FOR RETIREMENT

Product Prospectus

Lincoln Financial Group℠

Multi-Fund® Individual Account C

variable annuity

May 1, 2012

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Lincoln National Variable Annuity Account C
Individual Variable Annuity Contracts

Home Office:
The Lincoln National Life Insurance Company
1300 South Clinton Street
Fort Wayne, IN 46802
www.LincolnFinancial.com
1-800-454-6265

This prospectus describes an individual flexible premium deferred annuity contract that is issued by The Lincoln National Life Insurance Company (Lincoln Life or Company). This prospectus is primarily for use with nonqualified plans and qualified retirement plans. Generally, you do not pay federal income tax on the contract's growth until it is paid out. Qualified retirement plans already provide for tax deferral. Therefore, there should be reasons other than tax deferral for acquiring the contract within a qualified plan. The contract is designed to accumulate contract value to provide retirement income that you cannot outlive or for an agreed upon time. These benefits may be a variable or fixed amount, if available, or a combination of both. If the annuitant dies before the Annuity Commencement Date, we will pay your beneficiary a death benefit.

Purchase Payments

This prospectus offers three types of contracts. They are single premium deferred annuity, a flexible premium deferred annuity and a periodic premium deferred annuity.

The minimum purchase payment requirement for each contract will not exceed:

1. Single premium deferred contract: $1,000 for Roth IRAs, Traditional IRAs and SEPs; $3,000 for all others.
2. Flexible premium deferred contract (Multi-Fund® 2,3,4): $1,000 for Roth IRAs, Traditional IRAs and SEPs; $3,000 for all others (minimum $100 subsequent purchase payment); and
3. Periodic premium deferred contract (Multi-Fund® 1): $600 per contract year (minimum $25 per purchase payment).

Purchase payments in total may not equal or exceed $2 million without Lincoln Life approval. If you stop making purchase payments the contract will remain in force as a paid up contract as long as the total contract value is at least $600. Payments may be resumed at any time if your plan permits until the Annuity Commencement Date, the maturity date, the surrender of the contract, or payment of any death benefit, whichever comes first.

You choose whether your contract value accumulates on a variable or a fixed (guaranteed) basis or both. If you put all your purchase payments into the fixed account, we guarantee your principal and a minimum interest rate. **We limit withdrawals and transfers from the fixed side of the contract. See Fixed Side of the Contract.**

All purchase payments for benefits on a variable basis will be placed in Lincoln Life Variable Annuity Account C (variable annuity account (VAA). The VAA is a segregated investment account of Lincoln Life.

You take all the investment risk on the contract value and the retirement income for amounts placed into one or more of the contracts variable options. If the subaccounts you select make money, your contract value goes up; if they lose money, it goes down. How much it goes up or down depends on the performance of the subaccounts you select. **We do not guarantee how any of the variable options or their funds will perform. Also, neither the U.S. Government nor any federal agency insures or guarantees your investment in the contract.**

AllianceBernstein Variable Products Series Fund (Class B):
- AllianceBernstein VPS Global Thematic Growth Portfolio
- AllianceBernstein VPS Growth and Income Portfolio**

American Century Investments Variable Products (Class I):
- American Century VP Inflation Protection Fund**

American Funds Insurance Series (Class 2):
- American Funds Global Growth Fund
- American Funds Growth Fund
- American Funds Growth-Income Fund
- American Funds International Fund

BlackRock Variable Series Funds, Inc. (Class I)
- BlackRock Global Allocation V.I. Fund

Delaware VIP® Trust (Standard Class):
- Delaware VIP® Diversified Income Series
- Delaware VIP® High Yield Series
- Delaware VIP® REIT Series
- Delaware VIP® Smid Cap Growth Series
- Delaware VIP® Value Series

Delaware VIP® Trust (Service Class):
- Delaware VIP® Small Cap Value Series

DWS Investments VIT Funds (Class A):
- DWS Equity 500 Index VIP Portfolio**
- DWS Small Cap Index VIP Portfolio**

DWS Variable Series II (Class A):
- DWS Alternative Asset Allocation VIP Portfolio (formerly DWS Alternative Asset Allocation Plus VIP Portfolio)

Fidelity® Variable Insurance Products (Service Class):
- Fidelity® Contrafund® Portfolio
- Fidelity® Growth Portfolio

Lincoln Variable Insurance Products Trust (Service Class):
- LVIP Baron Growth Opportunities Fund
- LVIP Delaware Diversified Floating Rate Fund
- LVIP Vanguard Domestic Equity ETF Fund
- LVIP Vanguard International Equity ETF Fund

Lincoln Variable Insurance Products Trust (Standard Class):
- LVIP BlackRock Inflation Protected Bond Fund*
- LVIP Cohen & Steers Global Real Estate Fund
- LVIP Delaware Bond Fund
- LVIP Delaware Foundation® Aggressive Allocation Fund
- LVIP Delaware Foundation® Conservative Allocation Fund
- LVIP Delaware Foundation® Moderate Allocation Fund
- LVIP Delaware Growth and Income Fund
- LVIP Delaware Social Awareness Fund
- LVIP Delaware Special Opportunities Fund
- LVIP Global Income Fund
- LVIP Janus Capital Appreciation Fund
- LVIP Mondrian International Value Fund
- LVIP Money Market Fund
- LVIP SSgA Bond Index Fund
- LVIP SSgA Emerging Markets 100 Fund
- LVIP SSgA Global Tactical Allocation Fund
- LVIP SSgA International Index Fund
- LVIP SSgA S&P 500 Index Fund***
- LVIP SSgA Small Cap Index Fund
- LVIP T. Rowe Price Structured Mid-Cap Growth Fund
- LVIP Wells Fargo Intrinsic Value Fund
- LVIP Protected Profile 2010 Fund
- LVIP Protected Profile 2020 Fund
- LVIP Protected Profile 2030 Fund
- LVIP Protected Profile 2040 Fund
- LVIP Protected Profile 2050 Fund
- LVIP Protected Profile Conservative Fund (formerly LVIP Conservative Profile Fund)
- LVIP Protected Profile Growth Fund (formerly LVIP Moderately Aggressive Profile Fund)
- LVIP Protected Profile Moderate Fund (formerly LVIP Moderate Profile Fund)

MFS® Variable Insurance Trust℠ (Initial Class):
- MFS® Utilities Series

Neuberger Berman Advisers Management Trust (I Class):
- Mid-Cap Growth Portfolio**

PIMCO Variable Insurance Trust (Administrative Class):
- PIMCO VIT Total Return Portfolio

*** Not all funds are available in all contracts. Refer to Description of Funds for specific information regarding the availability of funds.**

****It is currently anticipated that during the fourth quarter of 2012, we will close and replace these investment options. See Investments in the VAA – Description of the Funds for further information.**

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This prospectus gives you information about the contracts that you should know before you decide to buy a contract and make purchase payments. You should also review the prospectuses for the funds that accompany this prospectus, and keep all prospectuses for future reference.

Neither the SEC nor any state securities commission has approved this contract or determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

More information about the contracts is in the current Statement of Additional Information (SAI), dated the same date as this prospectus. The SAI terms are made part of this prospectus, and for a free copy of the SAI, write: The Lincoln National Life Insurance Company, P.O. Box 2340, Fort Wayne, IN 46801 or call 1-800-454-6265. The SAI and other information about Lincoln Life and the VAA are also available on the SEC's website (http://www.sec.gov). There is a table of contents for the SAI on the last page of this prospectus.

May 1, 2012

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Special Terms

In this prospectus, the following terms have the indicated meanings:

***4LATER*® Advantage or *4LATER*®**—An option that provides an Income Base during the accumulation period, which can be used to establish a Guaranteed Income Benefit with *i4LIFE*® Advantage in the future.

5% Enhancement—A feature under *Lincoln Lifetime Income*SM Advantage and *Lincoln Lifetime Income*SM Advantage 2.0 in which the Guaranteed Amount or Income Base, as applicable, minus purchase payments received in that year, will be increased by 5%, subject to certain conditions.

Access Period—Under *i4LIFE*® Advantage, a defined period of time during which we make Regular Income Payments to you while you still have access to your Account Value. This means that you may make withdrawals, surrender the contract, and have a death benefit.

Account or variable annuity account (VAA)—The segregated investment account, Account C, into which we set aside and invest the assets for the variable side of the contract offered in this prospectus.

Account Value—Under *i4LIFE*® Advantage, the initial Account Value is the contract value on the valuation date that *i4LIFE*® Advantage is effective (or initial purchase payment if *i4LIFE*® Advantage is purchased at contract issue), less any applicable premium taxes. During the Access Period, the Account Value on a valuation date equals the total value of all of the contractowner's accumulation units plus the contractowner's value in the fixed account, reduced by Regular Income Payments, Guaranteed Income Benefit payments, and withdrawals.

Accumulation unit—A measure used to calculate contract value for the variable side of the contract before the Annuity Commencement Date.

Adjustment Date—Under *Lincoln SmartIncome*SM Inflation, the first day of January each year. The Scheduled Payment and the Reserve Value will be adjusted on each Adjustment Date.

Annuitant—The person upon whose life the annuity benefit payments are based, and upon whose life a death benefit may be paid.

Annuity Commencement Date - The valuation date when funds are withdrawn or converted into annuity units or fixed dollar payout for payment of retirement income benefits under the annuity payout option you select (other than *i4LIFE*® Advantage).

Annuity payout—A regularly scheduled payment (under any of the available annuity options) that occurs after the Annuity Commencement Date (or Periodic Income Commencement Date if *i4LIFE*® Advantage has been elected). Payments may be variable or fixed, or a combination of both.

Annuity unit—A measure used to calculate the amount of annuity payouts for the variable side of the contract after the Annuity Commencement Date. See Annuity Payouts.

Automatic Annual Step-up—Under *Lincoln Lifetime Income*SM Advantage and *Lincoln Lifetime Income*SM Advantage 2.0, the Guaranteed Amount or Income Base, as applicable, will automatically step-up to the contract value on each Benefit Year anniversary, subject to certain conditions.

Beneficiary—The person or entity designated by you to receive any death benefit paid if the annuitant dies before the annuity commencement date.

Benefit Year—Under *Lincoln Lifetime Income*SM Advantage 2.0, *Lincoln Lifetime Income*SM Advantage and *Lincoln SmartSecurity*® Advantage, the 12-month period starting with the effective date of the rider and starting with each anniversary of the rider effective date after that. Under *Lincoln SmartSecurity*® Advantage, if the contractowner elects a step-up, the Benefit Year will begin on the effective date of the step-up and each anniversary of the step-up after that.

Contractowner (you, your, owner) — The person who can exercise the rights within the contract (decides on investment allocations, transfers, payout option, designates the beneficiary, etc.). Usually, but not always, the contractowner is the annuitant.

Contract value (may be referred to as account value in marketing materials) — At a given time before the Annuity Commencement Date, the total value of all accumulation units for a contract plus the value of the fixed side of the contract.

Contract year — Each one-year period starting with the effective date of the contract and starting with each contract anniversary after that.

CPI—The Consumer Price Index used to measure inflation.

CPI Adjustment—Under *Lincoln SmartIncome*SM Inflation, adjustments made to the Scheduled Payments and the Reserve Value as a result of fluctuations in the CPI.

CPI Value—The number published monthly by the Bureau of Labor Statistics that represents the Consumer Price Index. Under *Lincoln SmartIncome*SM Inflation, the CPI Value is used to determine if the Scheduled Payments and Reserve Value will go up or down each year.

Death benefit—Before the annuity commencement date, the amount payable to a designated beneficiary if the annuitant dies.

Enhancement Period—Under *Lincoln Lifetime Income*SM Advantage 2.0 and *Lincoln Lifetime Income*SM Advantage , the 10-year period during which the 5% Enhancement is in effect. A new Enhancement Period will begin each time an Automatic Annual Step-up to the contract value occurs.

Excess Withdrawals—Amounts withdrawn during a Benefit Year, as specified for each Living Benefit rider, which decrease or eliminate the guarantees under the rider.

FINRA—Financial Industry Regulatory Authority.

Good Order—The actual receipt at our Home Office of the requested transaction in writing or by other means we accept, along with all information and supporting legal documentation necessary to effect the transaction. The forms we provide will identify the necessary documentation. We may, in our sole discretion, determine whether any particular transaction request is in good order, and we reserve the right to change or waive any good order requirements at any time.

Guaranteed Amount—The value used to calculate your withdrawal benefit under *Lincoln Lifetime Income*SM Advantage or *Lincoln SmartSecurity*® Advantage.

Guaranteed Amount Annuity Payout Option—A fixed annuity payout option available under *Lincoln SmartSecurity*® Advantage under which the contractowner (and spouse if applicable) will receive annual annuity payments equal to the Maximum Annual Withdrawal amount for life.

Guaranteed Annual Income—The guaranteed periodic withdrawal amount available from the contract each year for life under the *Lincoln Lifetime Income*SM Advantage 2.0.

Guaranteed Annual Income Amount Annuity Payout Option—A payout option available under the *Lincoln Lifetime Income*SM Advantage 2.0 under which the contractowner (and spouse if applicable) will receive annual annuity payments equal to the Guaranteed Annual Income amount for life.

Guaranteed Income Benefit—An option that provides a guaranteed minimum payout floor for the *i4LIFE*® Advantage Regular Income Payments. The calculation of the Guaranteed Income Benefit or the features applicable to the Guaranteed Income Benefit may vary based on the rider provisions applicable to certain contractowners.

Guaranteed Minimum Scheduled Payment—The minimum payment you will receive under *Lincoln SmartIncome*SM Inflation (as adjusted for Unscheduled Payments, charges and taxes).

***i4LIFE*® Advantage**—An annuity payout option which combines periodic variable Regular Income Payments for life and a death benefit with the ability to make withdrawals during a defined period, the Access Period.

Income Base—Under the *Lincoln Lifetime Income*SM Advantage 2.0, a value used to calculate the Guaranteed Annual Income amount. Under *4LATER*® Advantage, the Income Base will be used to calculate the minimum payouts available under your contract at a later date. The amount of the Income Base varies based on when you elect the rider, and is adjusted as set forth in this prospectus.

Investment Requirements—Restrictions in how you may allocate your subaccount investments if you own certain Living Benefit riders.

Lifetime Income Period—Under *i4LIFE*® Advantage, the period of time following the Access Period during which we make Regular Income Payments to you (and Secondary Life, if applicable) for the rest of your life. During the Lifetime Income Period, you will no longer have access to your Account Value or receive a death benefit.

Lincoln Life (we, us, our, Company)—The Lincoln National Life Insurance Company.

***Lincoln Lifetime Income*SM Advantage 2.0**—Provides minimum guaranteed lifetime periodic withdrawals that may increase based on automatic enhancements and age-based increases to the withdrawal amount, regardless of the investment performance of the contract and provided certain conditions are met.

***Lincoln Lifetime Income*SM Advantage**—Provides minimum guaranteed lifetime periodic withdrawals that may increase, regardless of the investment performance of the contract and provided certain conditions are met. The *Lincoln Lifetime Income*SM Advantage Plus may provide an amount equal to the excess of the initial Guaranteed Amount over the current contract value.

***Lincoln SmartIncome*SM Inflation**—A fixed annuity payout option that provides periodic annuity payouts that may increase or decrease annually based on fluctuations in the Consumer Price Index.

***Lincoln SmartSecurity*® Advantage**—Provides minimum guaranteed periodic withdrawals (for life, if the 1 Year Automatic Step-Up option is chosen), regardless of the investment performance of the contract and provided certain conditions are met, that may increase due to subsequent purchase payments and step-ups.

Living Benefit—A general reference to certain riders that may be available for purchase that provide some type of a minimum guarantee while you are alive. These riders are the *Lincoln SmartSecurity*® Advantage, *Lincoln Lifetime Income*SM Advantage 2.0, *Lincoln Lifetime Income*SM Advantage, *4LATER*® Advantage and *i4LIFE*® Advantage (with or without the Guaranteed Income Benefit). If you select a Living Benefit rider, Excess Withdrawals may have adverse effects on the benefit, and you may be subject to Investment Requirements.

Maximum Annual Withdrawal—The guaranteed periodic withdrawal available under *Lincoln Lifetime Income*SM Advantage and *Lincoln SmartSecurity*® Advantage.

Maximum Annual Withdrawal Amount Annuity Payout Option — A fixed annuity payout option available under *Lincoln Lifetime Income*SM Advantage under which the contractowner (and spouse if applicable) will receive annual annuity payments equal to the Maximum Annual Withdrawal amount for life.

Nursing Home Enhancement—A feature that will increase the Guaranteed Annual Income amount under *Lincoln Lifetime Income*SM Advantage 2.0 or the Maximum Annual Withdrawal amount under *Lincoln Lifetime Income*SM Advantage upon admittance to an approved nursing care facility, subject to certain conditions.

Periodic Income Commencement Date—The valuation date on which the amount of *i4LIFE®* Advantage Regular Income Payments are determined.

Purchase payments — Amounts paid into the contract.

Regular Income Payments—The variable, periodic income payments paid under *i4LIFE®* Advantage.

Reserve Value—Under *Lincoln SmartIncome℠* Inflation, the value that is established to determine the amount available for Unscheduled Payments and the death benefit, if any. The Reserve Value will be adjusted either up or down on an annual basis depending on the percentage change of the CPI.

Rider Date—The effective date of the *Lincoln SmartIncome℠* Inflation rider.

Rider Year—Under *Lincoln SmartIncome℠* Inflation, each 12-month period starting with the Rider Date and starting each Rider Date anniversary after that.

Scheduled Payments—Under *Lincoln SmartIncome℠* Inflation, annuity payouts for the life of the annuitant (and Secondary Life, if applicable). The Scheduled Payment will be adjusted either up or down on an annual basis depending on the percentage change of the CPI.

SEC—Securities and Exchange Commission.

Secondary Life—Under *i4LIFE®* Advantage and *Lincoln SmartIncome℠* Inflation, the person designated by the contractowner upon whose life the annuity payouts will also be contingent.

Subaccount—The portion of the VAA that reflects investments in accumulation and annuity units of a class of a particular fund available under the contracts. There is a separate subaccount which corresponds to each class of a fund.

Unscheduled Payments—Under *Lincoln SmartIncome℠* Inflation, withdrawals that are in addition to your Scheduled Payments up to the amount of the Reserve Value less any related charges and deductions for premium tax. Unscheduled Payments will reduce the Scheduled Payments and Guaranteed Minimum Scheduled Payment in the same proportion that they reduce the Reserve Value.

Valuation date—Each day the New York Stock Exchange (NYSE) is open for trading.

Valuation period—The period starting at the close of trading (currently 4:00 p.m. New York time) on each day that the NYSE is open for trading (valuation date) and ending at the close of such trading on the next valuation date.

Expense Tables

The following tables describe the fees and expenses that you will pay when buying, owning, and surrendering the contract.

The first table describes the fees and expenses that you will pay at the time that you buy the contract, surrender the contract, or transfer contract value between investment options, and/or (if available) the fixed account. State premium taxes may also be deducted.

CONTRACTOWNER TRANSACTION EXPENSES:	
Accumulation Phase:	
Surrender charge – Periodic Contract (as a percentage of contract value surrendered/withdrawn):[1]	8.0%
Surrender charge – Single Premium (as a percentage of contract value surrendered/withdrawn)	7.0%
Surrender charge – Flexible Premium (as a percentage of purchase payments surrendered/withdrawn)	7.0%
Loan set-up fee[2]:	$35
Payout Phase:	
Maximum *Lincoln SmartIncome*[SM] Inflation Unscheduled Payment charge (as a percentage of the Unscheduled Payment):[3]	7.00%

[1] The surrender charge percentage is reduced over time. The later the redemption occurs, the lower the surrender charge with respect to that surrender or withdrawal. We may reduce or waive this charge in certain situations. See Charges and Other Deductions – Surrender Charge.

[2] Loans are available only if your group plan allows for loans and such fee is permissible by state law.

[3] The Unscheduled Payment charge percentage is reduced over time.

The next five tables describe the fees and expenses that you will pay periodically during the time that you own the contract, not including fund fees and expenses. Only one table will apply to a given contractowner. The tables differ based on whether the contractowner has purchased the *i4LIFE*® Advantage rider.

- **Table A reflects the expenses for a contract that has not elected the *i4LIFE*® Advantage (Base contract).**
- **Table B reflects the expenses for a qualified contract that has elected the *i4LIFE*® Advantage with Guaranteed Income Benefit.**
- **Table C reflects the expenses for a non-qualified or IRA contract that has elected the *i4LIFE*® Advantage.**
- **Table D reflects the expenses for a non-qualified or IRA contract that has elected *i4LIFE*® Advantage and previously purchased the *Lincoln Lifetime Income*[SM] Advantage 2.0.**
- **Table E reflects the expenses for a non-qualified or IRA contract that has elected *i4LIFE*® Advantage and previously purchased the *4LATER*® Advantage.**

TABLE A		
Annual Account Fee:[1]		$25
Separate Account Annual Expenses (as a percentage of average daily net assets in the subaccounts):[2]		
Enhanced Guaranteed Minimum Death Benefit (EGMDB)		
Mortality and Expense Risk Charge		1.002%
Enhanced Death Benefit Charge		0.300%
Total Separate Account Expenses		1.302%
Without Enhanced Guaranteed Minimum Death Benefit		
Mortality and Expense Risk Charge		1.002%
Total Separate Account Expenses		1.002%
Optional Living Benefit Rider Charges:[3]	**Single Life**	**Joint Life**

*Lincoln Lifetime Income*SM Advantage 2.0:[4]		
Guaranteed Maximum Charge	2.00%	2.00%
Current Charge	1.05%	1.25%
*Lincoln Lifetime Income*SM Advantage:[5]		
Guaranteed Maximum Charge	1.50%	1.50%
Current Charge	0.90%	0.90%
Additional Charge for *Lincoln Lifetime Income*SM Advantage Plus	0.15%	0.15%
Lincoln SmartSecurity® Advantage – 1 Year Automatic Step-up option:[6]		
Guaranteed Maximum Charge	1.50%	1.50%
Current Charge	0.65%	0.80%
Lincoln SmartSecurity® Advantage – 5 Year Elective Step-up option:[6]		
Guaranteed Maximum Charge	0.95%	N/A
Current Charge	0.65%	N/A
4LATER® Advantage:[7]		
Guaranteed Maximum Charge	1.50%	N/A
Current Charge	0.65%	N/A

1 Applies only to Periodic Multi-Fund® 1 and Flexible Premium Multi-Fund® 2 contracts.

2 The mortality and expense risk charge and administrative charge together are 1.002% on and after the Annuity Commencement Date. Assets invested in the Delaware VIP Value Series on or after May 1, 2009, will have a mortality and expense risk charge of 0.952%.

3 Only one Living Benefit rider may be elected from this chart and these riders are only available for nonqualified or IRA contracts.

4 As an annualized percentage of the Income Base (initial purchase payment or contract value at the time of election), as increased for subsequent purchase payments, Automatic Annual Step-ups, 5% Enhancements and decreased by Excess Withdrawals. See Charges and Other Deductions – *Lincoln Lifetime Income*SM Advantage 2.0 Charge for a discussion of these changes to the Income Base. This charge is deducted from the contract value on a quarterly basis. After April 2, 2012, this rider is no longer available for sale.

5 As an annualized percentage of the Guaranteed Amount (initial purchase payment or contract value at the time of election) as increased for subsequent purchase payments, Automatic Annual Step-ups, 5% Enhancements and the 200% Step-up and decreased for withdrawals. This charge is deducted from the contract value on a quarterly basis. For *Lincoln Lifetime Income*SM Advantage riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.75% to 0.90% upon the earlier of (a) the next Automatic Annual Step-up of the Guaranteed Amount or (b) the next Benefit Year anniversary if cumulative purchase payments received after the first Benefit Year anniversary equal or exceed $100,000. See Charges and Other Deductions – *Lincoln Lifetime Income*SM Advantage Charge for further information. After December 31, 2010 (or later in some states), these riders are no longer available for sale.

6 As an annualized percentage of the Guaranteed Amount (initial purchase payment or contract value at the time of election), as increased for subsequent purchase payments and step-ups and decreased for withdrawals. As of January 16, 2009, the *Lincoln SmartSecurity*® Advantage - 5 Year Elective Step-up option is no longer available for purchase for all contractowners. This charge is deducted from the contract value on a quarterly basis. For riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.45% to 0.65% upon the next election of a step-up of the Guaranteed Amount. See Charges and Other Deductions – *Lincoln SmartSecurity*® Advantage Charge for further information.

