rider? (If "yes" respond to y, z, aa and bb)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
y.	What is the guaranteed annual income today?	\$ _____	\$ _____	\$ _____
z.	What is the guaranteed annual income in 5 years?	\$ _____	\$ _____	\$ _____
aa	What is the guaranteed annual income in 10 years?	\$ _____	\$ _____	\$ _____
bb	If the client is surrendering an income, living benefit, or long term care rider with this replacement, please have the client explain below why the rider is no longer part of the client's financial plan:			

**Only Complete CC/DD/EE for Deferred Annuity to Income Annuity (SPIA/DIA) Replacements:**

Please provide existing annuity values for the annuitization option that most closely tracks the proposed income annuity.

cc	Annuity Payout Option: (example: Life Only, Period certain/term, Life w/Cash refund)			
dd	Payment amount:	\$ _____	\$ _____	\$ _____
ee	Frequency: (example: Annual, Monthly, Quarterly)			

## 11. Producer/Representative's Statement

I believe the purchase of this annuity contract is suitable and is in the best interest of the client based on information provided by the Owner/Applicant(s) regarding his/ her insurance needs and financial objective(s). I have discussed the advantages and disadvantages of discontinuing or modifying an existing long-term care policy, life insurance policy or annuity contract (if applicable) with my client, including the replacement concerns and issues mentioned above. I have determined that the existing coverage or annuity contract (if applicable) no longer meets the client's insurance needs and objectives and that the proposed annuity contract is appropriate in accordance with the Company's Annuity Suitability Position Statement, or Market Conduct Manual and, if applicable, Appropriateness of Replacements Position Statement.

I have used only Company approved sales material in conjunction with this sale. I have left copies of all sales material with the Owner/Applicant(s) at the time the Application was submitted.

**a. My recommendation of the proposed annuity is based on the following significant material benefit(s) to the client: (None or N/A are not acceptable, Answer is required. Check all that apply.)**

- ☐ Guarantees    ☐ Immediate Income    ☐ Lower Risk    ☐ More Stability    ☐ Higher Earning Potential  
☐ Safety of Principal    ☐ Reduced Fees    ☐ Retirement Income  
☐ **i4LIFE®** Indexed Advantage or GLWB (if available)    ☐ Other: \_\_\_\_\_

**b. In recommending the purchase or exchange of an annuity or life insurance product, my client has been reasonably informed of the various features of the proposed annuity including but not limited to:** ☐ Yes ☐ No

- |  |   |
|--|---|
| • Surrender period and surrender charge                                | • Product restrictions or exclusions              |
| • Index features   | • Potential charges for and features of riders    |
| • Availability of cash value   | • Limitations on interest returns                 |
| • Potential tax implications associated with various transactions      | • Guaranteed interest rate                        |
| • Death benefit(s)   | • Insurance and investment components             |
| • Fees such as mortality and expense fees and investment advisory fees | • Any applicable market risk                      |
|  | • The manner in which the producer is compensated |

**c. I confirm that I have reviewed and understand the Vulnerable Persons Guide** (to access the guide, please visit the Lincoln Forms Tool or the Life and Annuity Compliance section of Lincoln producer websites. For Primerica Representatives, please go to Lincoln's External website on POL, under the training materials tab). ☐ Yes ☐ No

**d. I confirm I did not use the title or designation of "financial planner," "financial advisor," or any similar title without being properly licensed or certified to do so and actually provided securities or other non-insurance financial services.** ☐ Yes ☐ No

**e. I confirm that I have provided the client with a copy of the current version of the product disclosure or prospectus.** ☐ Yes ☐ No

**f. In my professional opinion based on the information the client provided, the recommended annuity contract is suitable and is in the client's best interest for the client's needs and objectives,** as compared to other annuity or financial products that I am appropriately designated to offer, and is based on my evaluation of relevant suitability information and reflects the care, skill, and diligence to meet the client's financial needs and objectives. ☐ Yes ☐ No

**g. I confirm that I have considered only the interests of the consumer in making my recommendation; my receipt of compensation or other incentives has not influenced my recommendation.** ☐ Yes ☐ No

**h. I confirm that I have documented a written record of any recommendation and the basis for the recommendation.** ☐ Yes ☐ No

**i. What current FINRA registrations do you have? (Check all that apply)**

- ☐ Series 6    ☐ Series 7    ☐ Series 63    ☐ Series 65    ☐ Series 66    ☐ IAR    ☐ None

**j. Were any existing contracts previously sold by you, as producer, to this same client?** ☐ Yes ☐ No

Continued on next page

- k. **For recommendations of an indexed annuity (Ex. FIA, IVA, RILA):** I confirm I have disclosed/informed/educated the applicant that the indexed accounts do not participate directly in any stock or equity investment, use an outside market index as a benchmark for determining indexed account earnings, all payments and values provided by the contract, when based on experience of the Index Account, are not guaranteed to be equivalent to the benchmarking market index, and dividends paid on the stocks on which the index is based does not increase annuity earnings. I also confirm that I have disclosed/informed/educated the applicant that the composition of the index and the methodology used by the index to calculate its performance is not guaranteed and may be changed at any time. ☐ Yes ☐ No
- l. How do the following factors or features impact the recommendation?