7 As an annualized percentage of the Income Base (initial purchase payment or contract value at the time of election), as increased for subsequent purchase payments, automatic 15% Enhancements, and Resets and decreased for withdrawals. This charge is deducted from the subaccounts on a quarterly basis. For riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.50% to 0.65% upon the next election to reset the Income Base. See Charges and Other Deductions – *4LATER*® Advantage Charge for further information. After July 2, 2012, this rider is no longer for sale.

TABLE B

Annual Account Fee:[1]	$25
***i4LIFE*® Advantage With Guaranteed Income Benefit (version 4):[2]**	
Subaccount Charge (as a percentage of average daily net assets in the subaccounts)	1.002%
Plus *i4LIFE*® Advantage with Guaranteed Income Benefit Rider charge[3]	0.48%

1 Applies only to Periodic Multi-Fund® 1 and Flexible Premium Multi-Fund® 2 contracts.

2 This benefit is not available with the Enhanced Guaranteed Minimum Death Benefit.

3 As an annualized percentage of Account Value deducted on a monthly basis (0.04% per month).

TABLE C

Annual Account Fee:[1]		$25
***i4LIFE®* Advantage Without Guaranteed Income Benefit (version 4):**[2]		
Account Value Death Benefit		1.302%
Enhanced Guaranteed Minimum Death Benefit (EGMDB)		1.652%

***i4LIFE®* Advantage With Guaranteed Income Benefit (version 4):**[3]	**Single Life**	**Joint Life**
Account Value Death Benefit		
Guaranteed Maximum Charge	3.302%	3.302%
Current Charge	1.952%	2.152%
Enhanced Guaranteed Minimum Death Benefit (EGMDB)		
Guaranteed Maximum Charge	3.652%	3.652%
Current Charge	2.302%	2.502%

***i4LIFE®* Advantage With Guaranteed Income Benefit (versions 1, 2 and 3):**[4]	
Account Value Death Benefit	
Guaranteed Maximum Charge	2.802%
Current Charge	1.802%
Enhanced Guaranteed Minimum Death Benefit (EGMDB)	
Guaranteed Maximum Charge	3.152%
Current Charge	2.152%

[1] Applies only to Periodic Multi-Fund® 1 and Flexible Premium Multi-Fund® 2 contracts.

[2] As an annualized percentage of average Account Value, computed daily. This charge is assessed only on and after the effective date of *i4LIFE®* Advantage. See Charges and Other Deductions – *i4LIFE®* Advantage Rider Charge for further information. These charges continue during the Access Period. The *i4LIFE®* Advantage charge is reduced to 1.65% during the Lifetime Income Period.

[3] As an annualized percentage of average Account Value, computed daily. This charge is assessed only on and after the effective date of the Guaranteed Income Benefit. The current annual charge for the Guaranteed Income Benefit (version 4) is 0.65% of Account Value for the single life option and 0.85% of Account Value for the joint life option with a guaranteed maximum charge of 2.00%. These charges are added to the *i4LIFE®* Advantage charges to comprise the total charges reflected. During the Lifetime Income Period, the Guaranteed Income Benefit charge is added to the *i4LIFE®* Advantage charge of 1.65%. See Charges and Other Deductions – *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4) Charge for further information.

[4] As an annualized percentage of average Account Value, computed daily. This charge is assessed only on and after the effective date of the Guaranteed Income Benefit. The current annual charge for the Guaranteed Income Benefit is 0.50% of Account Value with a guaranteed maximum charge of 1.50%. This charge is added to the *i4LIFE®* Advantage charges to comprise the total charges reflected. During the Lifetime Income Period, the Guaranteed Income Benefit charge is added to the *i4LIFE®* Advantage charge of 1.65%. The percentage charge may change to the current charge in effect at the time you elect an additional step-up period, not to exceed the guaranteed maximum charge percentage. See Charges and Other Deductions – *i4LIFE®* Advantage Guaranteed Income Benefit Charge for further information.

TABLE D

Annual Account Fee:[1]		$25
***i4LIFE®* Advantage With Guaranteed Income Benefit (version 4) for purchasers who previously purchased *Lincoln Lifetime Income℠* Advantage 2.0:**	**Single Life**	**Joint Life**
Separate Account Annual Expenses (as a percentage of average daily net assets in the subaccounts):		
Account Value Death Benefit	1.002%	1.002%
Enhanced Guaranteed Minimum Death Benefit (EGMDB)	1.302%	1.302%

***i4LIFE®* Advantage with Guaranteed Income Benefit (version 4):[2,3]**		
Guaranteed Maximum Charge	2.00%	2.00%
Current Charge	1.05%	1.25%

1 Applies only to Periodic Multi-Fund® 1 and Flexible Premium Multi-Fund® 2 contracts.

2 As an annualized percentage of the greater of the Income Base (the *Lincoln Lifetime Income*SM Advantage 2.0 Income Base less the Guaranteed Annual Income amounts paid since the last step-up) or Account Value. This charge is deducted from Account Value on a quarterly basis and only on and after the effective date of *i4LIFE®* Advantage. In the event of an automatic step-up in the Guaranteed Income Benefit, the dollar amount of the charge will increase by a two part formula: 1) the charge will increase by the same percentage that the Guaranteed Income Benefit payment increases and 2) the dollar amount of the charge will also increase by the percentage increase, if any, to the *Lincoln Lifetime Income*SM Advantage 2.0 current charge rate. (The *Lincoln Lifetime Income*SM Advantage 2.0 charge continues to be a factor in determining the *i4LIFE®* Advantage with Guaranteed Income Benefit charge.) See Charges and Other Deductions – *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4) for purchasers who previously purchased *Lincoln Lifetime Income*SM Advantage 2.0.

TABLE E

Annual Account Fee:[1]	$25
***i4LIFE®* Advantage With *4LATER®* Advantage Guaranteed Income Benefit for purchasers who previously purchased *4LATER®* Advantage:[2]**	
Account Value Death Benefit	
Guaranteed Maximum Charge	2.802%
Current Charge	1.952%
Enhanced Guaranteed Minimum Death Benefit (EGMDB)	
Guaranteed Maximum Charge	3.152%
Current Charge	2.302%

1 Applies only to Periodic Multi-Fund® 1 and Flexible Premium Multi-Fund® 2 contracts.

2 As an annualized percentage of average Account Value, computed daily. This charge is assessed only on and after the effective date of the Guaranteed Income Benefit. The current annual charge for the Guaranteed Income Benefit is 0.65% of the Account Value with a guaranteed maximum charge of 1.50%. This charge is added to the *i4LIFE®* Advantage charges to comprise the total charges reflected. During the Lifetime Income Period, the Guaranteed Income Benefit charge is added to the *i4LIFE®* Advantage charge of 1.65%. The percentage charge will change to the current charge in effect upon election of a new step-up period, not to exceed the guaranteed maximum charge percentage. For riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.50% to 0.65% upon the next election to reset the Income Base. See Charges and Other Deductions – *4LATER®* Advantage Guaranteed Income Benefit Charge for further information.

The next item shows the minimum and maximum total annual operating expenses charged by the funds that you may pay periodically during the time that you own the contract. The expenses are for the year ended December 31, 2011. More detail concerning each fund's fees and expenses is contained in the prospectus for each fund.

	Minimum	Maximum
Total Annual Fund Operating Expenses (expenses that are deducted from fund assets, including management fees, distribution and/or service (12b-1) fees, and other expenses):	0.28%	5.30%
Total Annual Fund Operating Expenses (after contractual waivers/reimbursements*):	0.28%	1.67%

* 21 of the funds have entered into contractual waiver or reimbursement arrangements that may reduce fund management and other fees and/or expenses during the period of the arrangement. These arrangements vary in length, but no arrangement will terminate before April 30, 2013.

EXAMPLES

This Example is intended to help you compare the cost of investing in the contract with the cost of investing in other variable annuity contracts. These costs include contractowner transaction expenses, contract fees, separate account annual expenses, and fund fees and expenses. The Example has been calculated using the fees and expenses of the funds prior to the application of any contractual waivers and/or reimbursements.

The Example assumes that you invest $10,000 in the contract for the time periods indicated. The Example also assumes that your investment has a 5% return each year, the maximum fees and expenses of any of the funds and that the EGMDB and the *Lincoln Lifetime Income*SM Advantage 2.0 are in effect. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

1) If you surrender your contract at the end of the applicable period:

	Periodic	Single	MF2	MF3 & MF4
1 year	$1,659	$1,563	$1,671	$1,671
3 years	3,299	3,028	3,332	3,332
5 years	4,839	4,418	4,890	4,890
10 years	8,012	7,728	8,578	8,578

2) If you do not surrender your contract at the end of the applicable time period:

	Periodic	Single	MF2	MF3 & MF4
1 year	$ 886	$ 886	$ 971	$ 971
3 years	2,577	2,577	2,832	2,832
5 years	4,165	4,165	4,590	4,590
10 years	7,728	7,728	8,578	8,578

The Expense Tables reflect expenses of the VAA as well as the maximum expense of any of the underlying funds. For the single premium deferred contract and the flexible premium (Multi-Fund® 2,3,4) deferred contracts, the examples assume that an enhanced death benefit and the *Lincoln Lifetime Income*SM Advantage 2.0 are in effect. Without this benefit, expenses would be lower.

For more information, See Charges and Other Deductions in this prospectus, and the prospectuses for the funds. Premium taxes may also apply, although they do not appear in the examples. We also reserve the right to impose a charge on transfers between subaccounts and to and from the fixed account. Currently, there is no charge. Different fees and expenses not reflected in the examples may be imposed during a period in which regular income payments or annuity payouts are made. See The Contracts — *i4LIFE*® Advantage, Guaranteed Income Benefit with *i4LIFE*® Advantage, *4LATER*® Guaranteed Income Benefit and Annuity Payouts, including *Lincoln SmartIncome*SM Inflation. **These examples should not be considered a representation of past or future expenses. Actual expenses may be more or less than those shown.**

Certain underlying funds have reserved the right to impose fees when fund shares are redeemed within a specified period of time of purchase ("redemption fees"). As of the date of this prospectus, none have done so. See The Contracts — Market Timing for a discussion of redemption fees.

For information concerning compensation paid for the sale of the contracts see Distribution of the Contracts.

Summary of Common Questions

What kind of contract am I buying? It is an individual annuity contract between you and Lincoln Life. It may provide for a fixed annuity and/or a variable annuity. This prospectus describes the variable side of the contract. See The Contracts. This prospectus provides a general description of the contract. The contract and certain riders, benefits, service features and enhancements may not be available in all states, and the charges may vary in certain states. You should refer to your contract for any state specific provisions. Please check with your investment representative regarding their availability.

What is the variable annuity account (VAA)? It is a separate account we established under Indiana insurance law, and registered with the SEC as a unit investment trust. VAA assets are allocated to one or more subaccounts, according to your investment choices. VAA assets are not chargeable with liabilities arising out of any other business which we may conduct. See Variable Annuity Account.

What are Investment Requirements? If you elect a Living Benefit Rider (except *i4LIFE*® Advantage without Guaranteed Income Benefit), you will be subject to certain requirements for your subaccount investments, which means you may be limited in how much you can invest in certain subaccounts. Different Investment Requirements apply to different riders. *Lincoln Lifetime Income*SM Advantage Plus also has specific Investment Requirements, but is no longer available for sale. See The Contracts – Investment Requirements.

What are my investment choices? You may allocate your purchase payments to the VAA or to the fixed account, if available. Based upon your instruction for purchase payments, the VAA applies your purchase payments to buy shares in one or more of the investment options. In turn, each fund holds a portfolio of securities consistent with its investment policy. See Investments of the Variable Annuity Account - Description of the Funds. You may also allocate purchase payments to the fixed account.

Who invests my money? Several different investment advisers manage the investment options. See Investments of the Variable Annuity Account – Description of the Funds.

How does the contract work? If we approve your application, we will send you a contract. When you make purchase payments during the accumulation phase, you buy accumulation units. If you decide to receive an annuity payout, your accumulation units are converted to annuity units. Your annuity payouts will be based on the number of annuity units you receive and the value of each annuity unit on payout days. See The Contracts.

What charges do I pay under the contract? We apply a charge to the daily net asset value of the VAA that consists of a mortality and expense risk charge according to the death benefit you select. See Charges and Other Deductions.

If you withdraw account value, you pay a surrender charge from 0% to 8.0%, depending upon how many contract years have elapsed (single premium and periodic premium), or how many contract years the purchase payment has been in the contract (flexible premium), and which type of contract you choose. We may reduce or waive surrender charges in certain situations. See Charges and Other Deductions – Surrender Charges.

We will deduct any applicable premium tax from purchase payments or contract value, unless the governmental entity dictates otherwise, at the time the tax is incurred or at another time we choose.

See Expense Tables and Charges and Other Deductions for additional fees and expenses in these contracts.

Charges may also be imposed during the regular income or annuity payout period, including if you elect *i4LIFE*® Advantage. See The Contracts and Annuity Payouts.

Each fund pays a management fee based on its average daily net asset value. See Investments of the Variable Annuity Account-Investment Adviser. Each fund also has additional operating expenses. These are described in the Prospectuses for the fund.

What purchase payments do I make, and how often? Subject to the minimum and maximum payment amounts for each type of contract, your payments may be flexible. See The Contracts-Purchase Payments.

How will my annuity payouts be calculated? If you decide to annuitize, you may select an annuity option and start receiving annuity payouts from your contract as a fixed option or variable option or a combination of both. See Annuity Payouts - Annuity Options. **Remember that participants in the VAA benefit from any gain, and take a risk of any loss, in the value of the securities in the funds' portfolios.**

What happens if the annuitant dies before I annuitize? The death benefit provision applicable under your contract depends on whether your contract is a single premium deferred, flexible premium deferred or periodic premium deferred contract. See The Contracts – Death Benefit.

May I transfer contract value between variable options and between the variable and fixed side of the contract? Yes, subject to currently effective restrictions. For example, transfers made before the annuity commencement date are generally restricted to no more than twelve (12) per contract year. If permitted by your contract, we may discontinue accepting transfers into the fixed side of the contract at any time. See — The Contracts — Transfers On or Before the Annuity Commencement Date and Transfers After the Annuity Commencement Date.

What are Living Benefit Riders? Living Benefit riders are optional riders available to purchase for an additional fee. These riders provide different types of minimum guarantees if you meet certain conditions. These riders offer either a minimum withdrawal benefit (*Lincoln SmartSecurity*® Advantage, *Lincoln Lifetime Income*SM Advantage 2.0, and *Lincoln Lifetime Income*SM Advantage) or, a minimum annuity payout (*4LATER*® Advantage and *i4LIFE*® Advantage with or without the Guaranteed Income Benefit). If you select a Living Benefit rider, Excess Withdrawals may have adverse effects on the benefit (especially during times of poor investment performance), and you will be subject to Investment Requirements (unless you elect *i4LIFE*® Advantage without the Guaranteed Income Benefit). Excess Withdrawals under certain Living Benefit riders may result in a reduction or premature termination of those benefits or of those riders. If you are not certain how an Excess Withdrawal will reduce your future guaranteed amounts, you should contact either your registered representative or us prior to requesting a withdrawal to find out what, if any, impact the Excess Withdrawal will have on any guarantees under the Living Benefit rider. These riders are discussed in detail in this prospectus.

What is *Lincoln Lifetime Income*SM Advantage 2.0? (for Non-Qualified Contracts or IRAs only) *Lincoln Lifetime Income*SM Advantage 2.0 is a rider that you may purchase for an additional charge and which provides on an annual basis guaranteed lifetime periodic withdrawals up to a guaranteed amount based on an Income Base, a 5% Enhancement to the Income Base (less purchase payments received in that year) or automatic annual step-ups to the Income Base, and age-based increases to the guaranteed periodic withdrawal amount. Withdrawals may be made up to the Guaranteed Annual Income amount as long as that amount is greater than zero. The Income Base is not available as a separate benefit upon death or surrender and is increased by subsequent purchase payments, 5% Enhancements to the Income Base (less purchase payments received in that year), automatic annual step-ups to the Income Base and is decreased by certain withdrawals in accordance with provisions described in this prospectus. See The Contracts – *Lincoln Lifetime Income*SM Advantage 2.0. You may not simultaneously elect *Lincoln Lifetime Income*SM Advantage 2.0 and another one of the

Living Benefit riders. By electing this rider you will be subject to Investment Requirements. As of April 2, 2012, this rider is unavailable for purchase under any contract option. See The Contracts - Investment Requirements.

What is *Lincoln Lifetime Income*SM Advantage? (for Non-Qualified Contracts or IRAs only) *Lincoln Lifetime Income*SM Advantage is a rider that provides minimum guaranteed, periodic withdrawals for your life (single life option) or for the lives of you and your spouse (joint life option) regardless of the investment performance of the contract provided certain conditions are met. Withdrawals are based on the Guaranteed Amount which is equal to the initial purchase payment (or contract value if elected after contract issue). The Guaranteed Amount is not available as a separate benefit upon death or surrender and is increased by subsequent purchase payments, Automatic Annual Step-ups, the 5% Enhancements, and the Step-up to 200% (if applicable to your contract) of the initial Guaranteed Amount and is decreased by withdrawals in accordance with provisions described later in this prospectus. See The Contracts – *Lincoln Lifetime Income*SM Advantage. You may not simultaneously elect *Lincoln Lifetime Income*SM Advantage and another one of the Living Benefit riders. By electing this rider you will be subject to Investment Requirements. See The Contracts – Investment Requirements. This rider is no longer available for sale (except in a limited number of states).

What is *Lincoln Lifetime Income*SM Advantage Plus? (for Non-Qualified Contracts and IRAs only) *Lincoln Lifetime Income*SM Advantage Plus provides an increase in your contract value of an amount equal to the excess of the initial Guaranteed Amount over the current contract value on the seventh benefit year anniversary so long as no withdrawals have been taken and you adhere to certain Investment Requirements. This rider is no longer available for sale (except in a limited number of states).

What is the *Lincoln SmartSecurity*® Advantage (for Non-Qualified Contracts and IRAs only)? This benefit, which may be available for purchase at an additional charge, provides a Guaranteed Amount equal to the initial purchase payment (or contract value at the time of election) as adjusted. You may access this benefit through periodic withdrawals. Excess Withdrawals will adversely affect the Guaranteed Amount. See The Contracts — *Lincoln SmartSecurity*® Advantage. You cannot simultaneously elect *Lincoln SmartSecurity*® Advantage with any other Living Benefit rider. By electing this benefit, you will be subject to Investment Requirements. See The Contracts — Investment Requirements.

What is *i4LIFE*® Advantage? *i4LIFE*® Advantage is an annuity payout option, available for purchase, that provides periodic variable lifetime income payments, a death benefit, and the ability to make purchase payments (IRA contracts only) and withdrawals during a defined period of time. We assess a charge, imposed only during the *i4LIFE*® Advantage payout phase. For qualified contracts, the Guaranteed Income Benefit is included in the election of *i4LIFE*® Advantage.

What is the Guaranteed Income Benefit? The Guaranteed Income Benefit provides a minimum payout floor for your *i4LIFE*® Regular Income Payments. For non-qualified contracts and IRAs, the *i4LIFE*® Guaranteed Income Benefit is purchased at the time you elect *i4LIFE*® Advantage or any time during the Access Period. *4LATER*® Advantage, *Lincoln Smart Security*® Advantage and *Lincoln Lifetime Income*SM Advantage have features that may be used to establish the amount of the Guaranteed Income Benefit. *4LATER*® Advantage is purchased prior to the time you elect *i4LIFE*® Advantage and provides a guaranteed value, the Income Base, which can be used to establish the Guaranteed Income Benefit floor in the future. The *i4LIFE*® Guaranteed Income Benefit does not have an Income Base; the minimum floor is based on the contract value at the time you elect *i4LIFE*® with the Guaranteed Income Benefit. You may use your Guaranteed Amount from *Lincoln Smart Security*® Advantage or *Lincoln Lifetime Income*SM Advantage to establish the Guaranteed Income Benefit at the time you terminate *Lincoln Smart Security*® Advantage or *Lincoln Lifetime Income*SM Advantage to purchase *i4LIFE*® Advantage. The *i4LIFE*® Advantage feature available for purchase by owners of qualified contracts includes the Guaranteed Income benefit as one benefit. Neither feature can be selected independently of the other. For all contractowners, by electing this benefit, you will be subject to Investment Requirements. See The Contracts – *i4LIFE*® Advantage Guaranteed Income Benefit, *4LATER*® Advantage Guaranteed Income Benefit, and *Lincoln Lifetime Income*SM Advantage – *i4LIFE*® Advantage option.

What is *4LATER*® Advantage? *4LATER*® Advantage, which may be available for purchase at an additional charge, is a way to guarantee today a minimum payout floor in the future for the *i4LIFE*® Advantage regular income payments. *4LATER*® Advantage provides an initial Income Base that is guaranteed to increase at a specified percentage over the accumulation period of the annuity. By electing this benefit, you will be subject to Investment Requirements. See The Contracts—*4LATER*® Advantage.

What is *Lincoln SmartIncome*SM Inflation? *Lincoln SmartIncome*SM Inflation is a fixed annuity payout option that provides periodic annuity payouts that may increase or decrease each year based on changes in a consumer price index that measures inflation. *Lincoln SmartIncome*SM Inflation also provides a guaranteed minimum payout, a death benefit and access to a reserve value from which unscheduled payments may be taken. See The Contracts – Annuity Payouts - *Lincoln SmartIncome*SM Inflation.

May I surrender the contract or make a withdrawal? Yes, subject to contract requirements and to the restrictions of any qualified retirement plan for which the contract was purchased. See The Contracts — Surrenders and Withdrawals. If you surrender the contract or make a withdrawal, certain charges may apply. See Charges and Other Deductions. A portion of surrender or withdrawal proceeds may be taxable. In addition, if you decide to take a distribution before age 59½, a 10% Internal Revenue Service (IRS) tax penalty may apply. A surrender or a withdrawal also may be subject to 20% withholding. See Federal Tax Matters.

Do I get a free look at this contract? Yes. You can cancel the contract within ten days (in some states longer) of the date you first receive the contract. You need to return the contract, postage prepaid, to our Home office. In most states you assume the risk of any market drop on purchase payments you allocate to the variable side of the contract. See Return Privilege.

Where may I find more information about accumulation unit values? The Appendix to this prospectus provides more information about accumulation unit values.

Investment Results

The VAA advertises the annual performance of the subaccounts for the funds on both a standardized and non-standardized basis.

The standardized calculation measures average annual total return. This is based on a hypothetical $1,000 payment made at the beginning of a one-year, a five-year and a 10-year period. This calculation reflects all fees and charges that are or could be imposed on all contractowner accounts.

The nonstandardized calculation compares changes in accumulation unit values from the beginning of the most recently completed calendar year to the end of that year. It may also compare changes in accumulation unit values over shorter or longer time periods. This calculation reflects mortality and expense risk charges. It also reflects management fees and other expenses of the fund. It does not include the surrender charge or the account charge; if included, they would decrease the performance.

The money market subaccount's yield is based upon investment performance over a 7-day period, which is then annualized. During extended periods of low interest rates, the yields of any subaccount investing in a money market fund may also become extremely low and possibly negative. **The money market yield figure and annual performance of the subaccounts are based on past performance and do not indicate or represent future performance.**

The Lincoln National Life Insurance Company

The Lincoln National Life Insurance Company (Lincoln Life or Company), organized in 1905, is an Indiana-domiciled insurance company, engaged primarily in the direct issuance of life insurance contracts and annuities. Lincoln Life is wholly owned by Lincoln National Corporation (LNC), a publicly held insurance and financial services holding company incorporated in Indiana. Lincoln Life is obligated to pay all amounts promised to policy owners under the policies.

Depending on when you purchased your contract, you may be permitted to make allocations to the fixed account, which is part of our general account. See The Fixed Side of the Contract. In addition, any guarantees under the contract that exceed your contract value, such as those associated with death benefit options and Living Benefit riders are paid from our general account (not the VAA). Therefore, any amounts that we may pay under the contract in excess of contract value are subject to our financial strength and claims-paying ability and our long-term ability to make such payments. With respect to the issuance of the contracts, Lincoln Life does not file periodic financial reports with the SEC pursuant to the exemption for life insurance companies provided under Rule 12h-7 of the Securities Exchange Act of 1934.

We issue other types of insurance policies and financial products as well, and we also pay our obligations under these products from our assets in the general account. Moreover, unlike assets held in the VAA, the assets of the general account are subject to the general liabilities of the Company and, therefore, to the Company's general creditors. In the event of an insolvency or receivership, payments we make from our general account to satisfy claims under the contract would generally receive the same priority as our other contractowner obligations.

Our Financial Condition. Among the laws and regulations applicable to us as an insurance company are those which regulate the investments we can make with assets held in our general account. In general, those laws and regulations determine the amount and type of investments which we can make with general account assets.

In addition, state insurance regulations require that insurance companies calculate and establish on their financial statements, a specified amount of reserves in order to meet the contractual obligations to pay the claims of our policyholders. In order to meet our claims-paying obligations, we regularly monitor our reserves to ensure we hold sufficient amounts to cover actual or expected contract and claims payments. However, it is important to note that there is no guarantee that we will always be able to meet our claims paying obligations, and that there are risks to purchasing any insurance product.

State insurance regulators also require insurance companies to maintain a minimum amount of capital in excess of liabilities, which acts as a cushion in the event that the insurer suffers a financial impairment, based on the inherent risks in the insurer's operations. These risks include those associated with losses that we may incur as the result of defaults on the payment of interest or principal on assets held in our general account, which include bonds, mortgages, general real estate investments, and stocks, as well as the loss in value of these investments resulting from a loss in their market value.

How to Obtain More Information. We encourage both existing and prospective policyholders to read and understand our financial statements. We prepare our financial statements on both a statutory basis and according to Generally Accepted Accounting Principles (GAAP). Our audited GAAP financial statements, as well as the financial statements of the VAA, are located in the SAI. If you would like a free copy of the SAI, please write to us at: PO Box 2340, Fort Wayne, IN 46801-2340 , or call 1-800-454-6265. In addition, the Statement of Additional Information is available on the SEC's website at http://www.sec.gov. You may obtain our audited statutory financial statements and any unaudited statutory financial statements that may be available by visiting our website at www.LincolnFinancial.com.

You also will find on our website information on ratings assigned to us by one or more independent rating organizations. These ratings are opinions of an operating insurance company's financial capacity to meet the obligations of its insurance and annuity contracts based on its financial strength and/or claims-paying ability. Additional information about rating agencies is included in the Statement of Additional Information.

Lincoln Financial Group is the marketing name for Lincoln National Corporation (NYSE:LNC) and its affiliates. Through its affiliates, Lincoln Financial Group offers annuities, life, group life and disability insurance, 401(k) and 403(b) plans, and comprehensive financial planning and advisory services.

Fixed Side of the Contract

The portion of the contract value allocated to the fixed side of the contract becomes part of our general account, and **does not** participate in the investment experience of the VAA. The general account is subject to regulation and supervision by the Indiana Insurance Department as well as the insurance laws and regulations of the jurisdictions in which the contracts are distributed.

In reliance on certain exemptions, exclusions and rules, we have not registered interests in the general account as a security under the Securities Act of 1933 (1933 Act) and have not registered the general account as an investment company under the Investment Company Act of 1940 (1940 Act). Accordingly, neither the general account nor any interests in it are regulated under the 1933 Act or the 1940 Act. We have been advised that the staff of the SEC has not made a review of the disclosures which are included in this prospectus which relate to our general account and to the fixed account under the contract. These disclosures, however, may be subject to certain provisions of the federal securities laws relating to the accuracy and completeness of statements made in prospectuses. This prospectus is generally intended to serve as a disclosure document only for aspects of the contract involving the VAA, and therefore contains only selected information regarding the fixed side of the contract. Complete details regarding the fixed side of the contract are in the contract.

Variable Annuity Account (VAA)

On June 3, 1981, the VAA was established as an insurance company separate account under Indiana law. It is registered with the SEC as a unit investment trust under the provisions of the Investment Company Act of 1940 (1940 Act). The VAA is a segregated investment account, meaning that its assets may not be charged with liabilities resulting from any other business that we may conduct. Income, gains and losses, whether realized or not, from assets allocated to the VAA are, in accordance with the applicable annuity contracts, credited to or charged against the VAA. They are credited or charged without regard to any other income, gains or losses of Lincoln Life. We are the issuer of the contracts and the obligations set forth in the contract, other than those of the contractowner, are ours. The VAA satisfies the definition of a separate account under the federal securities laws. We do not guarantee the investment performance of the VAA. Any investment gain or loss depends on the investment performance of the funds. **You assume the full investment risk for all amounts placed in the VAA. The VAA is used to support other annuity contracts offered by Lincoln Life in addition to the contracts described in this prospectus. The other annuity contracts supported by the VAA invest in the same portfolios of the funds as the contracts described in this prospectus. These other annuity contracts may have different charges that could affect performance of the subaccount.**

Financial Statements

The December 31, 2011 financial statements of the VAA and the December 31, 2011 consolidated financial statements of Lincoln Life are located in the SAI. If you would like a free copy of the SAI, complete and mail the request on the last page of this prospectus, or call 1-800-454-6265.

Investments of the VAA

You decide the subaccount(s) to which you allocate purchase payments. There is a separate subaccount which corresponds to each class of each fund. You may change your allocation without penalty or charges. Shares of the funds will be sold at net asset value with no initial sales charge to the VAA in order to fund the contracts. The funds are required to redeem fund shares at net asset value upon our request. We reserve the right to add, delete or substitute funds.

Investment Advisers

As compensation for its services to the funds, each investment adviser for each fund receives a fee from the funds which is accrued daily and paid monthly. This fee is based on the net assets of each fund, as defined in the prospectuses for the funds.

Certain Payments We Receive with Regard to the Funds

With respect to a fund, including affiliated funds, the adviser and/or distributor, or an affiliate thereof, may make payments to us (or an affiliate). It is anticipated that such payments will be based on a percentage of assets of the particular fund attributable to the contracts along with certain other variable contracts issued or administered by us (or an affiliate). These percentages are negotiated and vary with each fund. Some funds may pay us significantly more than other funds and the amount we receive may be substantial. These percentages currently range up to 0.50%, and as of the date of this prospectus, we were receiving payments from each fund family. We (or our affiliates) may profit from these payments or use these payments for a variety of purposes, including payment of expenses that we (and our affiliates) incur in promoting, marketing, and administering the contracts and, in our role as intermediary, the funds. These payments may be derived, in whole or in part, from the investment advisory fee deducted from fund assets. Contractowners, through their indirect investment in the funds, bear the costs of these investment advisory fees (see the funds' prospectuses for more information). Additionally, a fund's adviser and/or distributor or its affiliates may provide us with certain services that assist us in the distribution of the contracts and may pay us and/or certain affiliates amounts for marketing programs and sales support, as well as amounts to participate in training and sales meetings.

The AllianceBernstein, American Funds, Delaware, Fidelity, Lincoln and PIMCO funds offered as part of this contract make payments to us under their distribution plans (12b-1 plans). The payment rates range up to 0.30% based on the amount of assets invested in those funds. Payments made out of the assets of the fund will reduce the amount of assets that otherwise would be available for investment, and will reduce the fund's investment return. The dollar amount of future asset-based fees is not predictable because these fees are a percentage of the fund's average net assets, which can fluctuate over time. If, however, the value of the fund goes up, then so would the payment to us (or our affiliates). Conversely, if the value of the funds goes down, payments to us or our affiliates would decrease.

Description of the Funds

Each of the subaccounts of the VAA is invested solely in shares of one of the funds available under the contract. Each fund may be subject to certain investment policies and restrictions which may not be changed without a majority vote of shareholders of that fund.

We select the funds offered through the contract based on several factors, including, without limitation, asset class coverage, the strength of the manager's reputation and tenure, brand recognition, performance, and the capability and qualification of each sponsoring investment firm. Another factor we consider during the initial selection process is whether the fund or an affiliate of the fund will make payments to us or our affiliates. We review each fund periodically after it is selected. Upon review, we may remove a fund or restrict allocation of additional purchase payments to a fund if we determine the fund no longer meets one or more of the factors and/or if the fund has not attracted significant contractowner assets. Finally, when we develop a variable annuity product in cooperation with a fund family or distributor (e.g., a "private label" product), we generally will include funds based on recommendations made by the fund family or distributor, whose selection criteria may differ from our selection criteria.

Certain funds offered as part of this contract have similar investment objectives and policies to other portfolios managed by the adviser. The investment results of the funds, however, may be higher or lower than the other portfolios that are managed by the adviser or sub-adviser. There can be no assurance, and no representation is made, that the investment results of any of the funds will be comparable to the investment results of any other portfolio managed by the adviser or sub-adviser, if applicable.

Certain funds invest substantially all of their assets in other funds. As a result, you will pay fees and expenses at both fund levels. This will reduce your investment return. These arrangements are referred to as funds of funds. Funds of funds structures may have higher expenses than funds that invest directly in debt or equity securities.

Certain funds may employ hedging strategies to provide for downside protection during sharp downward movements in equity markets. The cost of these hedging strategies could limit the upside participation of the fund in rising equity markets relative to other funds. The death benefits and Living Benefit riders offered under the contract also provide protection in the event of a market downturn. Likewise, there are additional costs associated with the death benefits and Living Benefit riders, which can limit the contract's upside participation in the markets. You should consult with your financial representative to determine which combination of investment choices and death benefit and/or rider purchases (if any) are appropriate for you.

Following are brief summaries of the fund descriptions. More detailed information may be obtained from the current prospectus for each fund. You should read each fund prospectus carefully before investing. **Prospectuses for each fund are available by contacting us. In addition, if you receive a summary prospectus for a fund, you may obtain a full statutory prospectus by referring to the contact information for the fund company on the cover page of the summary prospectus. Please be advised that there is no assurance that any of the funds will achieve their stated objectives.**

We currently anticipate closing and replacing the following funds during the fourth quarter of 2012:

- Alliance Bernstein VPS Growth and Income Portfolio with LVIP SSgA S&P 500 Index Fund
- American CenturyVP Inflation Protection Fund with LVIP BlackRock Inflation Protected Bond Fund
- DWS Equity 500 Index VIP Portfolio with LVIP SSgA S&P 500 Index Fund
- DWS Small Cap Index VIP Portfolio with LVIP SSgA Small-Cap Index Fund
- Neuberger Berman AMT Mid-Cap Growth Portfolio with LVIP SSgA S&P 500 Index Fund

AllianceBernstein Variable Products Series Fund, advised by AllianceBernstein, L.P.

- AllianceBernstein VPS Global Thematic Growth Portfolio: Long-term growth of capital.
- AllianceBernstein VPS Growth and Income Portfolio: Long-term growth of capital.
  It is currently anticipated that during the fourth quarter of 2012, we will close and replace this investment option.

American Century Investments Variable Products, advised by American Century Investment Management, Inc.

- American Century VP Inflation Protection Fund: Long-term total return.
  It is currently anticipated that during the fourth quarter of 2012, we will close and replace this investment option.

American Funds Insurance Series℠, advised by Capital Research and Management Company

- Global Growth Fund: Long-term growth of capital.
- Growth Fund: Growth of capital.
- Growth-Income Fund: Long-term growth of capital and income.
- International Fund: Long-term growth of capital.

BlackRock Variable Series Funds, Inc., advised by Blackrock Advisors, LLC and subadvised by BlackRock Investment Management, LLC

- BlackRock Global Allocation V.I Fund: High total investment return.

Delaware VIP® Trust, advised by Delaware Management Company*

- Diversified Income Series: Long-term total return.
- High Yield Series: Total return and secondarily high current income.
- REIT Series: Total return.
- Small Cap Value Series: Total return.
- Smid Cap Growth Series: Total return.
- Value Series: Long-term capital appreciation.

DWS Investments VIT Funds, advised by Deutsche Investment Management Americas, Inc. and subadvised by Northern Trust Investments, Inc.

- DWS Equity 500 Index VIP Portfolio: Replicate S&P 500® Index before deduction of expenses.
  It is currently anticipated that during the fourth quarter of 2012, we will close and replace this investment option.
- DWS Small Cap Index VIP Portfolio: Replicate Russell 2000® Index before deduction of expenses.
  It is currently anticipated that during the fourth quarter of 2012, we will close and replace this investment option.

DWS Variable Series II, advised by Deutsche Investment Management Americas, Inc. and subadvised by RREEF America L.L.C.

- DWS Alternative Asset Allocation VIP Portfolio: Capital appreciation; a fund of funds.
  (formerly DWS Alternative Asset Allocation Plus VIP Portfolio)

Fidelity® Variable Insurance Products, advised by Fidelity Management and Research Company and subadvised by FMR Co., Inc.

- Contrafund® Portfolio: Long-term capital appreciation.
- Growth Portfolio: Capital appreciation.

Lincoln Variable Insurance Products Trust, advised by Lincoln Investment Advisors Corporation.

- LVIP Baron Growth Opportunities Fund: Capital appreciation.
  (Subadvised by BAMCO, Inc.)
- LVIP BlackRock Inflation Protected Bond Fund: Maximize real return.
  This fund will be available on or about May 14, 2012. Consult your financial advisor.

- LVIP Cohen & Steers Global Real Estate Fund: Total Return.
  (Subadvised by Cohen & Steers Capital Management)
- LVIP Delaware Bond Fund: Maximize current income.
  (Subadvised by Delaware Management Company)*
- LVIP Delaware Diversified Floating Rate Fund: Total return.
- LVIP Delaware Foundation® Aggressive Allocation Fund: Long-term capital growth.
  (Subadvised by Delaware Management Company)*
- LVIP Delaware Foundation® Conservative Allocation Fund: Current income and preservation of capital with capital appreciation.
  (Subadvised by Delaware Management Company)*
- LVIP Delaware Foundation® Moderate Allocation Fund: Capital appreciation with current income.
  (Subadvised by Delaware Management Company)*
- LVIP Delaware Growth and Income Fund: Capital appreciation.
  (Subadvised by Delaware Management Company)*
- LVIP Delaware Social Awareness Fund: Capital appreciation.
  (Subadvised by Delaware Management Company)*
- LVIP Delaware Special Opportunities Fund: Capital appreciation.
  (Subadvised by Delaware Management Company)*
- LVIP Global Income Fund: Current income consistent with preservation of capital.
  (Subadvised by Mondrian Investment Partners Limited and Franklin Advisors, Inc.)
- LVIP Janus Capital Appreciation Fund: Long-term growth of capital.
  (Subadvised by Janus Capital Management LLC)
- LVIP Mondrian International Value Fund: Long-term capital appreciation.
  (Subadvised by Mondrian Investment Partners Limited)
- LVIP Money Market Fund: Current Income/Preservation of capital.
  (Subadvised by Delaware Management Company)
- LVIP SSgA Bond Index Fund: Replicate Barclays Capital U.S. Aggregate Bond Index.
  (Subadvised by SSgA Funds Management, Inc.)
- LVIP SSgA Emerging Markets 100 Fund: Long-term capital appreciation.
  (Subadvised by SSgA Funds Management, Inc.)
- LVIP SSgA Global Tactical Allocation: Long-term growth of capital; a fund of funds.
  (Subadvised by SSgA Funds Management, Inc.)
- LVIP SSgA International Index Fund: Replicate broad market index of non-U.S. foreign securities.
  (Subadvised by SSgA Funds Management, Inc.)
- LVIP SSgA S&P 500 Index Fund: Replicate S&P 500 Index.
  (Subadvised by SSgA Funds Management, Inc.)
- LVIP SSgA Small-Cap Index Fund: Replicate Russell 2000 Index.
  (Subadvised by SSgA Funds Management, Inc.)
- LVIP T. Rowe Price Structured Mid-Cap Growth Fund: Maximum capital appreciation.
  (Subadvised by T. Rowe Price Associates, Inc.)
- LVIP Vanguard Domestic Equity ETF Fund: Capital appreciation; a fund of funds.
- LVIP Vanguard International Equity ETF Fund: Capital appreciation; a fund of funds.
- LVIP Wells Fargo Intrinsic Value Fund: Reasonable income by investing in income-producing equity securities.
  (Subadvised by Metropolitan West Capital Management)
- LVIP Protected Profile 2010 Fund: Total with emphasis on high current income; a fund of funds.
- LVIP Protected Profile 2020 Fund: Total return with increased emphasis on capital preservation as target date approaches; a fund of funds.
- LVIP Protected Profile 2030 Fund: Total return with increased emphasis on capital preservation as target date approaches; a fund of funds.
- LVIP Protected Profile 2040 Fund: Total return with increased emphasis on capital preservation as target date approaches; a fund of funds.

- LVIP Protected Profile 2050 Fund: Total return with increased emphasis on capital preservation as target date approaches; a fund of funds.
- LVIP Protected Profile Conservative Fund: High current income and growth of capital; a fund of funds.
- LVIP Protected Profile Growth Fund: Balance between high current income and growth of capital; a fund of funds.
- LVIP Protected Profile Moderate Fund: Balance between high current income and growth of capital; a fund of funds.

MFS® Variable Insurance Trust℠, advised by Massachusetts Financial Services Company

- Utilities Series: Total return.

Neuberger Berman Advisers Management Trust, advised by Neuberger Berman Management, Inc. and subadvised by Neuberger Berman, LLC.

- Mid-Cap Growth Portfolio: Capital appreciation.
  It is currently anticipated that during the fourth quarter of 2012, we will close and replace this investment option.

PIMCO Variable Insurance Trust, advised by PIMCO

- PIMCO VIT Total Return Portfolio: Total Return.

* Investments in Delaware Investments VIP Series, Delaware Funds, LVIP Delaware Funds or Lincoln Life accounts managed by Delaware Investment Advisors, a series of Delaware Management Business Trust, are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46008 583 542 and its holding companies, including their subsidiaries or related companies, and are subject to investment risk, including possible delays in prepayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the Series or Funds or accounts, the repayment of capital from the Series or Funds or account, or any particular rate of return.

Fund Shares

We will purchase shares of the funds at net asset value and direct them to the appropriate subaccounts of the VAA. We will redeem sufficient shares of the appropriate funds to pay annuity payouts, death benefits, surrender/withdrawal proceeds or for other purposes described in the contract. If you want to transfer all or part of your investment from one subaccount to another, we may redeem shares held in the first and purchase shares of the other. Redeemed shares are retired, but they may be reissued later.

Shares of the funds are not sold directly to the general public. They are sold to us, and may be sold to other insurance companies, for investment of the assets of the subaccounts established by those insurance companies to fund variable annuity and variable life insurance contracts.

When a fund sells any of its shares both to variable annuity and to variable life insurance separate accounts, it is said to engage in mixed funding. When a fund sells any of its shares to separate accounts of unaffiliated life insurance companies, it is said to engage in shared funding.

The funds currently engage in mixed and shared funding. Therefore, due to differences in redemption rates or tax treatment, or other considerations, the interest of various contractowners participating in a fund could conflict. Each of the fund's Board of Directors will monitor for the existence of any material conflicts, and determine what action, if any, should be taken. The funds do not foresee any disadvantage to contractowners arising out of mixed or shared funding. If such a conflict were to occur, one of the separate accounts might withdraw its investment in a fund. This might force a fund to sell portfolio securities at disadvantageous prices. See the prospectuses for the funds.

Reinvestment of Dividends and Capital Gain Distributions

All dividends and capital gain distributions of the funds are automatically reinvested in shares of the distributing funds at their net asset value on the date of distribution. Dividends are not paid out to contractowners or participants as additional units, but are reflected as changes in unit values.

Addition, Deletion or Substitution of Investments

We reserve the right, within the law, to make certain changes to the structure and operation of the VAA at our discretion and without your consent. We may add, delete, or substitute funds for all contractowners or only for certain classes of contractowners. New or substitute funds may have different fees and expenses, and may only be offered to certain classes of contractowners.

Substitutions may be made with respect to existing investments or the investment of future purchase payments, or both. We may close subaccounts to allocations of purchase payments or contract value, or both, at any time in our sole discretion. The funds, which sell their shares to the subaccounts pursuant to participation agreements, also may terminate these agreements and discontinue offering their shares to the subaccounts. Substitutions might also occur if shares of a fund should no longer be available, or if investment in any fund's shares should become inappropriate, in the judgment of our management, for the purposes of the contract, or for any other reason in our sole discretion and, if required, after approval from the SEC.

We also may:
- remove, combine, or add subaccounts and make the new subaccounts available to you at our discretion;
- transfer assets supporting the contracts from one subaccount to another or from the VAA to another separate account;
- combine the VAA with other separate accounts and/or create new separate accounts;
- deregister the VAA under the 1940 Act; and
- operate the VAA as a management investment company under the 1940 Act or as any other form permitted by law.

We may modify the provisions of the contracts to reflect changes to the subaccounts and the VAA and to comply with applicable law. We will not make any changes without any necessary approval by the SEC. We will also provide you written notice.

Charges and Other Deductions

We will deduct the charges described below to cover our costs and expenses, services provided and risks assumed under the contracts. We incur certain costs and expenses for the distribution and administration of the contracts and for providing the benefits payable thereunder.

Our administrative services include:
- processing applications for and issuing the contracts;
- processing purchases and redemptions of fund shares as required (including dollar cost averaging, automatic withdrawal, and cross-reinvestment/earnings sweep services);
- maintaining records;
- administering annuity payouts;
- furnishing accounting and valuation services (including the calculation and monitoring of daily subaccount values);
- reconciling and depositing cash receipts;
- providing contract confirmations;
- providing toll-free inquiry services and
- furnishing telephone and electronic fund transfer services.

The risks we assume include:
- the risk that annuitants receiving annuity payouts, including *Lincoln SmartIncome*SM Inflation payouts, under contracts live longer than we assumed when we calculated our guaranteed rates (these rates are incorporated in the contract and cannot be changed);
- the risk that death benefits paid will exceed the actual contract value;
- the risk that more owners than expected will qualify for waivers of the surrender charge;
- the risk that lifetime payments to individuals from *Lincoln SmartSecurity*® Advantage, *Lincoln Lifetime Income*SM Advantage 2.0 or *Lincoln Lifetime Income*SM Advantage will exceed the contract value;
- the risk that our costs in providing the services will exceed our revenues from contract charges (which we cannot change).
- the risk that, if *i4LIFE*® Advantage with the Guaranteed Income Benefit or *4LATER*® Guaranteed Income Benefit is in effect, the required regular income payments will exceed the account value.

The amount of a charge may not necessarily correspond to the costs associated with providing the services or benefits indicated by the description of the charge. For example, the surrender charge collected may not fully cover all of the sales and distribution expenses actually incurred by us. Any remaining expenses will be paid from our general account which may consist, among other things, of proceeds derived from mortality and expense risk charges deducted from the account. We may profit from one or more of the fees and charges deducted under the contract. We may use these profits for any corporate purpose, including financing the distribution of the contracts.

Account Charge

There is no account charge for flexible premium Multi-Fund® 3 and 4. Periodic premium Multi-Fund® 1 contracts and flexible premium Multi-Fund® 2 contracts will deduct $25 from the contract value on the last valuation date of each contract year; this $25 account charge will also be deducted from the contract value upon surrender.

Surrender Charge

A surrender charge applies (except as described below) to surrenders and withdrawals of other purchase payments that have been invested for the periods indicated as follows.

A. Periodic premium deferred contract

There will be a surrender charge for the first withdrawal each contract year in excess of 15% of contract value. Any subsequent withdrawals in the same contract year or upon surrender of contract will also incur a surrender charge.

	Contract year in which surrender/withdrawal occurs											
	0	1	2	3	4	5	6	7	8	9	10	11+
Surrender charge as a percentage of the proceeds withdrawn	8%	8%	8%	8%	8%	8%	4%	4%	4%	4%	4%	0%

A surrender charge does not apply to:

- A surrender or withdrawal of contract value after ten full contract years.
- Withdrawals of contract value during a contract year to the extent that the total contract value withdrawn during the current contract year does not exceed the free amount which is equal to 15% of the contract value.
- A surrender of the contract as a result of the death of the annuitant.
- A surrender or withdrawal as a result of the onset of a permanent and total disability of the contractowner as defined in Section 22(e)(3) of the tax code, after the effective date of the contract and before the 65th birthday of the contractowner.
- Contract value used in the calculation of the initial periodic income payment and the initial Account Value under the *i4LIFE®* Advantage option or the contract value applied to calculate the benefit amount under any annuity payout option made available by us.
- Regular income payment made under *i4LIFE®* Advantage, including any payments to provide the *4LATER®* or *i4LIFE®* Guaranteed Income Benefits, or periodic payments made under any annuity payout option made available by us.
- Amounts up to the Maximum Annual Withdrawal Limit under *Lincoln SmartSecurity®* Advantage or *Lincoln Lifetime Income℠* Advantage, or amounts up to the Guaranteed Annual Income Amount under *Lincoln Lifetime Income℠* Advantage 2.0, subject to certain conditions.