**Please check applicable box for all sections (do not leave any section blank)**      **Supports**      **Neutral**      **Does Not Support**

Age	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial situation and needs, including the financial resources used for funding the policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial experience	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Intended use of the policy (e.g. receive income for life, to leave assets to beneficiaries, guarantees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial time horizon, including duration of existing liabilities and obligations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Existing assets, including investment and insurance holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liquidity needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liquid net worth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk tolerance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Willingness to accept non-guaranteed elements in the policy, including variability in premium, cash value, death benefit, or fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax status	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Withdrawal Charge Period	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minimum Guarantee Contract Value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Death Benefit Value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax Deferral	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Issuer financial strength	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If any options were chosen in the "Does Not Support" column above, please explain/describe. If none were chosen, please answer "none".

---



---



---

\_\_\_\_\_  
Producer/Representative's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Producer/Representative's Printed Name

\_\_\_\_\_  
Representative Number (if applicable)

## 12. Owner/Applicant's Statement

- a. I understand that this new annuity contract may have surrender charges for early withdrawals, surrenders or termination and that it may have a market value adjustment. ☐ Yes ☐ No ☐ N/A
- b. I understand this annuity purchase is a long-term investment strategy and intend to keep this contract through the surrender charge period (if applicable). I do not intend to withdraw more than the annual 10% penalty free amount during the surrender charge period. ☐ Yes ☐ No ☐ N/A
- c. I have been provided with and have read a product disclosure statement or prospectus that discloses the surrender charge period, the surrender charge percentages, fees, and market value adjustment that may apply for this annuity contract. ☐ Yes ☐ No ☐ N/A (SPIA/DIA only)
- d. **For applicants of an indexed annuity (Ex. FIA, IVA, RILA):** I/We understand this annuity does not participate directly in any stock or equity investment. I/We understand this annuity does not include the purchase of shares of stock or an index; the indexed accounts use an outside market index as a benchmark for determining indexed account earnings; and that dividends paid on the stocks on which the index are based do not increase the annuity earnings. I/We understand that all payments and values provided by the contract, when based on experience of the Index Account, are not guaranteed to be equivalent to the benchmarking market index. I/We understand the composition of the index and the methodology used by the index to calculate its performance is not guaranteed and may be changed at any time. ☐ Yes ☐ No

I confirm the information given is accurate. My Producer/Representative has discussed surrender charges and other costs with me and I believe that the annuity contract is appropriate for my insurance needs and financial objective(s). I acknowledge that I did not receive any advice from Lincoln regarding the purchase or investment of the annuity contract.

**If section 10 was required to be completed, I have submitted a copy of the most recent quarterly or annual statement for each existing annuity contract and/or life insurance policy that is being replaced.**

\_\_\_\_\_  
Owner/Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Joint Owner/Applicant's Signature

\_\_\_\_\_  
Date



---

## Explanation of Terms

- a. **“Administrative Fees or Margins”** are charges that amount to the difference between the percentage gain in the index and the actual amount credited to the annuity contract.
- b. **“Annual Free Withdrawal Percentage Rate”** is the percentage of available funds that may be withdrawn from an annuity contract, generally on an annual basis and is stated in the annuity contract.
- c. **“Asset Fees”** are the fees the insurer charges that are a percentage of the value of the annuity contract, such as rider charges.
- d. **“Death Benefit Amount”** is the net amount that would be paid to the annuitant’s designated beneficiary or beneficiaries of an existing annuity, or the death benefit that the proposed replacement policy would pay as of the contract issue date.
- e. **“Contract Type”** is the generic type of the contract form. Examples of contract types are Variable Annuity (VA), Fixed Annuity (FA), Fixed Indexed Annuity (FIA), Universal Life (UL), Variable Universal Life (VUL), Whole Life.
- f. **“Initial Bonus Percentage or Amount”** is a bonus paid by the insurer, generally, at inception of the annuity contract, and may be expressed as a percentage of the initial premium or other amount, or a dollar amount, and must be stated in the annuity contract.
- g. **“Market Value Adjustment”** is the increase or decrease in the surrender value of the contract that is adjusted to reflect market fluctuations.
- h. **“Marketing Name”** is the name adopted by the insurer to identify the contract form.
- i. **“Nursing Home”** is an institution or special nursing unit of a hospital, located in the United States which is further defined in the applicable contract.
- j. **“Potential Loss of Bonus if Exchanged”** refers to whether any bonus would be lost if the annuity contract was exchanged or terminated for any reason.
- k. **“Surrender Charge”** is the amount deducted from annuity contract values upon surrender of an annuity, or for withdrawals exceeding any free withdrawal provision of the contract, regardless how this charge is titled in the policy, e.g., deferred sales charge.
- l. **“Surrender Charge Percentage Schedule for Remaining Years”** is the percentage rate that would be deducted from the existing annuity contract if surrendered, or for any withdrawals exceeding the “free withdrawal” limit.
- m. **“Surrender Charge Period”** is the number of annuity contract years a surrender charge may be applicable.