In addition, for 403(b) and 457 contracts, if the participant:

1) has terminated employment with the employer that sponsored the contract; and

2) has been in the contract for at least five years (the five year date beginning either November 1, 1991 or the date of the contract, whichever is later); and

3) is at least age 55.

B. Single premium deferred contract or nonrecurring lump sum payment to periodic premium deferred contract

For a single premium deferred contract or a nonrecurring lump sum payment made to a periodic premium deferred contract, the surrender/withdrawal charges (when applicable as described below) will be:

	Contract year in which surrender/withdrawal occurs								
	0	1	2	3	4	5	6	7	8
Surrender charge as a percentage of the proceeds withdrawn	7%	7%	6%	5%	4%	3%	2%	1%	0%

Investment gains attributable to a nonrecurring lump sum payment made to a periodic premium deferred contract will be subject to surrender charges of 8% in years 1-5, 4% in years 6-10, and no charge after the contract has been in force for 10 years. For periodic premium deferred contracts under which a nonrecurring lump sum has been received, withdrawals will be made first from any amount subject to the lowest charge until that amount is gone. A surrender charge does not apply to:

- A surrender or withdrawal of a purchase payment after 7 full contract years.
- Withdrawals of contract value during a contract year to the extent that the total contract value withdrawn during the current contract year does not exceed the free amount which is equal to 15% of the contract value.
- A surrender of the contract as a result of the death of the annuitant.
- A surrender or withdrawal as a result of the onset of a permanent and total disability of the contractowner as defined in Section 22(e)(3) of the tax code, after the effective date of the contract and before the 65th birthday of the contractowner.
- Contract value used in the calculation of the initial periodic income payment and the initial Account Value under the *i4LIFE®* Advantage option or the contract value applied to calculate the benefit amount under any annuity payout option made available by us.
- Regular income payment made under *i4LIFE®* Advantage, including any payments to provide the *4LATER®* or *i4LIFE®* Guaranteed Income Benefits, or periodic payments made under any annuity payout option made available by us.
- Amounts up to the Maximum Annual Withdrawal Limit under *Lincoln SmartSecurity®* Advantage or *Lincoln Lifetime Income℠* Advantage or amounts up to the Guaranteed Annual Income Amount under Lincoln Lifeime Income Advantage 2.0, subject to certain conditions.

C. Flexible premium deferred contract

For a flexible premium deferred contract, the surrender/withdrawal charges (when applicable as described previously) will be:

	Number of contract anniversaries since purchase payment was invested							
	0	1	2	3	4	5	6	7+
Surrender charge as a percentage of total purchase payments surrendered/withdrawn in a contract year	7%	6%	5%	4%	3%	2%	1%	0%

A surrender charge does not apply to:

- A surrender or withdrawal of a purchase payment beyond the 7th anniversary since the purchase payment was invested.
- Withdrawals of contract value during a contract year to the extent that the total contract value withdrawn during the current contract year does not exceed the free amount which is equal to 15% of the purchase payments.
- A surrender of the contract as a result of the death of the annuitant.
- A surrender or withdrawal as a result of the onset of a permanent and total disability of the annuitant as defined in Section 22(e)(3) of the tax code, after the effective date of the contract and before the 65th birthday of the contractowner.
- Contract value used in the calculation of the initial periodic income payment and the initial Account Value under the *i4LIFE®* Advantage option or the contract value applied to calculate the benefit amount under any annuity payout option made available by us.
- Regular income payment made under *i4LIFE®* Advantage, including any payments to provide the *4LATER®* or *i4LIFE®* Guaranteed Income Benefits, or periodic payments made under any annuity payout option made available by us.
- Amounts up to the Maximum Annual Withdrawal Limit under *Lincoln SmartSecurity®* Advantage or *Lincoln Lifetime Income℠* Advantage or amounts up to the Guaranteed Annual Income amount under *Lincoln Lifetime Income℠* Advantage 2.0, subject to certain conditions.

We apply the surrender charge as a percentage of purchase payments, which means that you would pay the same surrender charge at the time of surrender regardless of whether your contract value has increased or decreased.

The surrender charge is calculated separately for each contract year's purchase payments to which a charge applies. **(For purposes of calculating this charge, we assume that purchase payments are withdrawn on a first in-first out basis, and that all purchase payments are withdrawn before any earnings are withdrawn.)** The surrender charges associated with surrender or withdrawal are paid to us to compensate us for the loss we experience on contract distributions costs when contractowners surrender or withdraw before distribution costs have been recovered.

Additional Information

Participants in the Texas Optional Retirement Program should refer to Restrictions Under the Texas Optional Retirement Program, later in this prospectus booklet.

The charges described previously may be reduced or eliminated for any particular contract. However, these charges will be reduced only to the extent that we anticipate lower distribution and/or administrative expenses, or that we perform fewer sales or administrative services than those originally contemplated in establishing the level of those charges, or when required by law. Lower distribution and administrative expenses may be the result of economies associated with

- the use of mass enrollment procedures,
- the performance of administrative or sales functions by the employer,
- the use by an employer of automated techniques in submitting deposits or information related to deposits on behalf of its employees, or
- any other circumstances which reduce distribution or administrative expenses.

The exact amount of charges and fees applicable to a particular contract will be stated in that contract.

In certain circumstances a holder of an annuity contract issued by Lincoln Life may decide to surrender such a contract and purchase another (second) annuity contract issued by Lincoln Life. In that instance, the surrender charges (if any) applicable to the first annuity contract may be waived (depending on the type of second contract purchased) and the funds held in the first annuity contract will be transferred to the second annuity contract.

Deductions from the VAA

For the base contract we, apply to the average daily net asset value of the subaccounts, a charge which is equal to an annual rate of:

	With Enhanced Guaranteed Minimum death benefit (EGMDB)	Without Enhanced Guaranteed Minimum death benefit (EGMDB)
• Mortality and expense risk charge	1.002%*	1.002%*
• Enhanced Death Benefit charge	0.300%	0.000%
• Total annual charge for each subaccount	1.302%	1.002%

*Assets invested in the Delaware VIP Value Series on and after May 1, 2009 will have a mortality and expense risk charge of 0.952%.

This charge is made up of two parts:

1. our assumption of mortality risks (0.900%) and
2. our assumption of expense risks (0.102%).

The level of this charge is guaranteed not to change.

Deduction for the Enhanced Guaranteed Minimum Death Benefit (EGMDB)

When the EGMDB becomes effective, we will begin deducting from the VAA an amount, computed daily, which is equal to an annual rate of 0.30% of the daily net asset value. This charge will start at the beginning of the next valuation period. This charge will continue for all future contract years unless the owner elects to discontinue the EGMDB. If the EGMDB is discontinued, the 0.30% annual charge will stop at the end of the valuation period when the EGMDB is terminated. See The Contracts-Death Benefit Before the Annuity Commencement Date.

Rider Charges

A fee or expense may also be deducted in connection with any benefits added to the contract by rider or endorsement.

***Lincoln Lifetime Income*^SM^ Advantage 2.0 Charge (for Non-Qualified Contracts or IRAs only).** While this rider is in effect, there is a charge for the *Lincoln Lifetime Income*SM Advantage 2.0. The rider charge is currently equal to an annual rate of 1.05% (0.2625% quarterly) for the *Lincoln Lifetime Income*SM Advantage 2.0 single life option and 1.25% (0.3125% quarterly) for the *Lincoln Lifetime Income*SM Advantage 2.0 joint life option. As of April 2, 2012, this rider is no longer available for purchase.

The charge is applied to the Income Base (initial purchase payment if purchased at contract issue, or contract value at the time of election) as increased for subsequent purchase payments, Automatic Annual Step-ups, 5% Enhancements, and decreased for Excess Withdrawals. We will deduct the cost of this rider from the contract value on a quarterly basis, with the first deduction occurring on the valuation date on or next following the three-month anniversary of the rider's effective date. This deduction will be made in proportion to the value in each subaccount and any fixed account of the contract on the valuation date the rider charge is assessed. The amount we deduct will increase or decrease as the Income Base increases or decreases, because the charge is based on the Income Base. Refer to the *Lincoln Lifetime Income*SM Advantage 2.0 Income Base section for a discussion and example of the impact of the changes to the Income Base.

The annual rider percentage charge may increase each time the Income Base increases as a result of the Automatic Annual Step-up, but the charge will never exceed the guaranteed maximum annual percentage charge of 2.00%. An Automatic Annual Step-up is a feature that will increase the Income Base to equal the contract value on a Benefit Year anniversary if all conditions are met. The Benefit Year is a 12-month period starting with the effective date of the rider and starting with each anniversary of the rider effective date after that. Therefore, your percentage charge for this rider could increase every Benefit Year anniversary. If your percentage charge is increased, you may opt out of the Automatic Annual Step-up by giving us notice within 30 days after the Benefit Year anniversary if you do not want your percentage charge to change. If you opt out of the step-up, your current charge will remain in effect and the Income Base will be returned to the prior Income Base. This opt out will only apply for this particular Automatic Annual Step-up. You will need to notify us each time the percentage charge increases if you do not want the Automatic Annual Step-up.

The 5% Enhancement to the Income Base (less purchase payments received in that year) occurs if a 10-year Enhancement Period is in effect as described further in the *Lincoln Lifetime Income*SM Advantage 2.0 section. During the first ten Benefit Years an increase in the Income Base as a result of the 5% Enhancement will not cause an increase in the annual rider percentage charge but will increase the dollar amount of the charge. After the 10th Benefit Year anniversary the annual rider percentage charge may increase each time the Income Base increases as a result of the 5% Enhancement, but the charge will never exceed the guaranteed maximum annual percentage charge of 2.00%. If your percentage charge is increased, you may opt-out of the 5% Enhancement by giving us notice within 30 days after the Benefit Year anniversary if you do not want your percentage charge to change. If you opt out of the 5% Enhancement, your current charge will remain in effect and the Income Base will be returned to the prior Income Base. This opt-out will only apply for this particular 5% Enhancement. You will need to notify us each time thereafter (if an Enhancement would cause your percentage charge to increase) if you do not want the 5% Enhancement.

The rider percentage charge will increase to the then current rider percentage charge, if after the first Benefit Year anniversary, cumulative purchase payments added to the contract, equal or exceed $100,000. You may not opt-out of this rider charge increase. See The Contracts – Living Benefit Riders – *Lincoln Lifetime Income*SM Advantage 2.0 – Income Base.

The rider charge will be discontinued upon termination of the rider. The pro-rata amount of the rider charge will be deducted upon termination of the rider (except for death) or surrender of the contract.

If the contract value is reduced to zero while the contractowner is receiving a Guaranteed Annual Income, no rider charge will be deducted.

***Lincoln Lifetime Income*SM *Advantage* Charge (for Non-Qualified Contracts or IRAs only)**. While this rider is in effect, there is a charge for the *Lincoln Lifetime Income*SM Advantage. The rider charge is currently equal to an annual rate of 0.90% of the Guaranteed Amount (0.225% quarterly) for the *Lincoln Lifetime Income*SM Advantage single life or joint life option. For riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.75% to 0.90% upon the earlier of (a) the next Automatic Annual Step-up of the Guaranteed Amount or (b) the next Benefit Year anniversary if cumulative purchase payments received after the first Benefit Year anniversary equal or exceed $100,000. If the *Lincoln Lifetime Income*SM Advantage Plus is purchased, an additional 0.15% is added, for a total current cost of 1.05% of the Guaranteed Amount. See The Contracts - *Lincoln Lifetime Income*SM Advantage - Guaranteed Amount for a description of the calculation of the Guaranteed Amount.

The charge is applied to the Guaranteed Amount as increased for subsequent purchase payments, Automatic Annual Step-ups, 5% Enhancements, and the 200% Step-up and decreased for withdrawals. The 200% Step-up is not available for riders purchased on or after October 5, 2009. We will deduct the cost of this rider from the contract value on a quarterly basis, with the first deduction occurring on the valuation date on or next following the three-month anniversary of the effective date of the rider. This deduction will be made in proportion to the value in each subaccount of the contract on the valuation date the rider charge is assessed. The amount we deduct will increase or decrease as the Guaranteed Amount increases or decreases, because the charge is based on the Guaranteed Amount. Refer to the *Lincoln Lifetime Income*SM Advantage Guaranteed Amount section for a discussion and example of the impact of the changes to the Guaranteed Amount.

The annual rider percentage charge may increase each time the Guaranteed Amount increases as a result of the Automatic Annual Step-up, but the charge will never exceed the guaranteed maximum annual percentage charge of 1.50% of the Guaranteed Amount. Therefore, your percentage charge for this rider could increase every Benefit Year anniversary. If your percentage charge is increased, you may opt out of the Automatic Annual Step-up by giving us notice within 30 days after the Benefit Year anniversary if you do not want your percentage charge to change. This opt out will only apply for this particular Automatic Annual Step-up and is not available if additional purchase payments would cause your charge to increase (see below). You will need to notify us each time the percentage charge increases if you do not want the Automatic Annual Step-up.

An increase in the Guaranteed Amount as a result of the 5% Enhancement or 200% Step-up will not cause an increase in the annual rider percentage charge but will increase the dollar amount of charge.

Once cumulative additional purchase payments into your annuity contract after the first Benefit Year equal or exceed $100,000, any additional purchase payment will potentially cause the charge for your rider to change to the current charge in effect on the next Benefit Year anniversary, but the charge will never exceed the guaranteed maximum annual charge. The new charge will become effective on the Benefit Year anniversary.

The rider charge will be discontinued upon termination of the rider. The pro-rata amount of the rider charge will be deducted upon termination of the rider (except for death) or surrender of the contract.

If the Guaranteed Amount is reduced to zero while the contractowner is receiving a lifetime Maximum Annual Withdrawal, no rider charge will be deducted.

If you purchase *Lincoln Lifetime Income*SM Advantage Plus Option, an additional 0.15% of the Guaranteed Amount will be added to the *Lincoln Lifetime Income*SM Advantage charge for a total current charge of 1.05% applied to the Guaranteed Amount. This total charge (which may change as discussed above) is in effect until the 7th Benefit Year anniversary. If you exercise your Plus Option, this entire rider and its charge will terminate. If you do not exercise the Plus Option, after the 7th Benefit Year anniversary, the 0.15% charge for the Plus Option will be removed and the *Lincoln Lifetime Income*SM Advantage rider and charge will continue. If you make a withdrawal prior to the 7th Benefit Year anniversary, you will not be able to exercise the Plus Option, but the additional 0.15% charge will remain on your contract until the 7th Benefit Year anniversary.

As of December 31, 2010 (or later in certain states), this rider is no longer available for purchase.

***Lincoln SmartSecurity*® Advantage Charge (for Non-Qualified Contracts or IRAs only).** While this rider is in effect, there is a charge for the *Lincoln SmartSecurity*® Advantage. The rider charge is currently equal to an annual rate of:

1) 0.65% of the Guaranteed Amount (0.1625% quarterly) for the *Lincoln SmartSecurity®* Advantage - 5 Year Elective Step-up option (for riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.45% to 0.65% upon the next election of a step-up of the Guaranteed Amount); or

2) 0.65% of the Guaranteed Amount (0.1625% quarterly) for the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up, single life option (and also the prior version of *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up); or

3) 0.80% of the Guaranteed Amount (0.2000% quarterly) for the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up, joint life option. See The Contracts - *Lincoln SmartSecurity®* Advantage - Guaranteed Amount for a description of the calculation of the Guaranteed Amount.

If you purchase this rider in the future, the percentage charge will be the current charge in effect at the time of purchase. As of January 16, 2009, the *Lincoln SmartSecurity®* Advantage – 5 Year Elective Step-up Option is no longer available for purchase.

The charge is applied to the Guaranteed Amount (initial purchase payment, if purchased at contract issue, or contract value at the time of election) as increased for subsequent purchase payments and step-ups and decreased for withdrawals. We will deduct the cost of this rider from the contract value on a quarterly basis, with the first deduction occurring on the valuation date on or next following the three-month anniversary of the effective date of the rider. This deduction will be made in proportion to the value in each subaccount and any fixed account of the contract on the valuation date the rider charge is assessed. In *Lincoln SmartSecurity®* Advantage - 5 Year Elective Step-up option and the prior version of the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up (without the single or joint life option), the charge may be deducted in proportion to the value in the fixed account as well. The amount we deduct will increase or decrease as the Guaranteed Amount increases or decreases, because the charge is based on the Guaranteed Amount. Refer to the *Lincoln SmartSecurity®* Advantage, Guaranteed Amount section, for a discussion and example of the impact of changes to the Guaranteed Amount.

Under the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up option, the Guaranteed Amount will automatically step-up to the contract value on each Benefit Year anniversary up to and including the 10th Benefit Year if conditions are met as described in the *Lincoln SmartSecurity®* Advantage section. Additional 10-year periods of step-ups may be elected. The annual rider percentage charge will not change upon each automatic step-up of the Guaranteed Amount within the 10-year period.

If you elect to step-up the Guaranteed Amount for another 10-year step-up period (including if we administer the step-up election for you or if you make a change from a joint life to a single life option after a death or divorce), a pro-rata deduction of the rider charge based on the Guaranteed Amount immediately prior to the step-up will be made on the valuation date of the step-up. This deduction covers the cost of the rider from the time of the previous deduction to the date of the step-up. After a contractowner's step-up, we will deduct the rider charge for the stepped-up Guaranteed Amount on a quarterly basis, beginning on the valuation date on or next following the three-month anniversary of the step-up. At the time of the elected step-up, the rider percentage charge will change to the current charge in effect at that time (if the current charge has changed), but it will never exceed the guaranteed maximum annual percentage charge of 0.95% of the Guaranteed Amount for the *Lincoln SmartSecurity®* Advantage - 5 Year Elective Step-up option or 1.50% of the Guaranteed Amount for the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up option. If you never elect to step-up your Guaranteed Amount, your rider percentage charge will never change, although the amount we deduct will change as the Guaranteed Amount changes. The rider charge will be discontinued upon the earlier of the Annuity Commencement Date, election of *i4LIFE®* Advantage or termination of the rider. The pro-rata amount of the rider charge will be deducted upon termination of the rider or surrender of the contract.

Rider Charge Waiver. For the *Lincoln SmartSecurity®* Advantage - 5 Year Elective Step-up option, after the later of the fifth anniversary of the effective date of the rider or the fifth anniversary of the most recent step-up of the Guaranteed Amount, the rider charge may be waived. For the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up option, no rider charge waiver is available with the single life and joint life options. The earlier version of the *Lincoln SmartSecurity®* Advantage - 1 Year Automatic Step-up option has a waiver charge provision which may occur after the fifth Benefit Year anniversary following the last automatic step-up opportunity.

Whenever the above conditions are met, on each valuation date the rider charge is to be deducted, if the total withdrawals from the contract have been less than or equal to 10% of the sum of: (1) the Guaranteed Amount on the effective date of this rider or on the most recent step-up date; and (2) purchase payments made after the step-up, then the quarterly rider charge will be waived. If the withdrawals have been more than 10%, then the rider charge will not be waived.

***4LATER®* Advantage Charge (for Non-Qualified Contracts or IRAs only)**. Prior to the Periodic Income Commencement Date (which is defined as the valuation date the initial Regular Income Payment under *i4LIFE®* Advantage is determined), the annual *4LATER®* charge is currently 0.65% of the Income Base. For riders purchased before January 20, 2009, the current annual percentage charge will increase from 0.50% to 0.65% upon the next election to reset the Income Base. The Income Base (an amount equal to the initial purchase payment if purchased at contract issue, or contract value at the time of election if elected after the contract effective date), as adjusted, is a value that will be used to calculate the *4LATER®* Guaranteed Income Benefit. The Income Base is increased for subsequent purchase payments, automatic 15% enhancements and resets, and decreased for withdrawals. An amount equal to the quarterly *4LATER®* rider charge multiplied by the Income Base will be deducted from the subaccounts on every third month anniversary of the later of the *4LATER®* rider effective date or the most recent reset of the Income Base. This deduction will be made in proportion to the value in each subaccount on the valuation date the *4LATER®* rider charge is assessed. The amount we deduct will increase as the Income Base increases, because the charge is based on the Income Base. As described in more detail below, the only time the Income Base will change is when there are additional purchase payments, withdrawals, automatic enhancements at the end of the 3-year waiting periods or in the event of a reset to the current Account Value. If you purchase *4LATER®* in the future, the percentage charge will be the charge in effect at the time you elect *4LATER®*.

Upon a reset of the Income Base, a pro-rata deduction of the *4LATER®* rider charge based on the Income Base immediately prior to the reset will be made on the valuation date of the reset. This deduction covers the cost of the *4LATER®* rider from the time of the previous deduction to the date of the reset. After the reset, we will deduct the *4LATER®* rider charge for the reset Income Base on a quarterly basis, beginning on the valuation date on or next following the three-month anniversary of the reset. At the time of the reset, the annual charge will be the current charge in effect for new purchases of *4LATER®* at the time of reset, not to exceed the guaranteed maximum charge of 1.50% of the Income Base. If you never elect to reset your Income Base, your *4LATER®* rider percentage charge will never change, although the amount we deduct will change as your Income Base changes.

Prior to the Periodic Income Commencement Date, a pro-rata amount of the *4LATER®* rider charge will be deducted upon termination of the *4LATER®* rider for any reason other than death. On the Periodic Income Commencement Date, a pro-rata deduction of the *4LATER®* rider charge will be made to cover the cost of *4LATER®* since the previous deduction.

After July 2, 2012, this rider is no longer available for purchase.

***i4LIFE®* Advantage Charge (for Non-Qualified Contracts or IRAs only).** While this rider is in effect, there is a daily charge for *i4LIFE®* Advantage. *i4LIFE®* Advantage is subject to a daily charge that is based on your Account Value. The initial Account Value is your contract value on the valuation date *i4LIFE®* Advantage becomes effective (or initial purchase payment if *i4LIFE®* Advantage is purchased at contract issue), less any applicable premium taxes. During the Access Period, your Account Value on a valuation date equals the total value of all of the contractowner's accumulation units plus the contractowner's value in the fixed account, and will be reduced by Regular Income Payments and Guaranteed Income Benefit payments made, as well as withdrawals. *i4LIFE®* Advantage provides Regular Income Payments for your life, subject to certain conditions, during two time periods: the Access Period and the Lifetime Income Period. During the Access Period, you have access to your Account Value. You select when the Access Period begins and ends at the time you elect *i4LIFE®* Advantage. The Lifetime Income Period begins immediately after the Access Period ends. The Lifetime Income Period ends when you die (or upon the death of a Secondary Life, if any).

The annual rate of the *i4LIFE®* Advantage charge during the Access Period is: 1.302% for the *i4LIFE®* Advantage Account Value death benefit; and 1.652% for the *i4LIFE®* Advantage EGMDB. During the Lifetime Income Period, the charge for all death benefit options is 1.65%. This charge consists of a mortality and expense risk charge, and an administrative charge. These charges replace the Separate Account Annual Expenses for the base contract. Purchasers of *Lincoln Lifetime Income℠* Advantage 2.0 pay different charges for *i4LIFE®* Advantage. If *i4LIFE®* Advantage is elected at the time the contract is issued, *i4LIFE®* Advantage will become effective as of the contract's effective date, and we will begin deducting the charge at that time. If *i4LIFE®* is elected at any point after the contract has been issued, *i4LIFE®* Advantage will become effective as of the next valuation date after we receive a completed election form in good order at our Home Office. We will begin deducting the charge at that time. Refer to the *i4LIFE®* Advantage section for explanations of the Account Value, the Access Period, and the Lifetime Income Period.

***i4LIFE®* Advantage with Guaranteed Income Benefit Charge (for Non-Qualified Contracts or IRAs only).** The Guaranteed Income Benefit (version 4) which is available for purchase with *i4LIFE®* Advantage is subject to a current annual charge of 0.65% of the Account Value (0.50% for versions 1, 2 and 3) (single life option), which is added to the *i4LIFE®* Advantage charge for a total current percentage charge of the Account Value, computed daily as follows: 1.952% (1.802% for version 1, 2, and 3) for the *i4LIFE®* Advantage Account Value death benefit; and 2.302% (2.152% for version 1, 2 and 3) for the *i4LIFE®* Advantage EGMDB.

If you elect the joint life option, the charge for the Guaranteed Income Benefit (version 4) which is purchased with *i4LIFE®* Advantage will be subject to a current annual charge of 0.85% of the Account Value which is added to the *i4LIFE®* Advantage charge for a total current percentage charge of the Account Value, computed daily as follows: 2.152% for the *i4LIFE®* Advantage Account Value death benefit; and 2.502% for the *i4LIFE®* Advantage EGMDB. These charges replace the Separate Account Annual Expenses for the base contract.

The Guaranteed Income Benefit percentage charge will not change until there is an automatic step up of the Guaranteed Income Benefit (version 4) or you elect an additional step-up period (version 2 and version 3) during which the Guaranteed Income Benefit is stepped-up to 75% of the current Regular Income Payment (described later in the *i4LIFE®* Advantage section of this prospectus). At the time of the step-up the Guaranteed Income Benefit percentage charge will change to the current charge in effect at that time (if the current charge has changed) up to the guaranteed maximum annual charge of 2.00% (version 4) or 1.50% (version 2 and version 3) of the Account Value. If we automatically administer the step-up (version 4) or step-up period election (versions 2 or 3) for you and your percentage charge is increased, you may ask us to reverse the step-up or the step-up period election by giving us notice within 30 days after the date on which the step-up or the step-up period election occurred. If we receive notice of your request to reverse the step-up, on a going forward basis, we will decrease the percentage charge to the percentage charge in effect before the step-up or the step-up period election occurred. Any increased charges paid between the time of the step-up and the date we receive your notice to reverse the step-up will not be reimbursed. For version 2 and version 3, you will have no more step-ups unless you notify us that you wish to start a new step-up period (described in the *i4LIFE*® Advantage section of this prospectus). For version 4, future step-ups will continue even after you decline a current step-up. We will provide you with written notice when a step-up will result in an increase to the current charge so that you may give us timely notice if you wish to reverse a step-up. Version 1 does not step-up; therefore the charge does not change.

After the Periodic Income Commencement Date, if the Guaranteed Income Benefit is terminated, the Guaranteed Income Benefit annual charge will also terminate but the *i4LIFE*® Advantage charge will continue.

***i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) for purchasers who previously purchased *Lincoln Lifetime Income*SM Advantage 2.0 .** Purchasers who previously purchased *Lincoln Lifetime Income*SM Advantage 2.0 may carry over certain features of the *Lincoln Lifetime Income*SM Advantage 2.0 rider to elect *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4). If you make this election, then the current *Lincoln Lifetime Income*SM Advantage 2.0 charge will be your initial charge for *i4LIFE*® Advantage and the Guaranteed Income Benefit (version 4). This charge is in addition to the daily mortality and expense risk and administrative charge of the base contract for your death benefit option set out under Deductions of the VAA. The charges and calculations described earlier for *i4LIFE*® Advantage and the Guaranteed Income Benefit will not apply.

For purchasers who previously purchased *Lincoln Lifetime Income*SM Advantage 2.0 , the charges for *i4LIFE*® Advantage and the Guaranteed Income Benefit (version 4) are combined into a single charge that is deducted quarterly, starting with the first three-month anniversary of the effective date of *i4LIFE*® Advantage and every three months thereafter. The current initial charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) is equal to an annual rate of 1.05% (0.2625% quarterly) for the single life option and 1.25% (0.3125% quarterly) for the joint life option. The charge is a percentage of the greater of the Income Base (the *Lincoln Lifetime Income*SM Advantage 2.0 Income Base less the *Lincoln Lifetime Income*SM Advantage 2.0 Guaranteed Annual Income amounts paid since the last Automatic Step-up), or the Account Value. Refer to *Lincoln Lifetime Income*SM Advantage 2.0 for a description of the Income Base. The total annual subaccount charges of 1.302% for the EGMDB and 1.002% for the Account Value death benefit also apply. Purchasers of *Lincoln Lifetime Income*SM Advantage 2.0 are guaranteed that in the future the guaranteed maximum initial charge for both *i4LIFE*® Advantage and the Guaranteed Income Benefit (version 4) will be the guaranteed maximum charge then in effect at the time they purchase *Lincoln Lifetime Income*SM Advantage 2.0 .

The charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) for purchasers of *Lincoln Lifetime Income*SM Advantage 2.0 will not change until there is an automatic step-up of the Guaranteed Income Benefit (described later in the *i4LIFE*® Advantage section of this prospectus). At such time, the dollar amount of the charge will increase by a two part formula: 1) the charge will increase by the same percentage that the Guaranteed Income Benefit payment increased and 2) the charge will also increase by the percentage of any increase to the *Lincoln Lifetime Income*SM Advantage 2.0 current charge rate. (The *Lincoln Lifetime Income*SM Advantage 2.0 charge continues to be used as a factor in determining the *i4LIFE*® Advantage with Guaranteed Income Benefit charge.) The charge rate is based upon surrender experience, mortality experience, contractowner investment experience, solvency and profit margins, and the goals and objectives of the Lincoln hedging experience. Significant changes in one or more of these categories could result in an increase in the charge. This means that the charge may change annually. The charge may also be reduced if a withdrawal above the Regular Income Payment is taken. The dollar amount of the rider charge will be reduced in the same proportion that the withdrawal reduced the Account Value. The annual dollar amount is divided by four (4) to determine the quarterly charge.

The following example shows how the initial charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) for purchasers of *Lincoln Lifetime Income*SM Advantage 2.0 is calculated as well as adjustments due to increases to the Guaranteed Income Benefit (version 4) and the *Lincoln Lifetime Income*SM Advantage 2.0 charge. The example is a nonqualified contract and assumes the contractowner is 65 years old on the effective date of electing the *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4). Pursuant to the provisions of the Guaranteed Income Benefit (version 4) the initial Guaranteed Income Benefit is set at 4% of the Income Base based upon the contractowner's age (see Guaranteed Income Benefit (version 4) for a more detailed description). The example also assumes that the current charge for *Lincoln Lifetime Income*SM Advantage 2.0 is 1.05%. The first example demonstrates how the initial charge is determined for an existing contract with an Account Value and Income Base.

1/1/10	Initial *i4LIFE*® Advantage Account Value	$ 100,000
1/1/10	Income Base as of the last valuation date under *Lincoln Lifetime Income*SM Advantage 2.0	$ 125,000
1/1/10	Initial Annual Charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) ($125,000 * 1.05% current charge for *Lincoln Lifetime Income*SM Advantage 2.0) (charge is assessed against the Income Base since it is larger than the Account Value)	$1,312.50
1/2/10	Amount of initial *i4LIFE*® Advantage Regular Income Payment (an example of how the Regular Income Payment is calculated is shown in the SAI)	$ 5,066
1/2/10	Initial Guaranteed Income Benefit (4% * $125,000 Income Base)	$ 5,000

The next example shows how the charge will increase if the Guaranteed Income Benefit is stepped up to 75% of the Regular Income Payment.

1/2/11	Recalculated Regular Income Payment (due to market gain in Account Value)	$ 6,900
1/2/11	New Guaranteed Income Benefit (75% * $6,900 Regular Income Payment)	$ 5,175
1/2/11	Annual Charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) ($1,312.50 * ($5,175/$5,000)) Prior charge * [ratio of increased Guaranteed Income Benefit to prior Guaranteed Income Benefit]	$1,358.44

If the *Lincoln Lifetime Income*SM Advantage 2.0 charge has also increased, subject to a maximum charge of 2.00%, the *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) charge will increase upon a step-up. (The *Lincoln Lifetime Income*SM Advantage 2.0 charge continues to be used in the calculation of the *i4LIFE*® Advantage with Guaranteed Income Benefit charge.)

Continuing the above example:

1/2/11	Annual Charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4)	$1,358.44
1/2/12	Recalculated Regular Income Payment (due to Account Value increase)	$ 7,400
1/2/12	New Guaranteed Income Benefit (75% * $7,400 Regular Income Payment) Assume the *Lincoln Lifetime Income*SM Advantage 2.0 charge increases from 1.05% to 1.15%.	$ 5,550
1/2/12	Annual Charge for *i4LIFE*® Advantage with Guaranteed Income Benefit ($1,358.44 * ($5,550/$5,175) * (1.15%/1.05%))	$1,595.63

The new annual charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) is $1,595.63 which is equal to the current annual charge of $1,358.44 multiplied by the percentage increase of the Guaranteed Income Benefit ($5,550/$5,175) times the percentage increase to the *Lincoln Lifetime Income*SM Advantage 2.0 current charge (1.15%/1.05%).

If the *Lincoln Lifetime Income*SM Advantage 2.0 percentage charge is increased, we will notify you in writing. You may contact us in writing or at the telephone number listed on the first page of this prospectus to reverse the step-up within 30 days after the date on which the step-up occurred. If we receive this notice, we will decrease the percentage charge, on a going forward basis, to the percentage charge in effect before the step-up occurred. **Any increased charges paid between the time of the step-up and the date we receive your notice to reverse the step-up will not be reimbursed.** If the Guaranteed Income Benefit increased due to the step-up we would decrease the Guaranteed Income Benefit to the Guaranteed Income Benefit in effect before the step-up occurred, reduced by any Excess Withdrawals. Future step-ups as described in the rider would continue.

After the Periodic Income Commencement Date, if the Guaranteed Income Benefit is terminated, *i4LIFE*® Advantage will also be terminated and the *i4LIFE*® Advantage and Guaranteed Income Benefit charge will cease.

***i4LIFE*® Advantage with *4LATER*® Guaranteed Income Benefit Charge for purchasers who previously purchased *4LATER*® Advantage (for Non-Qualified Contracts or IRAs only).** The *4LATER*® Guaranteed Income Benefit for purchasers who previously purchased *4LATER*® Advantage is subject to a current annual charge of 0.65% of the Account Value, which is added to the *i4LIFE*® Advantage charge for a total current percentage charge of the Account Value, computed daily as follows: 1.952% for the *i4LIFE*® Account Value death benefit; and 2.302% for the EGMDB. (For riders purchased before January 20, 2009, the current annual percentage charge is 0.50%, but will increase to 0.65% upon the next election to reset the Income Base.) These charges apply only during the *i4LIFE*® Advantage payout phase.

On and after the Periodic Income Commencement Date, the *4LATER*® Guaranteed Income Benefit charge will be added to the *i4LIFE*® charge as a daily percentage of average Account Value. This is a change to the calculation of the *4LATER*® charge because after the Periodic Income Commencement Date, when the *4LATER*® Guaranteed Income Benefit is established, the Income Base is no longer applicable. The percentage *4LATER*® charge is the same immediately before and after the Periodic Income Commencement Date; however, the charge is multiplied by the Income Base (on a quarterly basis) prior to the Periodic Income Commencement Date and then multiplied by the average daily Account Value after the Periodic Income Commencement Date.

After the Periodic Income Commencement Date, the *4LATER*® Guaranteed Income Benefit percentage charge will not change unless the contractowner elects additional 15-year step-up periods during which the *4LATER*® Guaranteed Income Benefit (described later) is stepped-up to 75% of the current Regular Income Payment. At the time you elect a new 15-year step-up period, the *4LATER*® Guaranteed Income Benefit percentage charge will change to the current charge in effect at that time (if the current charge has changed) up to the guaranteed maximum annual charge of 1.50% of Account Value.

After the Periodic Income Commencement Date, if the *4LATER*® Guaranteed Income Benefit is terminated, the *4LATER*® Guaranteed Income Benefit annual charge will also terminate but the *i4LIFE*® Advantage charge will continue.

Guaranteed Income Benefit Charge for *Lincoln Lifetime Income*SM Advantage purchasers (for Non-Qualified Contracts or IRAs only). For purchasers of *Lincoln Lifetime Income*SM Advantage who terminate their rider and purchase *i4LIFE*® Advantage with the Guaranteed Income Benefit (version 2 or 3 as stated in your rider), the Guaranteed Income Benefit which is purchased with *i4LIFE*®

Advantage is subject to a current annual charge of 0.50% of the Account Value, which is added to the *i4LIFE®* Advantage charge for a total current percentage charge of the Account Value, computed daily as follows: 1.802% for the *i4LIFE®* Advantage Account Value death benefit; and 2.152% for the *i4LIFE®* Advantage EGMDB.

Purchasers of *Lincoln Lifetime Income℠* Advantage are guaranteed that in the future the guaranteed maximum charge for the Guaranteed Income Benefit will be the guaranteed maximum charge then in effect at the time that they purchase the *Lincoln Lifetime Income℠* Advantage.

The Guaranteed Income Benefit percentage charge will not change unless you elect an additional step-up period during which the Guaranteed Income Benefit is stepped-up to 75% of the current Regular Income Payment (described later). At the time you elect a new step-up period, the percentage charge will change to the current charge in effect at that time (if the current charge has changed) up to the guaranteed maximum annual charge of 1.50% of the Account Value. If we automatically administer the step-up period election for you and your percentage charge is increased, you may ask us to reverse the step-up period election by giving us notice within 30 days after the date on which the step-up period election occurred. If we receive this notice, we will decrease the percentage charge, on a going forward basis, to the percentage charge in effect before the step-up period election occurred. You will have no more step-ups unless you notify us that you wish to start a new step-up period (described later in the *i4LIFE®* Advantage section of this prospectus).

After the Periodic Income Commencement Date, if the Guaranteed Income Benefit is terminated, the Guaranteed Income Benefit annual charge will also terminate but the *i4LIFE®* Advantage charge will continue.

***i4LIFE®* Advantage Charges (for Qualified Contracts).** The annual rate of the *i4LIFE®* Advantage charge is currently 0.48% of the account value. During the Access Period, an amount equal to the monthly *i4LIFE®* Advantage percentage charge multiplied by the Account Value will be deducted from the subaccounts on a monthly basis at a rate of 0.04%. The amount we deduct will increase or decrease as the Account Value increases or decreases, because the charge is based on the Account Value. The *i4LIFE®* Advantage rider charge is in addition to the mortality and expense risk charge without the EGMDB of 1.002% and other charges applicable to your contract as set forth in the Expense Table. During the Lifetime Income Period, the *i4LIFE®* Advantage charge will be computed daily based on the net asset value in the subaccounts and added to the mortality and expense risk charge for a total charge of 1.482%. If you purchase *i4LIFE®* Advantage in the future, the annual percentage charge and maximum annual percentage charge will be the charges in effect at the time you elect *i4LIFE®* Advantage.
Each time you elect to begin a new 15-year step-up period, the *i4LIFE®* Advantage charge will be the current charge in effect at the time up to the maximum *i4LIFE®* Advantage charge of 1.50%. If you do not elect a new 15-year step-up period, your charge will not change.

Deductions for Premium Taxes

Any premium tax or other tax levied by any governmental entity as a result of the existence of the contracts or the VAA will be deducted from the contract value, unless the governmental entity dictates otherwise, when incurred, or at another time of our choosing.

The applicable premium tax rates that states and other governmental entities impose on the purchase of an annuity are subject to change by legislation, by administrative interpretation or by judicial action. These premium tax rates generally depend upon the law of your state of residence. The tax rates range from zero to 3.5%.

Other Charges and Deductions

The mortality and expense risk charge of 1.002% of the contract value will be assessed on all variable annuity payouts (except for the *i4LIFE®* Advantage, which has a different charge), including options that may be offered that do not have a life contingency and therefore no mortality risk. This charge covers the expense risk and administrative services listed previously in this prospectus. The expense risk is the risk that our costs in providing the serices will exceed our revenues from contract charges.

There are additional deductions from and expenses paid out of the assets of the underlying funds that are more fully described in the prospectuses for the funds. Among these deductions and expenses are 12b-1 fees which reimburse us or an affiliate for certain expenses incurred in connection with certain administrative and distribution support services provided to the funds.

Charges for *Lincoln SmartIncome℠* Inflation (for Non-Qualified Contracts or IRAs only). There is no charge for *Lincoln SmartIncome℠* Inflation unless Unscheduled Payments are taken. The following table describes the Unscheduled Payment charge for the *Lincoln SmartIncome℠* Inflation on and after the Annuity Commencement Date. See The Contracts - Annuity Payouts for a complete description of *Lincoln SmartIncome*℠ Inflation.

Lincoln SmartIncome℠ Inflation Unscheduled Payment charge
(as a percentage of the Unscheduled Payment)*

Rider Year	1	2	3	4	5	6	7	8
Charge	7%	7%	7%	6%	5%	4%	3%	0%

* A new Rider Year starts on each Rider Date anniversary. The charge is applied only to amounts in excess of the annual 10% Reserve Value free amount. See The Contracts - Annuity Payouts, Annuity Options for a detailed description of Reserve Value.

Unscheduled Payments of up to 10% of the then current Reserve Value may be taken each Rider Year without charge, as long as the then current Reserve Value is greater than zero. The Unscheduled Payment charge is assessed against Unscheduled Payments in excess of 10% of the then current Reserve Value in a Rider Year. Unscheduled Payments that do not exceed on a cumulative basis more than 10% of the then current Reserve Value each year are not subject to an Unscheduled Payment charge. If an Unscheduled Payment is subject to an Unscheduled Payment charge, the charge will be deducted from the Unscheduled Payment so that you will receive less than the amount requested. If the annuitant or secondary life is diagnosed with a terminal illness or confined to an extended care facility after the first Rider Year, then no Unscheduled Payment charges are assessed on any Unscheduled Payment. The Unscheduled Payment charge is also waived upon payment of a death benefit as described in the Lincoln *SmartIncome*[SM] Inflation section of this prospectus.

The Contracts

Purchase of Contracts

If you wish to purchase a contract, you must apply for it through a sales representative authorized by us. The completed application is sent to us and we decide whether to accept or reject it. If the application is accepted, a contract is prepared and executed by our legally authorized officers. The contract is then sent to you through your sales representative. See Distribution of the Contracts.

When a completed application and all other information necessary for processing a purchase order is received in good order at our Home office, an initial purchase payment will be priced no later than two business days after we receive the order. While attempting to finish an incomplete application, we may hold the initial purchase payment for no more than five business days. If the incomplete application cannot be completed within those five days, you will be informed of the reasons, and the purchase payment will be returned immediately (unless you have authorized us to keep it until the application is complete). Current applicants will be notified if we implement this procedure. Once the application is complete, we will allocate your initial purchase payment must be priced within two business days.

Who Can Invest

To apply for a contract, you must be of legal age in a state where the contract may be lawfully sold and also be eligible to participate in the type of contract for which you're applying. **To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license, photo i.d. or other identifying documents.**

In accordance with money laundering laws and federal economic sanction policy, the Company may be required in a given instance to reject a purchase payment and/or freeze a contractowner's account. This means we could refuse to honor requests for transfers, withdrawals, surrenders or death benefits. Once frozen, monies would be moved from the VAA to a segregated interest-bearing account maintained for the contractowner, and held in that account until instructions are received from the appropriate regulator.

For a periodic premium deferred contract (MF 1), the annuitant must be under age 75. For a non-recurring lump sum payment to a periodic premium deferred contract, the annuitant must be under age 85.
For a flexible premium (MF 2, 3, 4) deferred contract or a single premium deferred contract, the annuitant must be under age 85.

Do not purchase this contract if you plan to use it, or any of its riders, for speculation, arbitrage, viatical arrangement, or other collective investment scheme. The contract may not be traded on any stock exchange or sold on any secondary market.

If you are purchasing the contract through a tax-favored arrangement, including traditional IRAs and Roth IRAs, you should carefully consider the cost and benefits of the contract (including annuity income benefits) before purchasing the contract, since the tax-favored arrangement itself provides tax-deferred growth.

Replacement of Existing Insurance

Careful consideration should be given prior to surrendering or withdrawing money from an existing insurance contract to purchase the contract described in this prospectus. Surrender charges may be imposed on your existing contract. An investment representative or tax adviser should be consulted prior to making an exchange. Cash surrenders from an existing contract may be subject to tax and tax penalties.

Purchase Payments

This prospectus offers three types of contracts. They are single premium deferred annuity, a flexible premium deferred annuity and a periodic premium deferred annuity.

The minimum purchase payment requirement for each contract will not exceed:

1. Single premium deferred contract: $1,000 for Roth IRAs, Traditional IRAs and SEPs; $3,000 for all others.
2. Flexible premium deferred contract (Multi-Fund® 2,3,4): $1,000 for Roth IRAs, Traditional IRAs and SEPs; $3,000 for all others (minimum $100 subsequent purchase payment); and
3. Periodic premium deferred contract (Multi-Fund® 1): $600 per contract year (minimum $25 per purchase payment).

Purchase payments in total may not equal or exceed $2 million without Lincoln Life approval. If a purchase payment is submitted that does not meet the minimum amount, we will contact you to ask whether additional money will be sent, or whether we should return the purchase payment to you. Purchase payments totaling $2 million or more are subject to Home Office approval. If you stop making purchase payments, the contract will remain in force, however, we may terminate the contract as allowed by your state's non-forfeiture law for individual deferred annuities. We will not surrender your contract if you are receiving guaranteed payments from us under one of the Living Benefit riders. Purchase payments may be made or, if stopped, resumed at any time until the Annuity Commencement Date, the surrender of the contract, or the death of the contractowner, whichever comes first. Upon advance written notice, we reserve the right to limit purchase payments made to the contract.

You choose whether your contract value accumulates on a variable or a fixed (guaranteed) basis or both. If you put all your purchase payments into the fixed account, we guarantee your principal and a minimum interest rate. **We limit withdrawals and transfers from the fixed side of the contract. See Fixed Side of the Contract.**

Valuation Date

Accumulation and annuity units will be valued once daily at the close of trading (normally, 4:00 p.m., New York time) on each day the New York Stock Exchange is open (valuation date). On any date other than a valuation date, the accumulation unit value and the annuity unit value will not change.

Allocation of Purchase Payments

Purchase payments are placed into the VAA's subaccounts, each of which invests in shares of its corresponding fund, according to your instructions.

The minimum amount of any purchase payment which can be put into any one subaccount is $20 under MF1 periodic premium deferred contracts, $1,000 under single premium deferred contracts and $100 under flexible premium deferred contracts.

If we receive your purchase payment from you or your broker-dealer in good order at our Home Office prior to 4:00 p.m., New York time, we will use the accumulation unit value computed on that valuation date when processing your purchase payment. If we receive your purchase payment at or after 4:00 p.m., New York time, we will use the accumulation unit value computed on the next valuation date. If you submit your purchase payment to your representative, we will generally not begin processing the purchase payment until we receive it from your representative's broker-dealer. If your broker-dealer submits your purchase payment to us through the Depository Trust and Clearing Corporation (DTCC) or, pursuant to terms agreeable to us, uses a proprietary order placement system to submit your purchase payment to us, and your purchase payment was placed with your broker-dealer prior to 4:00 p.m., New York time, then we will use the accumulation unit value computed on that valuation date when processing your purchase payment. If your purchase payment was placed with your broker-dealer at or after 4:00 p.m. New York time, then we will use the accumulation unit value computed on the next valuation date.

The number of accumulation units determined in this way is not impacted by any subsequent change in the value of an accumulation unit. However, the dollar value of an accumulation unit will vary depending not only upon how well the underlying fund's investments perform, but also upon the expenses of the VAA and the underlying funds.

Valuation of Accumulation Units

Purchase payments allocated to the VAA are converted into accumulation units. This is done by dividing the amount allocated by the value of an accumulation unit for the valuation period during which the purchase payments are allocated to the VAA. The accumulation unit value for each subaccount was or will be established at the inception of the subaccount. It may increase or decrease from valuation period to valuation period. Accumulation unit values are affected by investment performance of the funds, fund expenses, and the contract charges. The accumulation unit value for a subaccount for a later valuation period is determined as follows:

1. The total value of the fund shares held in the subaccount is calculated by multiplying the number of fund shares owned by the subaccount at the beginning of the valuation period by the net asset value per share of the fund at the end of the valuation period, and adding any dividend or other distribution of the fund if an ex-dividend date occurs during the valuation period; minus
2. The liabilities of the subaccount at the end of the valuation period. These liabilities include daily charges imposed on the subaccount, and may include a charge or credit with respect to any taxes paid or reserved for by us that we determine result from the operations of the VAA; and

3. The result is divided by the number of subaccount units outstanding at the beginning of the valuation period. Contracts with different features have different daily charges, and therefore, will have different corresponding accumulation unit values on any given day.

The daily charges imposed on a subaccount for any valuation period are equal to the daily mortality and expense risk charge and the daily administrative charge multiplied by the number of calendar days in the valuation period.

In certain circumstances, and when permitted by law, it may be prudent for us to use a different standard industry method for this calculation, called the Net Investment Factor method. We will achieve substantially the same result using either method.

Loans

If you participate in a tax deferred retirement plan that allows participant loans, you may be eligible to take a loan against your contract value.

If you desire to apply for a loan, contact us for information on your plan's loan provisions and we will provide you with a loan brochure and the required Contract Loan Request form. A loan set-up fee will be charged where allowed by law. The loan brochure will disclose the amount of the loan set-up fee.

Transfers On or Before the Annuity Commencement Date

You may transfer all or a portion of your investment from one subaccount to another.

A transfer involves the surrender of accumulation units in one subaccount and the purchase of accumulation units in the other subaccount. A transfer will be done using the respective accumulation unit values determined at the end of the valuation date on which the transfer request is received.

For single premium deferred contracts, periodic premium Multi-Fund® 1 contracts and flexible premium Multi-Fund® 2 and 3 contracts, transfers within the VAA and between the variable and fixed account are restricted to once every 30 days. Transfers cannot be made during the first 30 days after the contract date for flexible premium Multi-Fund® 4 and no more than six transfers will be allowed in any Contract Year. We reserve the right to waive any of these restrictions. The minimum amount which may be transferred between subaccounts is $500 or the entire amount in the subaccount, if less than $500. If the transfer from a subaccount would leave you with less than $100 for periodic premium Multi-Fund® 1, flexible premium Multi-Fund® 2 and 3 contracts for $500 for flexible premium Multi-Fund® 4 contracts, we may transfer the total balance of the subaccount. We have the right to reduce these minimum amounts.

A transfer request may be made to us using written, telephone, fax, or electronic instructions, if the appropriate authorization is on file with us. Our address, telephone number, and internet address are on the first page of this prospectus. In order to prevent unauthorized or fraudulent transfers, we may require certain identifying information before we will act upon instructions. We may also assign the contractowner a Personal Identification Number (PIN) to serve as identification. We will not be liable for following instructions we reasonably believe are genuine. Telephone requests will be recorded and written confirmation of all transfer requests will be mailed to the contractowner on the next valuation date.

Please note that the telephone and/or electronic devices may not always be available. Any telephone or electronic device, whether it is yours, your service provider's, or your agent's, can experience outages or slowdowns for a variety of reasons. These outages or slowdowns may delay or prevent our processing of your request. Although we have taken precautions to limit these problems, we cannot promise complete reliability under all circumstances. If you are experiencing problems, you should make your transfer request by writing to our Home Office.

Requests for transfers will be processed on the valuation date that they are received in good order in our customer service center before the end of the valuation date (normally 4:00 p.m. New York time). If we receive a transfer request received in good order at or after 4:00 p.m., New York time, we will process the request using the accumulation unit value computed on the next valuation date.

When thinking about a transfer of contract value, you should consider the inherent risk involved. Frequent transfers based on short-term expectations may increase the risk that a transfer will be made at an inopportune time.

For transfers from the fixed account of the contract to the variable account, the sum of the percentages of fixed value transferred will be limited to 25% in any 12 month period. We reserve the right to waive any of these restrictions.

There is no charge to you for a transfer. However, we reserve the right to impose a charge of $10 per transfer in the future for any transfers above the maximum transfers allowed in a contract year.

Transfers may be delayed as permitted by the 1940 Act. See Delay of Payments.

Market Timing

Frequent, large, or short-term transfers among subaccounts and the fixed account, such as those associated with "market timing" transactions, can affect the funds and their investment returns. Such transfers may dilute the value of the fund shares, interfere with the efficient management of the fund's portfolio, and increase brokerage and administrative costs of the funds. As an effort to protect our contractowners and the funds from potentially harmful trading activity, we utilize certain market timing policies and procedures (the "Market Timing Procedures"). Our Market Timing Procedures are designed to detect and prevent such transfer activity among the subaccounts and the fixed account that may affect other contractowners or fund shareholders.

In addition, the funds may have adopted their own policies and procedures with respect to frequent purchases and redemptions of their respective shares. The prospectuses for the funds describe any such policies and procedures, which may be more or less restrictive than the frequent trading policies and procedures of other funds and the Market Timing Procedures we have adopted to discourage frequent transfers among subaccounts. While we reserve the right to enforce these policies and procedures, contractowners and other persons with interests under the contracts should be aware that we may not have the contractual authority or the operational capacity to apply the frequent trading policies and procedures of the funds. However, under SEC rules, we are required to: (1) enter into a written agreement with each fund or its principal underwriter that obligates us to provide to the fund promptly upon request certain information about the trading activity of individual contractowners, and (2) execute instructions from the fund to restrict or prohibit further purchases or transfers by specific contractowners who violate the excessive trading policies established by the fund.

You should be aware that the purchase and redemption orders received by the funds generally are "omnibus" orders from intermediaries such as retirement plans or separate accounts funding variable insurance contracts. The omnibus orders reflect the aggregation and netting of multiple orders from individual retirement plan participants and/or individual owners of variable insurance contracts. The omnibus nature of these orders may limit the funds' ability to apply their respective disruptive trading policies and procedures. We cannot guarantee that the funds (and thus our contractowners) will not be harmed by transfer activity relating to the retirement plans and/or other insurance companies that may invest in the funds. In addition, if a fund believes that an omnibus order we submit may reflect one or more transfer requests from policy owners engaged in disruptive trading activity, the fund may reject the entire omnibus order.

Our Market Timing Procedures detect potential "market timers" by examining the number of transfers made by contractowners within given periods of time. In addition, managers of the funds might contact us if they believe or suspect that there is market timing. If requested by a fund company, we may vary our Market Timing Procedures from subaccount to subaccount to comply with specific fund policies and procedures.

We may increase our monitoring of contractowners who we have previously identified as market timers. When applying the parameters used to detect market timers, we will consider multiple contracts owned by the same contractowner if that contractowner has been identified as a market timer. For each contractowner, we will investigate the transfer patterns that meet the parameters being used to detect potential market timers. We will also investigate any patterns of trading behavior identified by the funds that may not have been captured by our Market Timing Procedures.

Once a contractowner has been identified as a "market timer" under our Market Timing Procedures, we will notify the contractowner in writing that future transfers (among the subaccounts and/or the fixed account) will be temporarily permitted to be made only by original signature sent to us by U.S. mail, first-class delivery for the remainder of the calendar year (or contract year if the contract is an individual contract that was not sold in connection with an employer sponsored plan). Overnight delivery or electronic instructions (which may include telephone, facsimile, or Internet instructions) submitted during this period will not be accepted. If overnight delivery or electronic instructions are inadvertently accepted from a contractowner that has been identified as a market timer, upon discovery, we will reverse the transaction within 1 or 2 business days. We will impose this "original signature" restriction on that contractowner even if we cannot identify, in the particular circumstances, any harmful effect from that contractowner's particular transfers.

Contractowners seeking to engage in frequent, large, or short-term transfer activity may deploy a variety of strategies to avoid detection. Our ability to detect such transfer activity may be limited by operational systems and technological limitations. The identification of contractowners determined to be engaged in such transfer activity that may adversely affect other contractowners or fund shareholders involves judgments that are inherently subjective. We cannot guarantee that our Market Timing Procedures will detect every potential market timer. If we are unable to detect market timers, you may experience dilution in the value of your fund shares and increased brokerage and administrative costs in the funds. This may result in lower long-term returns for your investments.

Our Market Timing Procedures are applied consistently to all contractowners. An exception for any contractowner will be made only in the event we are required to do so by a court of law. In addition, certain funds available as investment options in your contract may also be available as investment options for owners of other, older life insurance policies issued by us. Some of these older life insurance policies do not provide a contractual basis for us to restrict or refuse transfers which are suspected to be market timing activity. In addition, because other insurance companies and/or retirement plans may invest in the funds, we cannot guarantee that the funds will not suffer harm from frequent, large, or short-term transfer activity among subaccounts and the fixed accounts of variable contracts issued by other insurance companies or among investment options available to retirement plan participants.

In our sole discretion, we may revise our Market Timing Procedures at any time without prior notice as necessary to better detect and deter frequent, large, or short-term transfer activity to comply with state or federal regulatory requirements, and/or to impose additional or alternate restrictions on market timers (such as dollar or percentage limits on transfers). If we modify our Market Timing Procedures, they will be applied uniformly to all contractowners or as applicable to all contractowners investing in underlying funds.

Some of the funds have reserved the right to temporarily or permanently refuse payments or transfer requests from us if, in the judgment of the fund's investment adviser, the fund would be unable to invest effectively in accordance with its investment objective or policies, or would otherwise potentially be adversely affected. To the extent permitted by applicable law, we reserve the right to defer or reject a transfer request at any time that we are unable to purchase or redeem shares of any of the funds available through the VAA, including any refusal or restriction on purchases or redemptions of the fund shares as a result of the funds' own policies and procedures on market timing activities. If a fund refuses to accept a transfer request we have already processed, we will reverse the transaction within 1 or 2 business days. We will notify you in writing if we have reversed, restricted or refused any of your transfer requests. Some funds also may impose redemption fees on short-term trading (i.e., redemptions of mutual fund shares within a certain number of business days after purchase). We reserve the right to administer and collect any such redemption fees on behalf of the funds. You should read the prospectuses of the funds for more details on their redemption fees and their ability to refuse or restrict purchases or redemptions of their shares.

Transfers After the Annuity Commencement Date

If you select *i4LIFE®* Advantage your transfer rights and restrictions for the variable subaccounts and the fixed account are the same as they were on or before the Annuity Commencement Date.

If you do not select *i4LIFE®* Advantage, you may transfer all or a portion of your investment in one subaccount to another subaccount or to the fixed side of the contract, as permitted under your contract. Those transfers will be limited to three times per contract year. You may also transfer from a variable annuity payment to a fixed annuity payment. **You may not transfer from a fixed annuity payment to a variable annuity payment.** Once elected, the fixed annuity payment is irrevocable.

Ownership

Contractowners have all rights under the contract. According to Indiana law, the assets of the VAA are held for the exclusive benefit of all contractowners and their designated beneficiaries; and the assets of the VAA are not chargeable with liabilities arising from any other business that we may conduct. Qualified contracts may not be assigned or transferred except as permitted by applicable law and upon written notification to us. Contracts used for qualified plans may not be assigned or transferred except as permitted by the Employee Retirement Income Security Act (ERISA) of 1974 and upon written notification to us. Nonqualified contracts may not be sold, discounted or pledged as collateral for a loan or any other purpose. We assume no responsibility for the validity or effect of any assignment. An assignment affects the death benefit and living benefits calculated under the contract. Consult your tax adviser about the tax consequences of an assignment.

Joint/Contingent Ownership

Joint owners shall be treated as having equal undivided interests in the contract. Either owner, independently of the other, may exercise any ownership rights in this contract. Only spouses may be a joint owner on Multi-Fund® 4, flexible premium deferred annuity contracts except where not permitted by law.

A contingent owner may exercise ownership rights in this contract only after the contractowner dies.

Surrenders and Withdrawals

Before the annuity commencement date, we will allow the surrender of the contract or a withdrawal of the contract value upon your written request on an approved Lincoln distribution request form (available from the Home Office), subject to the rules below. A surrender/withdrawal after the annuity commencement date depends upon the annuity option selected. See Annuity Payouts — Annuity Options.

The amount available upon surrender/withdrawal is the contract value less any applicable charges, fees, and taxes at the end of the valuation period during which the written request for surrender/withdrawal is received in good order at the Home office. If we receive a surrender or withdrawal request in good order at or after 4:00 p.m. New York time, we will process the request using the accumulation unit value computed on the next valuation date. Unless a request for withdrawal specifies otherwise, withdrawals will be made from all subaccounts within the VAA and from the general account in the same proportion that the amount of withdrawal bears to the total contract value. The minimum amount which can be withdrawn is $100. Where permitted by contract, surrender/withdrawal payments will be mailed within seven days after we receive a valid written request at the Home office. The payment may be postponed as permitted by the 1940 Act.

There are charges associated with surrender of a contract or withdrawal of contract value. You may specify that the charges be deducted from the amount you request withdrawn or from the remaining contract value. If the charges are deducted from the remaining contract value, the amount of the total withdrawal will increase according to the impact of the applicable surrender charge percentage; consequently, the amount of the charge associated with the withdrawal will also increase. In other words, the amount deducted to cover the surrender charge is also subject to a surrender charge. See Charges and Other Deductions.

As of January 17, 2012, we will no longer offer ***SecureLine***® for withdrawals or surrenders. ***SecureLine***® is an interest bearing account established from the proceeds payable on a policy or contract administered by us. We will, however, continue to offer ***SecureLine***® for death benefit proceeds. Please see the General Death Benefit Information section in this prospectus for more information about ***SecureLine***®.

The tax consequences of a surrender/withdrawal are discussed later in this booklet. See Federal Tax Matters.

Special restrictions on surrenders/withdrawals apply if your contract is purchased as part of a retirement plan of a public school system or Section 501(c)(3) organization under Section 403(b) of the tax code. Beginning January 1, 1989, in order for a contract to retain its tax-qualified status, Section 403(b) prohibits a withdrawal from a Section 403(b) contract of post-1988 contributions (and earnings on those contributions) pursuant to a salary reduction agreement. However, this restriction does not apply if the annuitant:

a. attains age 59 1/2
b. separates from service
c. dies
d. becomes totally and permanently disabled and/or
e. experiences financial hardship (in which event the income attributable to those contributions may not be withdrawn).

Pre-1989 contributions and earnings through December 31, 1988, are not subject to the previously stated restriction. Funds transferred to the contract from a 403(b)(7) custodial account will also be subject to restrictions. Participants in the Texas Optional Retirement Program should refer to the Restrictions Under the Texas Optional Retirement Program, later in this prospectus.

Additional Services

These are the additional services available to you under your contract: dollar-cost averaging (DCA), portfolio rebalancing, automatic withdrawal service (AWS), cross-reinvestment/earnings sweep. In order to take advantage of one of these services, you will need to complete the appropriate election form that is available from our Home office. For further detailed information on these services, please see Additional Services in the SAI.

Dollar-cost averaging allows you to transfer amounts from the DCA fixed account or certain variable subaccounts into the variable subaccounts on a monthly basis. Currently, there is no charge for this service. However, we reserve the right to impose one. We reserve the right to discontinue or modify this program at any time. DCA does not assure a profit or protect against loss.

The automatic withdrawal service (AWS) provides for an automatic periodic withdrawal of your contract value.

Portfolio rebalancing is an option that restores to a pre-determined level the percentage of contract value allocated to each variable account subaccount. The rebalancing may take place monthly, quarterly, semi-annually or annually.

The cross-reinvestment/earnings sweep service allows you to automatically transfer the account value in a designated variable subaccount that exceeds a baseline amount to another specific variable subaccount at specific intervals.

Only one of the three additional services (DCA, portfolio rebalancing and cross reinvestment) may be used at one time. In other words, you cannot have DCA and cross reinvestment running simultaneously.

Death Benefit Before the Annuity Commencement Date

If the contractowner (or a joint owner) or annuitant dies prior to the annuity commencement date, a death benefit may be payable. You can choose the death benefit. Generally, the more expensive the death benefit, the greater the protection. You should consider the following provisions carefully when designating the beneficiary, annuitant, any contingent annuitant and any joint owner, as well as before changing any of these parties. The identity of these parties under the contract may significantly affect the amount and timing of the death benefit or other amount paid upon a contractowner's or annuitant's death.

You may designate a beneficiary during the life of the annuitant and change the benficiary by filing a written request with the home office. Each change of beneficiary revokes any previous designation. We reserve the right to request that you send us the contract for endorsement of a change of beneficiary.

The contract value available upon death is the value of the contract at the end of the valuation period during which the death claim is approved by payment by Lincoln Life. The approval of the death claim payment will occur after receipt of all of the following:

- proof, satisfactory to us, of the death of the annuitant;
- written authorization for payment; and our receipt of all required claim forms fully completed.

Flexible premium deferred contracts (Multi-Fund® 2,3,4) and Single premium deferred contracts

If the annuitant dies before the annuity commencement date and the enhanced guaranteed minimum death benefit (EGMDB) is not in effect, a death benefit equal to the contract value will be paid to your designated beneficiary.

Prior to the annuity commencement date, an optional EGMDB is available for nonqualified, Roth IRA and IRA flexible premium deferred annuity contracts, for annuitants up to age 75. Please check with your financial adviser for availability to current contractowners.

If the annuitant dies before the annuity commencement date and the EGMDB is in effect, the death benefit paid to your designated beneficiary will be the greater of:

1. The contract value at the end of the valuation period when the death claim is approved for payment by Lincoln Life, or
2. The highest of:

a. the contract value at the end of the valuation period when the EGMDB becomes effective and;

b. the sum of all purchase payments less the sum of all withdrawals, partial annuitization and premium taxes incurred, if any; and

c. the highest contract value, at the end of the valuation period, on any contract anniversary date up to and including age 75 following election of the EGMDB; increased by purchase payments and decreased by any withdrawals, annuitizations and premium taxes incurred after the EGMDB effective date or the contract anniversary on which the highest contract value occurred.

The EGMDB is not available under contracts issued to a contractowner, joint owner or annuitant who is age 75 or older at the time of issuance.

If you add the EGMDB after purchase, the benefit will take effect as of the valuation date following our receipt of the election request, and we will begin deducting the charge for the benefit as of that date. When calculating the death benefit under the EGMDB, the highest contract value on the effective date when the benefit is added to the contract or any contract anniversary after the effective date will be used.

The EGMDB will take effect on the valuation date when the EGMDB election form is approved at our home office, if before 4:00 p.m. New York time. If after 4:00 p.m. New York time, the EGMDB election or termination will be effective with the next valuation date. The owner may not reelect the EGMDB once it is discontinued. As of the annuity commencement date the EGMDB will be discontinued and the charge for the EGMDB will stop. See Charges and Other Deductions-Deduction for the EGMDB.

Periodic premium deferred contracts (Multi-Fund® 1)

If the annuitant dies before the annuity commencement date, Lincoln Life will pay the beneficiary a death benefit equal to the greater of the following amounts:

1. The net purchase payments, or
2. The value of the contract less any outstanding loan balance.

Net purchase payments will mean the sum of all purchase payments credited to the contract less any amounts paid when a withdrawal occurs and less any outstanding loan balance.

If your state has not approved this death benefit provision, the applicable death benefit will be equal to the contract value.

Upon the death of the annuitant Federal Tax law requires that an annuity election be made no later than 60 days after we have approved the death claim for payment.

If a lump sum settlement is elected, the proceeds will be mailed within seven days of approval by us of the claim subject to the laws, regulations and tax code governing payment of death benefits. This payment may be postponed as permitted by the 1940 Act.

Annuity payouts will be made in accordance with applicable laws and regulations governing payment of death benefits. Notwithstanding any provision to the contrary, the payment of death benefits provided under the contract must be made in compliance with Code Section 72(s) or 401(a)(9) as applicable, as amended from time to time. Death benefits are taxable. See — Federal Tax Matters — Taxation of Death Benefits.

Unless otherwise provided in the beneficiary designation, one of the following procedures will take place upon the death of a beneficiary:

1. If any beneficiary dies before the annuitant, the contractowner may elect a new beneficiary. If no new beneficiary election is made, that beneficiary's interest will go to any other beneficiaries named, according to their respective interest. There are no restrictions on the beneficiary's use of the proceeds; and/or
2. If no beneficiary survives the annuitant, the proceeds will be paid to the contractowner or to his/her estate, as applicable.

Death of Contractowner

If the contractowner of a nonqualified contract dies before the annuity commencement date, then, in compliance with the tax code, the cash surrender value (contract value less any applicable charges, fees, and taxes) of the contract will be paid as follows:

1. Upon the death of a non-annuitant contractowner, the proceeds shall be paid to any surviving joint or contingent owner(s). If no joint or contingent owner has been named, then the cash surrender value shall be paid to the annuitant named in the contract; and
2. Upon the death of a contractowner, who is also annuitant, the death will be treated as death of the annuitant and the provisions of this contract regarding death of annuitant will control. If the recipient of the proceeds is the surviving spouse of the contractowner, the contract may be continued in the name of that spouse as the new contractowner or as a contract for the benefit of the surviving spouse. Pursuant to the Federal Defense of Marriage Act same-sex marriages are not recognized for purposes of federal law. Therefore, the favorable tax treatment provided by federal tax law to an opposite-sex spouse is not available to a same-sex spouse. Same-sex spouses should consult a tax advisor prior to purchasing annuity products that provide benefits based upon status as a spouse, and prior to exercising any spousal rights under an annuity.

If you are a non-spouse beneficiary, the tax code requires that any distribution to be paid within five years of the death of the contractowner unless the beneficiary begins receiving, within one year of the contractowner's death, the distribution in the form of a life annuity or an annuity for a period certain not exceeding the beneficiary's life expectancy.

In the case of a death of one of the parties to the annuity contract, if the recipient of the death benefit has elected a lump sum settlement and the death benefit is over $10,000, the proceeds will be placed into a ***SecureLine®*** account in the recipient's name as the owner of the account. ***SecureLine®*** is a service we offer to help the recipient manage the death benefit proceeds. With ***SecureLine®***, an interest bearing account is established from the proceeds payable on a policy or contract administered by us. The recipient is the owner of the account, and is the only one authorized to transfer proceeds from the account. Instead of mailing the recipient a check, we will send a checkbook so that the recipient will have access to the account by writing a check. The recipient may choose to leave the proceeds in this account, or may begin writing checks right away. If the recipient decides he or she wants the entire proceeds immediately, the recipient may write one check for the entire account balance. The recipient can write as many checks as he or she wishes. We may at our discretion set minimum withdrawal amounts per check. The total of all checks written cannot exceed the account balance. The ***SecureLine®*** account is part of our general account. It is not a bank account and it is not insured by the FDIC or any other government agency. As part of our general account, it is subject to the claims of our creditors. We receive a benefit from all amounts left in the ***SecureLine®*** account. The recipient may request that surrender proceeds be paid directly to him or her instead of applied to a ***SecureLine®*** account.

Interest credited in the ***SecureLine®*** account is taxable as ordinary income in the year such interest is credited, and is not tax deferred. We recommend that the recipient consult a tax advisor to determine the tax consequences associated with the payment of interest on amounts in the ***SecureLine®*** account. The balance in the recipient's ***SecureLine®*** account starts earning interest the day the account is opened and will continue to earn interest until all funds are withdrawn. Interest is compounded daily and credited to the recipient's account on the last day of each month. The interest rate will be updated monthly and we may increase or decrease the rate at our discretion. The interest rate credited to the recipient's ***SecureLine®*** account may be more or less than the rate earned on funds held in our general account. The interest rate offered with a ***SecureLine®*** account is not necessarily that credited to the fixed account.

There are no monthly fees. The recipient may be charged a fee for a stop payment or if a check is returned for insufficient funds.

Investment Requirements

If you purchase a Living Benefit rider (*Lincoln Lifetime Income℠* Advantage 2.0, *Lincoln Lifetime Income℠* Advantage, *4LATER®* Advantage, *Lincoln SmartSecurity℠* Advantage, or the Guaranteed Income Benefit under *i4LIFE®* Advantage), you will be subject to Investment Requirements, which means you will be limited in how much you can invest in certain subaccounts of your contract. Investment Requirements apply whether you purchase a Living Benefit rider at contract issue, or if you add a Living Benefit rider to an existing contract. The Living Benefit rider you purchase and the date of purchase will determine which Investment Requirements Option will apply to your contract. See Option 1, Option 2, and Option 3 below. Currently, if you purchase *i4LIFE®* without the Guaranteed Income Benefit, you will not be subject to any Investment Requirements, although we reserve the right to impose Investment Requirements for this rider in the future.

Under each option, we have divided the subaccounts of your contract into groups and have specified the minimum or maximum percentages of contract value that must be in each group at the time you purchase the rider (or when the rider Investment Requirements are enforced, if later). Some investment options are not available to you if you purchase certain riders. The Investment Requirements may not be consistent with an aggressive investment strategy. You should consult with your registered representative to determine if the Investment Requirements are consistent with your investment objectives.

The chart below is provided to help you determine which option of Investment Requirements, if any, applies to the Living Benefit rider you purchase. If you do not elect a Living Benefit rider, the Investment Requirements will not apply to your contract. Different Investment Requirements may apply if you drop one rider and elect another rider.

IF YOU ELECT...	AND THE DATE OF ELECTION IS...	YOU WILL BE SUBJECT TO INVESTMENT REQUIREMENTS
*Lincoln Lifetime Income*SM Advantage 2.0	On or After November 15, 2010	Option 3
*Lincoln Lifetime Income*SM Advantage	Between February 19, 2008 and January 20, 2009 On or after January 20, 2009	Option 2 Option 3
Lincoln SmartSecurity® Advantage	Prior to April 10, 2006 April 10, 2006 through January 19, 2009 On or after January 20, 2009	N/A Option 1 Option 3
4LATER® Advantage	April 10, 2006 through January 19, 2009 On or after January 20, 2009	Option 1 Option 3
i4LIFE® Advantage with Guaranteed Income Benefit (v.1) (for Non-Qualified Contracts or IRAs only)	Prior to April 10, 2006 On or after April 10, 2006	N/A Option 1
i4LIFE® Advantage with Guaranteed Income Benefit (v.2) (for Non-Qualified Contracts or IRAs only)	April 10, 2006 through January 19, 2009 On or after January 20, 2009	Option 1 Option 3
i4LIFE® Advantage with Guaranteed Income Benefit (v.3) (for Non-Qualified Contracts or IRAs only)	Between October 6, 2008 and January 20, 2009 On or after January 20, 2009	Option 2 Option 3
i4LIFE® Advantage with Guaranteed Income Benefit (v.4) (for Non-Qualified Contracts or IRAs only)	On or after November 15, 2010	Option 3
i4LIFE® Advantage (Qualified Contracts only)	After May 4, 2007	Option 1

Investment Requirements – Option 1

No more than 35% of your contract value (includes Account Value if *i4LIFE*® Advantage is in effect) can be invested in the following subaccounts (“Limited Subaccounts”) (Note: not all subaccounts are available with all contracts):

- AllianceBernstein VPS Global Thematic Growth Portfolio
- American Funds Global Growth Fund
- American Funds International Fund
- Delaware VIP High Yield Series
- Delaware VIP REIT Series
- Delaware VIP Small Cap Value Series
- Delaware VIP Smid Cap Growth Series
- DWS Small Cap Index VIP
- LVIP Cohen & Steers Global Real Estate Fund
- LVIP Delaware Foundation Aggressive Allocation Fund
- LVIP Delaware Special Opportunities Fund
- LVIP Mondrian International Value Fund
- LVIP SSgA Emerging Markets 100 Fund
- LVIP SSgA Global Tactical Allocation
- LVIP SSgA International Index Fund
- LVIP SSgA Small-Cap Index Fund
- LVIP T. Rowe Price Structured Mid-Cap Growth Fund
- LVIP Vanguard Domestic Equity Fund
- LVIP Protected Profile 2040 Fund
- LVIP Protected Profile 2050 Fund
- MFS VIT Utilities Series
- Neuberger Berman AMT Mid-Cap Growth Portfolio

All other variable subaccounts will be referred to as “Non-Limited Subaccounts” except the DWS Alternative Asset Allocation VIP Portfolio, which is unavailable to any contract holder with a Living Benefit rider.

You can select the percentages of contract value, if any, allocated to the Limited Subaccounts, but the cumulative total investment in all the Limited Subaccounts cannot exceed 35% of the total contract value. On each quarterly anniversary of the effective date of any of these benefits, if the contract value in the Limited Subaccounts exceeds 35%, Lincoln will rebalance your contract value so that the contract value in the Limited Subaccounts is 30%. If you are enrolled in portfolio rebalancing, the cumulative total investment in all the Limited Subaccounts cannot exceed 35% of total contract value. If your current portfolio rebalancing does not adhere to this requirement, your portfolio rebalancing program will be terminated.

If rebalancing is required, the contract value in excess of 30% will be removed from the Limited Subaccounts on a pro rata basis and invested in the remaining Non-Limited Subaccounts on a pro rata basis according to the contract value percentages in the Non-Limited Subaccounts at the time of the reallocation. If there is no contract value in the Non-Limited Subaccounts at that time, all contract value removed from the Limited Subaccounts will be placed in the LVIP Money Market Fund subaccount. We reserve the right to designate a different investment option other than the LVIP Money Market Fund as the default investment option should there be no contract value in the Non-Limited Subaccounts. We will provide you with notice of such change. Confirmation of the rebalancing will appear on your quarterly statement and you will not receive an individual confirmation after each reallocation.

We may move subaccounts on or off the Limited Subaccount list, exclude subaccounts from being available for investment, change the number of Limited Subaccount groups, change the percentages of contract value allowed in the Limited Subaccounts or change the frequency of the contract value rebalancing, at any time, in our sole discretion. We will not make changes more than once per calendar year. You will be notified at least 30 days prior to the date of any change. We may make such modifications at any time when we believe the modifications are necessary to protect our ability to provide the guarantees under these riders. Our decision to make modifications will be based on several factors including the general market conditions and the style and investment objectives of the subaccount investments.

At the time you receive notice of a change or when you are notified that we will begin enforcing the Investment Requirements, you may:

1. drop the applicable rider immediately, without waiting for a termination event if you do not wish to be subject to these Investment Requirements;
2. submit your own reallocation instructions for the contract value in excess of 35% in the Limited Subaccounts; or
3. take no action and be subject to the quarterly rebalancing as described above.

Investment Requirements – Option 2

You can select the percentages of contract value (includes Account Value if *i4LIFE*® Advantage is in effect) to allocate to individual subaccounts within each group, but the total investment for all subaccounts in a group must comply with the specified minimum or maximum percentages for that group.

In accordance with these Investment Requirements, you agree to be automatically enrolled in the portfolio rebalancing option under your contract and thereby authorize us to automatically rebalance your contract value on a periodic basis. On each quarterly anniversary of the effective date of the rider, we will rebalance your contract value, on a pro-rata basis, based on your allocation instructions in effect at the time of the rebalancing. Any reallocation of contract value among the subaccounts made by you prior to a rebalancing date will become your allocation instructions for rebalancing purposes. Confirmation of the rebalancing will appear on your quarterly statement and you will not receive an individual confirmation after each reallocation. We reserve the right to change the rebalancing frequency, at any time, in our sole discretion. We will not make changes more than once per calendar year. You will be notified at least 30 days prior to the date of any change in frequency. If we rebalance contract value from the subaccounts and your allocation instructions do not contain any subaccounts that meet the Investment Requirements then that portion of the rebalanced contract value that does not meet the Investment Requirements will be allocated to the LVIP Money Market Fund as the default investment option or any other subaccount that we may designate for that purpose. These investments will become your allocation instructions until you tell us otherwise.

We may change the list of subaccounts in a group, change the number of groups, change the minimum or maximum percentages of contract value allowed in a group or change the investment options that are or are not available to you, at any time, in our sole discretion. We will not make changes more than once per calendar year. You will be notified at least 30 days prior to the date of any change. We may make such modifications at any time when we believe the modifications are necessary to protect our ability to provide the guarantees under these riders. Our decision to make modifications will be based on several factors including the general market conditions and the style and investment objectives of the subaccount investments.

At the time you receive notice of a change to the Investment Requirements, you may:

1. drop the applicable rider immediately, without waiting for a termination event if you do not wish to be subject to the new terms of the Investment Requirements;

2. submit your own reallocation instructions for the contract value, before the effective date specified in the notice, so that the Investment Requirements are satisfied; or

3. if you take no action, such changes will apply only to additional purchase payments or to future transfers of contract value. You will not be required to change allocations to existing subaccounts, but you will not be allowed to add money, by either an additional purchase payment or a contract transfer, in excess of the new percentage applicable to a subaccount or subaccount group. This does not apply to subaccounts added to Investment Requirements on or after June 30, 2009.

4. for subaccounts added to Investment Requirements on or after June 30, 2009, you may be subject to rebalancing as described above. If this results in a change to your allocation instructions, then these will be your new allocation instructions until you tell us otherwise.

At this time, the subaccount groups are as follows:

Group 1

Investments must be at least 25% of contract value or Account Value

1. American Century VP Inflation Protection Fund
2. Delaware VIP High Yield Series
3. LVIP Delaware Bond Fund
4. Delaware VIP Diversified Income Series
5. LVIP BlackRock Inflation Protected Bond Fund
6. LVIP SSgA Bond Index Fund
7. LVIP Global Income Fund
8. LVIP Delaware Diversified Floating Rate Fund
9. PIMCO VIT Total Return Portfolio

Group 2

Investments cannot exceed 75% of contract value or Account Value

All other investment options except as discussed below.

Group 3

Investments cannot exceed 10% of contract value or Account Value

1. LVIP SSgA Emerging Markets 100 Fund
2. DWS Alternative Asset Allocation VIP Portfolio

To satisfy the Investment Requirements, you may allocate 100% of your contract value or *i4LIFE*® Advantage Account Value to or among the funds listed below. If you allocate less than 100% of contract value among these funds, then the funds listed below that are also listed in Group 1 will be subject to Group 1 restrictions.* Any remaining funds listed below that are not listed will fall into Group 2 and will be subject to Group 2 restrictions. These funds will be considered as part of Group 1 or 2 above, as applicable, and you will be subject to the Group 1 or 2 restrictions. The fixed account is only available for dollar cost averaging.

- American Century VP Inflation Protection*
- BlackRock Global Allocation VI Fund
- Delaware VIP® Diversified Income Series*
- Delaware VIP® High Yield Series *
- LVIP BlackRock Inflation Protected Bond Fund*
- LVIP Delaware Bond Fund*
- LVIP Delaware Foundation Conservative Allocation Fund
- LVIP Delaware Foundation Moderate Allocation Fund
- LVIP Global Bond Fund*
- LVIP SSgA Bond Index Fund*
- LVIP Protected Profile 2010 Fund
- LVIP Protected Profile 2020 Fund
- LVIP Protected Profile 2030 Fund
- LVIP Protected Profile 2040 Fund
- LVIP Protected Profile Conservative Fund
- LVIP Protected Profile Moderate Fund
- LVIP Protected Profile Growth Fund

As discussed in the *Lincoln Lifetime Income*SM Advantage Plus section, if you purchased the *Lincoln Lifetime Income*SM Advantage Plus rider before January 20, 2009, your only investment options until the seventh Benefit Year anniversary are to allocate 100% of your contract value to the LVIP Protected Profile Moderate Fund, the LVIP Protected Profile Conservative Fund or the LVIP Delaware Foundation Conservative Allocation Fund.

Investment Requirements – Option 3

You can select the percentages of contract value (includes Account Value if *i4LIFE*® Advantage is in effect) to allocate to individual subaccounts within each group, but the total investment for all subaccounts within the group must comply with the specified minimum or maximum percentages for that group.

In accordance with these Investment Requirements, you agree to be automatically enrolled in the portfolio rebalancing option under your contract and thereby authorize us to automatically rebalance your contract value on a periodic basis. On each quarterly anniversary of the effective date of the rider, we will rebalance your contract value, on a pro-rata basis, based on your allocation instructions in effect at the time of the rebalancing. Any reallocation of contract value among the subaccounts made by you prior to a rebalancing date will become your allocation instructions for rebalancing purposes. Confirmation of the rebalancing will appear on your quarterly statement and you will not receive an individual confirmation after each reallocation. If we rebalance contract value from the subaccounts and your allocation instructions do not contain any subaccounts that meet the Investment Requirements then that portion of the rebalanced contract value that does not meet the Investment Requirements will be allocated to the LVIP Money Market Fund as the default investment option or any other subaccount that we may designate for that purpose. **These investments will become your allocation instructions until you tell us otherwise.**

We may change the list of subaccounts in a group, change the number of groups, change the minimum or maximum percentages of contract value allowed in a group or change the investment options that are or are not available to you, at any time in our sole discretion. You will be notified at least 30 days prior to the date of any change. We may make such modifications at any time when we believe the modifications are necessary to protect our ability to provide the guarantees under these riders. Our decision to make modifications will be based on several factors including the general market conditions and the style and investment objectives of the subaccount investments.

At the time you receive notice of a change or when you are notified that we will begin enforcing the Investment Requirements, you may:

1. drop the applicable rider immediately, without waiting for a termination event if you do not wish to be subject to these Investment Requirements; or

2. submit your own reallocation instructions for the contract value, before the effective date specified in the notice, so that the Investment Requirements are satisfied; or

3. take no action and be subject to the quarterly rebalancing as described above. If this results in a change to your allocation instructions, then these will become your new allocation instructions until you tell us otherwise.

At this time, the subaccount groups are as follows:

Group 1
Investments must be at least 30% of contract value or Account Value

1. American Century VP Inflation Protection Fund
2. LVIP Delaware Bond Fund
3. Delaware VIP Diversified Income Series
4. LVIP BlackRock Inflation Protected Bond Fund
5. LVIP SSgA Bond Index Fund
6. LVIP Global Income Fund
7. LVIP Delaware Diversified Floating Rate Fund
8. PIMCO VIT Total Return Portfolio

Group 2
Investments cannot exceed 70% of contract value or Account Value

All other funds except as described below.

Group 3
Investments cannot exceed 10% of contract value or Account Value

1. LVIP SSgA Emerging Markets 100 Fund
2. Delaware VIP REIT Series
3. LVIP Cohen & Steers Global Real Estate Fund
4. MFS VIT Utilities Series
5. AllianceBernstein VPS Global Thematic Growth Portfolio
6. DWS Alternative Asset Allocation VIP Portfolio

To satisfy these Investment Requirements, you may allocate 100% of your contract value or *i4LIFE*® Advantage Account Value among the funds on the following list; however, if you allocate less than 100% of contract value to or among these funds, then the funds listed below that are in Group 1 will be subject to Group 1 restrictions. *Any remaining funds listed below will fall into Group 2 and will be subject to Group 2 restrictions. The fixed accounts are not available with these riders.

•American Century VP Inflation Protection*
•BlackRock Global Allocation VI Fund
•Delaware VIP® Diversified Income Series *
•LVIP BlackRock Inflation Protected Bond Fund*
•LVIP Delaware Bond Fund*
•LVIP Delaware Foundation Conservative Allocation Fund

- LVIP Delaware Foundation Moderate Allocation Fund
- LVIP Global Income Fund*
- LVIP SSgA Bond Index Fund*
- LVIP Protected Profile 2010 Fund
- LVIP Protected Profile 2020 Fund
- LVIP Protected Profile Conservative Fund
- LVIP Protected Profile Moderate Fund
- LVIP Protected Profile Growth Fund

If you purchased the Lincoln Lifetime IncomeSM Advantage Plus rider on or after January 20, 2009, your only investment options until the seventh Benefit Year anniversary are to allocate 100% of your contract value to the LVIP Delaware Foundation Conservative Allocation Fund and the LVIP Protected Profile Conservative Fund.

Living Benefit Riders

The optional Living Benefit riders offered under this variable annuity contract - *Lincoln Lifetime Income*SM Advantage 2.0, *Lincoln Lifetime Income*SM Advantage, *Lincoln SmartSecurity*® Advantage, *i4LIFE*® Advantage with Guaranteed Income Benefit and *4LATER*® Advantage - are described in the following sections. The riders offer either a minimum withdrawal benefit (*Lincoln Lifetime Income*SM Advantage 2.0, *Lincoln Lifetime Income*SM Advantage, and *Lincoln SmartSecurity*® Advantage) or a minimum annuity payout (*i4LIFE*® Advantage with Guaranteed Income Benefit and *4LATER*® Advantage). You may not elect more than one Living Benefit rider at a time. Upon election of a Living Benefit rider, you will be subject to Investment Requirements (unless you elect *i4LIFE*® Advantage without the Guaranteed Income Benefit).

The overview chart provided as an appendix to this prospectus provides a brief description and comparison of each Living Benefit rider. Excess Withdrawals under certain Living Benefit riders may result in a reduction or premature termination of those benefits or of those riders. If you are not certain how an Excess Withdrawal will reduce your future guaranteed amounts, you should contact either your registered representative or us prior to requesting a withdrawal to find out what, if any, impact the Excess Withdrawal will have on any guarantees under the Living Benefit rider. Terms and conditions may change after the contract is purchased. *i4LIFE*® Advantage is the only Living Benefit rider currently available to owners of qualified contracts.

The benefits and features of the optional Living Benefit riders are separate and distinct from the downside protection strategies that may be employed by the funds offered under this contract. The riders do not guarantee the investment results of the funds.

*Lincoln Lifetime Income*SM Advantage 2.0 (for Non-Qualified Contracts or IRAs only)

The *Lincoln Lifetime Income*SM Advantage 2.0 is a Living Benefit rider available for purchase in your contract that provides:

- Guaranteed lifetime periodic withdrawals for you (and your spouse if the joint life option is selected) up to the Guaranteed Annual Income amount which is based upon a guaranteed Income Base (a value equal to either your initial purchase payment or contract value, if elected after the contract's effective date);
- A 5% Enhancement to the Income Base (less purchase payments received in that year) if greater than an Automatic Annual Step-up so long as no withdrawals are made in that year and the rider is within the Enhancement Period;
- Automatic Annual Step-ups of the Income Base to the contract value if the contract value is equal to or greater than the Income Base after the 5% Enhancement;
- Age-based increases to the Guaranteed Annual Income amount (after reaching a higher age-band and after an Automatic Annual Step-up).

The *Lincoln Lifetime Income*SM Advantage 2.0 rider is no longer available for purchase on or after April 2, 2012.

Please note any withdrawals made prior to age 55 or that exceed the Guaranteed Annual Income amount or that are not payable to the original contractowner or original contractowner's bank account (or to the original annuitant or the original annuitant's bank account, if the owner is a non-natural person) (Excess Withdrawals) may significantly reduce your Income Base as well as your Guaranteed Annual Income amount by an amount greater than the dollar amount of the Excess Withdrawal and will terminate the rider if the Income Base is reduced to zero.

In order to purchase *Lincoln Lifetime Income*SM Advantage 2.0 the purchase payment or contract value (if purchased after the contract is issued) must be at least $25,000. This rider provides guaranteed, periodic withdrawals for your life as contractowner/annuitant (single life option) or for the lives of you as contractowner/annuitant and your spouse as joint owner (joint life option) regardless of the investment performance of the contract, provided that certain conditions are met. The contractowner, annuitant or secondary life may not be changed while this rider is in effect (except if the secondary life assumes ownership of the contract upon death of the contractowner), including any sale or assignment of the contract as collateral. An Income Base is used to calculate the Guaranteed Annual Income payment from your contract, but is not available as a separate benefit upon death or surrender. The Income Base is equal to the initial purchase payment (or contract value if elected after contract issue), increased by subsequent purchase payments, Automatic Annual Step-ups and 5% Enhancements, and decreased by Excess Withdrawals in accordance with the provisions set forth below. After the first anniversary of the rider effective date, cumulative additional purchase payments into the contract will be limited to an amount equal to $100,000 without Home Office approval. **No additional purchase payments are allowed if the contract value decreases to zero for any reason. No additional purchase payments are allowed after the Nursing Home Enhancement is requested and approved by us (described later in this prospectus).**

This rider provides for guaranteed, periodic withdrawals up to the Guaranteed Annual Income amount commencing after the younger of you or your spouse (joint life option) reach age 55. The Guaranteed Annual Income payments are based upon specified percentages of the Income Base. The specified withdrawal percentages of the Income Base are age based and may increase over time. With the single life option, you may receive Guaranteed Annual Income payments for your lifetime. If you purchase the joint life option, Guaranteed Annual Income amounts for the lifetimes of you and your spouse will be available.

Withdrawals in excess of the Guaranteed Annual Income amount or that are made prior to age 55 or that are not payable to the original contractowner or original contractowner's bank account (or to the original annuitant or the original annuitant's bank account, if the owner is a non-natural person) (Excess Withdrawals) may significantly reduce your Income Base and your Guaranteed Annual Income payments by an amount greater than the dollar amount of the Excess Withdrawal and may terminate the rider and the contract if the Income Base is reduced to zero. Withdrawals will also negatively impact the availability of the 5% Enhancement. Surrender charges are waived on cumulative withdrawals less than or equal to the Guaranteed Annual Income amount. These options are discussed below in detail.

Lincoln Life offers other optional riders available for purchase with its variable annuity contracts. These riders provide different methods to take income from your contract value and may provide certain guarantees. There are differences between the riders in the features provided as well as the charge structure. In addition, the purchase of one rider may impact the availability of another rider. Information about the relationship between *Lincoln Lifetime Income*SM Advantage 2.0 and these other riders is included later in this discussion. Not all riders will be available at all times. You may consider purchasing the *Lincoln Lifetime Income*SM Advantage 2.0 if you want a guaranteed lifetime income payment that may grow as you get older and may increase through the Automatic Annual Step-up or 5% Enhancement. The cost of the *Lincoln Lifetime Income*SM Advantage 2.0 may be higher than other Living Benefit riders that you may purchase in your contract. The age at which you may start receiving the Guaranteed Annual Income amount may be different than the ages that you may receive guaranteed payments under other riders.

Availability. The *Lincoln Lifetime Income*SM Advantage 2.0 is no longer available for purchase with new and existing nonqualified and qualified (IRAs and Roth IRAs) annuity contracts. The contractowner/annuitant as well as the spouse under the joint life option must be under age 86 at the time this rider is elected. You cannot elect the rider and any other living benefit rider offered in your contract at the same time (*Lincoln Lifetime Income*SM Advantage or *Lincoln Lifetime Income*SM Advantage Plus, *Lincoln SmartSecurity*® Advantage, *4LATER*® Advantage). You may not elect the rider if you have also elected *i4LIFE*® Advantage or *Lincoln SmartIncome*SM Inflation, both annuity payout options. You must wait at least 12 months after terminating your Living Benefit rider or any other living benefits we may offer in the future before electing *Lincoln Lifetime Income*SM Advantage 2.0. See The Contracts- *Lincoln Lifetime Income*SM Advantage or *Lincoln Lifetime Income*SM Advantage Plus, *Lincoln SmartSecurity*® Advantage, *4LATER*® Advantage, *i4LIFE*® Advantage and Annuity Payouts - *Lincoln SmartIncome*SM Inflation for more information. There is no guarantee that the *Lincoln Lifetime Income*SM Advantage 2.0 will be available for new purchasers in the future as we reserve the right to discontinue this benefit at any time.

If you purchase the *Lincoln Lifetime Income*SM Advantage 2.0, you will be limited in your ability to invest within the subaccounts offered within your contract. You will be required to adhere to Investment Requirements - Option 3. In addition, the fixed account is not available except for use with dollar cost averaging. See Investment Requirements for more information ..

If the rider is elected at contract issue, then the rider will be effective on the contract's effective date. If the rider is elected after the contract is issued (by sending a written request to our Home Office), the rider will be effective on the next valuation date following approval by us.

Benefit Year. The Benefit Year is the 12-month period starting with the effective date of the rider and starting with each anniversary of the rider effective date after that.

Income Base. The Income Base is a value used to calculate your Guaranteed Annual Income amount. The Income Base is not available to you as a lump sum withdrawal or a death benefit. The initial Income Base varies based on when you elect the rider. If you elect the rider at the time you purchase the contract, the initial Income Base will equal your initial purchase payment. If you elect the rider after we issue the contract, the initial Income Base will equal the contract value on the effective date of the rider. The maximum Income Base is $10,000,000. This maximum takes into consideration the total guaranteed amounts under the Living Benefit riders of all Lincoln Life contracts (or contracts issued by our affiliates) in which you (and/or spouse if joint life option) are the covered lives. See The Contracts - *Lincoln Lifetime Income*SM Advantage, *4LATER*® Advantage and *Lincoln SmartSecurity*® Advantage.

Additional purchase payments automatically increase the Income Base by the amount of the purchase payment (not to exceed the maximum Income Base); for example, a $10,000 additional purchase payment will increase the Income Base by $10,000. After the first anniversary of the rider effective date, cumulative additional purchase payments into the contract will be limited to an amount equal to $100,000 without Home Office approval. If we grant approval to exceed the $100,000 additional purchase payment restriction, the charge will change to the then current charge in effect on the next Benefit Year anniversary. Additional purchase payments will not be allowed if the contract value decreases to zero for any reason including market loss.

Excess Withdrawals reduce the Income Base as discussed below. Withdrawals less than or equal to the Guaranteed Annual Income amount will not reduce the Income Base.

Since the charge for the rider is based on the Income Base, the cost of the rider increases when additional purchase payments, Automatic Annual Step-ups and 5% Enhancements are made, and the cost decreases as Excess Withdrawals are made because these transactions all adjust the Income Base. In addition, the percentage charge may change when Automatic Annual Step-ups or 5% Enhancements occur as discussed below or additional purchase payments occur. See Charges and Other Deductions — *Lincoln Lifetime Income*[SM] Advantage 2.0 Charge.

5% Enhancement. On each Benefit Year anniversary, the Income Base, minus purchase payments received in that year, will be increased by 5% if the contract owner/annuitant (as well as the spouse if the joint life option is in effect) are under age 86, if there were no withdrawals in that year and the rider is within the Enhancement Period. The Enhancement Period is a 10-year period that begins on the effective date of the rider. A new Enhancement Period begins immediately following an Automatic Annual Step-up. If during any Enhancement Period there are no Automatic Annual Step-ups, the 5% Enhancements will stop at the end of the Enhancement Period and will not restart until the next Benefit Year anniversary following the Benefit Year anniversary upon which an Automatic Annual Step-up occurs. Any purchase payment made after the initial purchase payment will be added immediately to the Income Base and will result in an increased Guaranteed Annual Income amount but must be invested in the contract at least one Benefit Year before it will be used in calculating the 5% Enhancement. Any purchase payments made within the first 90 days after the effective date of the rider will be included in the Income Base for purposes of calculating the 5% Enhancement on the first Benefit Year anniversary.

If you decline an Automatic Annual Step-up during the first 10 Benefit Years, you will continue to be eligible for the 5% Enhancements through the end of the current Enhancement Period, but the *Lincoln Lifetime Income*[SM] Advantage 2.0 charge could increase to the then current charge at the time of any 5% Enhancements after the 10th Benefit Year Anniversary. You will have the option to opt out of the Enhancements after the 10th Benefit Year. In order to be eligible to receive further 5% Enhancements the contractowner/annuitant (single life option), or the contractowner and spouse (joint life option) must still be living and be under age 86.

Note: The 5% Enhancement is not available in any year there is a withdrawal from contract value including a Guaranteed Annual Income payment. A 5% Enhancement will occur in subsequent years only under certain conditions. If you are eligible (as defined below) for the 5% Enhancement in the next year, the Enhancement will not occur until the Benefit Year anniversary of that year.

The following is an example of the impact of the 5% Enhancement on the Income Base (assuming no withdrawals):

Initial purchase payment = $100,000; Income Base = $100,000

Additional purchase payment on day 30 = $15,000; Income Base = $115,000

Additional purchase payment on day 95 = $10,000; Income Base = $125,000

On the first Benefit Year Anniversary, the Income Base will not be less than $130,750 ($115,000 times 1.05%=$120,750 plus $10,000). The $10,000 purchase payment on day 95 is not eligible for the 5% Enhancement until the 2nd Benefit Year Anniversary.

The 5% Enhancement will be in effect for 10 years (the Enhancement Period) from the effective date of the rider. A new Enhancement Period will begin each time an Automatic Annual Step-up to the contract value occurs as described below. As explained below, the 5% Enhancement and Automatic Annual Step-up will not occur in the same year. If the Automatic Annual Step-up provides a greater increase to the Income Base, you will not receive the 5% Enhancement. If the Automatic Annual Step-up and the 5% Enhancement increase the Income Base to the same amount then you will receive the Automatic Annual Step-up. The 5% Enhancement or the Automatic Annual Step-up cannot increase the Income Base above the maximum Income Base of $10,000,000.

You will not receive the 5% Enhancement on any Benefit Year anniversary in which there is a withdrawal, including a Guaranteed Annual Income payment from the contract during that Benefit Year. The 5% Enhancement will occur on the following Benefit Year anniversary if no further withdrawals are made from the contract and the rider is within the Enhancement Period.

An example of the impact of a withdrawal on the 5% Enhancement is included in the Withdrawal Amounts section below.

If during the first 10 Benefit Years your Income Base is increased by the 5% Enhancement on the Benefit Year anniversary, your percentage charge for the rider will not change on the Benefit Year anniversary. However, the amount you pay for the rider will increase since the charge for the rider is based on the Income Base. **After the 10th Benefit Year anniversary the annual rider percentage charge may increase to the current charge each year if the Income Base increases as a result of the 5% Enhancement, but the charge will never exceed the guaranteed maximum annual percentage charge of 2.00%.** See Charges and Other Deductions — Rider Charges — *Lincoln Lifetime Income*[SM] Advantage 2.0 Charge.

If your percentage charge for this rider is increased due to a 5% Enhancement that occurs after the 10th Benefit Year anniversary, you may opt-out of the 5% Enhancement by giving us notice in writing within 30 days after the Benefit Year anniversary if you do not want your percentage charge for the rider to change. This opt-out will only apply for this particular 5% Enhancement. You will need to notify us each time thereafter (if an Enhancement would cause your percentage charge to increase) if you do not want the 5% Enhancement. You may not opt-out of the 5% Enhancement if the current charge for the rider increases due to additional purchase payment made during that Benefit Year that exceeds the $100,000 purchase payment restriction after the first Benefit Year. See Income Base section for more details.

Automatic Annual Step-ups of the Income Base. The Income Base will automatically step-up to the contract value on each Benefit Year anniversary if:

a. the contractowner/annuitant (single life option), or the contractowner and spouse (joint life option) are still living and under age 86; and

b. the contract value on that Benefit Year anniversary, after the deduction of any withdrawals (including surrender charges, the rider charge and account fee), plus any purchase payments made on that date and persistency credits, if any added on that date, is equal to or greater than the Income Base after the 5% Enhancement (if any).

Each time the Income Base is stepped up to the current contract value as described above, your percentage charge for the rider will be the current charge for the rider, not to exceed the guaranteed maximum charge. Therefore, your percentage charge for this rider could increase every Benefit Year anniversary. See Charges and Other Deductions — Rider Charges — *Lincoln Lifetime Income*SM Advantage 2.0 Charge.

Each time the Automatic Annual Step-up occurs a new Enhancement Period starts. The Automatic Annual Step-up is available even in those years when a withdrawal has occurred.

If your percentage charge for this rider is increased upon an Automatic Annual Step-up, you may opt-out of the Automatic Annual Step-up by giving us notice in writing within 30 days after the Benefit Year anniversary if you do not want your percentage charge for the rider to change. This opt-out will only apply for this particular Automatic Annual Step-up. You will need to notify us each time the percentage charge increases if you do not want the Step-up. As stated above, if you decline an Automatic Annual Step-up during the first 10 Benefit Years, you will continue to be eligible for the 5% Enhancements through the end of the current Enhancement Period, but the *Lincoln Lifetime Income*SM Advantage 2.0 charge could increase to the then current charge at the time of any 5% Enhancements after the 10th Benefit Year anniversary. You will have the option to opt out of the Enhancements after the 10th Benefit Year. See the earlier Income Base section. You may not opt-out of the Automatic Annual Step-up if an additional purchase payment made during that Benefit Year caused the charge for the rider to increase to the current charge.

Following is an example of how the Automatic Annual Step-ups and the 5% Enhancement will work (assuming no withdrawals or additional purchase payments):

	Contract Value	Income Base with 5% Enhancement	Income Base	Potential for Charge to Change
Initial Purchase Payment $50,000	$50,000	N/A	$50,000	N/A
1st Benefit Year Anniversary	$54,000	$52,500	$54,000	Yes
2nd Benefit Year Anniversary	$53,900	$56,700	$56,700	No
3rd Benefit Year Anniversary	$56,000	$59,535	$59,535	No
4th Benefit Year Anniversary	$64,000	$62,512	$64,000	Yes

On the 1st Benefit Year anniversary, the Automatic Annual Step-up increased the Income Base to the contract value of $54,000 since the increase in the contract value is greater than the 5% Enhancement amount of $2,500 (5% of $50,000). On the 2nd Benefit Year anniversary, the 5% Enhancement provided a larger increase (5% of $54,000 = $2,700). On the 3rd Benefit Year anniversary, the 5% Enhancement provided a larger increase (5% of $56,700=$2,835). On the 4th Benefit Year anniversary, the Automatic Annual Step-up to the contract value was greater than the 5% Enhancement amount of $2,977 (5% of $59,535). An Automatic Annual Step-up cannot increase the Income Base beyond the maximum Income Base of $10,000,000.

Withdrawal Amount. You may make periodic withdrawals up to the Guaranteed Annual Income amount each Benefit Year for your (contractowner) lifetime (single life option) or the lifetimes of you and your spouse (joint life option) as long as your Guaranteed Annual Income amount is greater than zero. You may start taking Guaranteed Annual Income withdrawals when you (single life option) or the younger of you and your spouse (joint life option) turn age 55.

The initial Guaranteed Annual Income amount is calculated when you purchase the rider. If you (or younger of you and your spouse if the joint life option is elected) are under age 55 at the time the rider is elected the initial Guaranteed Annual Income amount will be zero. If you (or the younger of you and your spouse if the joint life option is elected) are age 55 or older at the time the rider is elected the initial Guaranteed Annual Income amount will be equal to a specified percentage of the Income Base. The specified percentage of the Income Base will be based on your age (or younger of you and your spouse if the joint life option is elected). Upon your first withdrawal the Guaranteed Annual Income percentage is based on your age (single life option) or the younger of you and your spouse's age (joint life option) at the time of the withdrawal. For example, if you purchase the *Lincoln Lifetime Income*SM Advantage 2.0 rider at age 60 (single life option), your Guaranteed Annual Income percentage is 4%. If you waited until you were age 70 (single life option) to make your first withdrawal your Guaranteed Annual Income percentage would be 5%. During the first Benefit Year the Guaranteed Annual Income amount is calculated using the Income Base as of the effective date of the rider (including any purchase payments made within the first 90 days after the effective date of the rider). After the first Benefit Year anniversary we will use the Income Base calculated on the most recent Benefit Year anniversary for calculating the Guaranteed Annual Income amount. After your first withdrawal the Guaranteed Annual Income amount percentage will only increase on a Benefit Year Anniversary on or after you have reached an applicable higher age band and after there has also been an Automatic Annual Step-up. If you have reached an applicable age band and there has not also been an Automatic Annual Step-up, then the Guaranteed Annual Income amount percentage will not increase until the next Automatic Annual Step-up occurs. If you do not withdraw the entire Guaranteed Annual Income amount during a Benefit Year, there is no carryover of the extra amount into the next Benefit Year.

Guaranteed Annual Income Percentages by Ages:

Age (Single Life Option)	Guaranteed Annual Income amount percentage (Single Life Option)	Age (Joint Life Option - younger of you and your spouse's age)	Guaranteed Annual Income amount percentage (Joint Life Option)
At Least 55 and under 59 ½	4.00%	55-64	4.00%
59 ½+	5.00%	65+	5.00%

If your contract value is reduced to zero because of market performance or rider charges, withdrawals equal to the Guaranteed Annual Income amount will continue automatically for your life (and your spouse's life if applicable) under the Guaranteed Annual Income Amount Annuity Payout Option. You may not withdraw the remaining Income Base in a lump sum. **You will not be entitled to the Guaranteed Annual Income amount if the Income Base is reduced to zero as a result of an Excess Withdrawal. If the Income Base is reduced to zero due to an Excess Withdrawal the rider and contract will terminate. If the contract value is reduced to zero due to an Excess Withdrawal the rider and contract will terminate.**

Withdrawals equal to or less than the Guaranteed Annual Income amount will not reduce the Income Base. All withdrawals you make will decrease the contract value. Surrender charges are waived on cumulative withdrawals less than or equal to the Guaranteed Annual Income amount.

The following example shows the calculation of the Guaranteed Annual Income amount for *Lincoln Lifetime Income*[SM] Advantage 2.0 and how withdrawals less than or equal to the Guaranteed Annual Income amount affect the Income Base and the contract value. The contractowner is age 60 (4% Guaranteed Annual Income percentage for single life option) on the rider's effective date, and makes an initial purchase payment of $200,000 into the contract:

Contract value on the rider's effective date	$200,000
Income Base on the rider's effective date	$200,000
Initial Guaranteed Annual Income amount on the rider's effective date ($200,000 x 4%)	$ 8,000
Contract value six months after rider's effective date	$210,000
Income Base six months after rider's effective date	$200,000
Withdrawal six months after rider's effective date when contractowner is still age 60	$ 8,000
Contract value after withdrawal ($210,000 - $8,000)	$202,000
Income Base after withdrawal ($200,000 - $0)	$200,000
Contract value on first Benefit Year anniversary	$205,000
Income Base on first Benefit Year anniversary	$205,000
Guaranteed Annual Income amount on first Benefit Year anniversary ($205,000 x4%)	$ 8,200

Since there was a withdrawal during the first year the 5% Enhancement is not available but the Automatic Annual Step-up was available and increased the Income Base to the contract value of $205,000. On the first anniversary of the rider's effective date the Guaranteed Annual Income amount is $8,200 (4% x $205,000).

Purchase payments added to the contract subsequent to the initial purchase payment will increase the Guaranteed Annual Income amount by an amount equal to the applicable Guaranteed Annual Income amount percentage multiplied by the amount of the subsequent purchase payment. For example, assuming a contractowner is age 60 (single life option), if the Guaranteed Annual Income amount of $2,000 (4% of $50,000 Income Base) is in effect and an additional purchase payment of $10,000 is made, the new Guaranteed Annual Income amount that Benefit Year is $2,400 ($2,000 + 4% of $10,000). The Guaranteed Annual Income payment amount will be recalculated immediately after a purchase payment is added to the contract.

Cumulative additional purchase payments into the contract that exceed $100,000 after the first anniversary of the rider effective date must receive Home Office approval. Additional purchase payments will not be allowed if the contract value is zero. No additional purchase payments are allowed after the Nursing Home Enhancement is requested and approved by us (described below).

5% Enhancements and Automatic Annual Step-ups will increase the Income Base and thus the Guaranteed Annual Income amount. The Guaranteed Annual Income amount after the Income Base is adjusted either by a 5% Enhancement or an Automatic Annual Step-up will be equal to the adjusted Income Base multiplied by the applicable Guaranteed Annual Income percentage.

Nursing Home Enhancement. (The Nursing Home Enhancement is not available in certain states. Please check with your registered representative.) The Guaranteed Annual Income amount will be increased to 10%, called the Nursing Home Enhancement, during a Benefit Year when the contractowner/annuitant is age 65 or older or the youngest of the contractowner and spouse is age 65 or older (joint life option), and one is admitted into an accredited nursing home or equivalent health care facility. The Nursing Home Enhancement applies if the admittance into such facility occurs 60 months or more after the effective date of the rider, the individual was not in the nursing home in the year prior to the effective date of the rider, and upon entering the nursing home, the person has been then confined for at least 90 consecutive days. For the joint life option if both spouses qualify, the Nursing Home Enhancement is available for either spouse, but not both spouses. If no withdrawal has been taken since the rider's effective date, the Nursing Home Enhancement will be available when the contractowner/annuitant is age 65 or the youngest of the contractowner and spouse is age 65 (joint life option). If a withdrawal has been taken since the rider's effective date, the Nursing Home Enhancement will be available on the next Benefit Year anniversary after the contractowner/annuitant is age 65 or the youngest of the contractowner and spouse is age 65 (joint life option).

You may request the Nursing Home Enhancement by filling out a request form provided by us. Proof of nursing home confinement will be required each year. If you leave the nursing home, your Guaranteed Annual Income amount will be reduced to the amount you would otherwise be eligible to receive starting after the next Benefit Year anniversary. Any withdrawals made prior to the entrance into a nursing home and during the Benefit Year that the Nursing Home Enhancement commences, will reduce the amount available that year for the Nursing Home Enhancement. Purchase payments may not be made into the contract after a request for the Nursing Home Enhancement is approved by us and any purchase payments made either in the 12 months prior to entering the nursing home or while you are residing in a nursing home will not be included in the calculation of the Nursing Home Enhancement.

The requirements of an accredited nursing home or equivalent health care facility are set forth in the Nursing Home Enhancement Claim Form. The criteria for the facility include, but are not limited to: providing 24 hour a day nursing services; an available physician; an employed nurse on duty or call at all times; maintains daily clinical records; and able to dispense medications. This does not include an assisted living or similar facility. The admittance to a nursing home must be pursuant to a plan of care provided by a licensed health care practitioner, and the nursing home must be located in the United States.

The remaining references to the Guaranteed Annual Income amount also include the Nursing Home Enhancement amount.

Excess Withdrawals. Excess Withdrawals are the cumulative amounts withdrawn from the contract during the Benefit Year (including the current withdrawal) that exceed the Guaranteed Annual Income amount at the time of the withdrawal or are withdrawals made prior to age 55 (younger of you or your spouse for joint life) or that are not payable to the original contractowner or original contractowner's bank account (or to the original annuitant or the original annuitant's bank account, if the owner is a non-natural person).

When an Excess Withdrawal occurs:

1. The Income Base is reduced by the same proportion that the Excess Withdrawal reduces the contract value. This means that the reduction in the Income Base could be more than the dollar amount of the withdrawal; and
2. The Guaranteed Annual Income amount will be recalculated to equal the applicable Guaranteed Annual Income amount percentage multiplied by the new (reduced) Income Base (after the pro rata reduction for the Excess Withdrawal).

We will provide you with quarterly statements that will include the Guaranteed Annual Income amount (as adjusted for Guaranteed Annual Income amount payments, Excess Withdrawals and additional purchase payments) available to you for the Benefit Year, if applicable, in order for you to determine whether a withdrawal may be an Excess Withdrawal. We encourage you to either consult with your registered representative or call us at the number provided on the front page of this prospectus if you have questions about Excess Withdrawals.

The following example demonstrates the impact of an Excess Withdrawal on the Income Base, the Guaranteed Annual Income amount and the contract value. The contractowner who is age 60 (single life option) makes a $12,000 withdrawal which causes a $12,915.19 reduction in the Income Base.

Prior to Excess Withdrawal:
Contract value = $60,000
Income Base = $85,000
Guaranteed Annual Income amount = $3,400 (4% of the Income Base of $85,000)
After a $12,000 Withdrawal ($3,400 is within the Guaranteed Annual Income amount, $8,600 is the Excess Withdrawal):
The contract value is reduced by the amount of the Guaranteed Annual Income amount of $3,400 and the Income Base is not reduced:

Contract value = $56,600 ($60,000 - $3,400)
Income Base = $85,000

The contract value is also reduced by the $8,600 Excess Withdrawal and the Income Base is reduced by 15.19435%, the same proportion that the Excess Withdrawal reduced the $56,600 contract value ($8,600 ÷ $56,600)

Contract value = $48,000 ($56,600 - $8,600)
Income Base = $72,084.81 ($85,000 x 15.19435% = $12,915.19; $85,000 - $12,915.19 = $72,084.81)
Guaranteed Annual Income amount = $2,883.39 (4% of $72,084.81 Income Base)

On the following Benefit Year anniversary:

Contract value = $43,000
Income Base = $72,084.81
Guaranteed Annual Income amount = $2,883.39 (4% x $72,084.81)

In a declining market, Excess Withdrawals may significantly reduce your Income Base as well as your Guaranteed Annual Income amount. If the Income Base is reduced to zero due to an Excess Withdrawal the rider will terminate. If the contract value is reduced to zero due to an Excess Withdrawal the rider and contract will terminate.

Surrender charges are waived on cumulative withdrawals less than or equal to the Guaranteed Annual Income amount. Excess Withdrawals will be subject to surrender charges unless one of the waivers of surrender charge provisions set forth in your prospectus is applicable. Continuing with the prior example of the $12,000 withdrawal: the $3,400 Guaranteed Annual Income amount is not subject to surrender charges; the $8,600 Excess Withdrawal may be subject to surrender charges according to the surrender charge schedule in this prospectus. See Charges and Other Deductions - Surrender Charge.

Withdrawals from IRA contracts will be treated as within the Guaranteed Annual Income amount (even if they exceed the Guaranteed Annual Income amount) only if the withdrawals are taken as systematic monthly or quarterly installments of the amount needed to satisfy the required minimum distribution (RMD) rules under Internal Revenue Code Section 401(a)(9). In addition, in order for this exception for RMDs to apply, the following must occur:

1. Lincoln's monthly or quarterly automatic withdrawal service is used to calculate and pay the RMD;
2. The RMD calculation must be based only on the value in this contract; and
3. No withdrawals other than RMDs are made within the Benefit Year (except as described in the next paragraph).

If your RMD withdrawals during a Benefit Year are less than the Guaranteed Annual Income amount, an additional amount up to the Guaranteed Annual Income amount may be withdrawn and will not be subject to surrender charges. **If a withdrawal, other than an RMD is made during the Benefit Year, then all amounts withdrawn in excess of the Guaranteed Annual Income amount, including amounts attributable to RMDs, will be treated as Excess Withdrawals.**

Distributions from qualified contracts are generally taxed as ordinary income. In nonqualified contracts, withdrawals of contract value that exceed purchase payments are taxed as ordinary income. See Federal Tax Matters for a discussion of the tax consequences of withdrawals.

Guaranteed Annual Income Amount Annuity Payout Option. If you are required to take annuity payments because you have reached the maturity date of the contract, you have the option of electing the Guaranteed Annual Income Amount Annuity Payout Option. If the contract value is reduced to zero and you have a remaining Income Base, you will receive the Guaranteed Annual Income Amount Annuity Payout Option. If you are receiving the Guaranteed Annual Income Amount Annuity Payout Option, the beneficiary may be eligible to receive final payment upon death of the single life or surviving joint life. To be eligible the death benefit option in effect immediately prior to the effective date of the Guaranteed Annual Income Amount Annuity Payout Option must be one of the following death benefits: the Guarantee of Principal Death benefit, the EGMDB or the EEB rider. If the Account Value death benefit option is in effect, the beneficiary will not be eligible to receive the final payment(s).

The Guaranteed Annual Income Amount Annuity Payout Option is an annuity payout option which the contractowner (and spouse if applicable) will receive annual annuity payments equal to the Guaranteed Annual Income amount for life (this option is different from other annuity payout options, including *i4LIFE®* Advantage, which are based on your contract value). Contractowners may decide to choose the Guaranteed Annual Income Amount Annuity Payout Option over *i4LIFE®* Advantage if they feel this may provide a higher final payment option over time and they may place more importance on this over access to the Account Value. Payment frequencies other than annual may be available. You will have no other contract features other than the right to receive annuity payments equal to the Guaranteed Annual Income amount for your life or the life of you and your spouse for the joint life option.

The final payment is a one-time lump-sum payment. If the effective date of the rider is the same as the effective date of the contract the final payment will be equal to the sum of all purchase payments, decreased by withdrawals. If the effective date of the rider is after the effective date of the contract the final payment will be equal to the contract value on the effective date of the rider, increased for purchase payments received after the rider effective date and decreased by withdrawals. Excess Withdrawals reduce the final payment in the same proportion as the withdrawals reduce the contract value; withdrawals less than or equal to the Guaranteed Annual Income amount and payments under the Guaranteed Annual Income Amount Annuity Payout Option will reduce the final payment dollar for dollar.

Death Prior to the Annuity Commencement Date. The *Lincoln Lifetime Income℠* Advantage 2.0 has no provision for a payout of the Income Base or any other death benefit upon death of the contractowners or annuitant. At the time of death, if the contract value equals zero, no death benefit options (as described earlier in this prospectus) will be in effect. Election of the *Lincoln Lifetime Income℠* Advantage 2.0 does not impact the death benefit options available for purchase with your annuity contract. All death benefit payments must be made in compliance with Internal Revenue Code Sections 72(s) or 401(a)(9) as applicable as amended from time to time. See The Contracts - Death Benefit.

Upon the death of the single life, the *Lincoln Lifetime Income*SM Advantage 2.0 will end and no further Guaranteed Annual Income amounts are available (even if there was an Income Base in effect at the time of the death). If the beneficiary elects to continue the contract after the death of the single life (through a separate provision of the contract), the beneficiary may purchase a new *Lincoln Lifetime Income*SM Advantage 2.0 if available under the terms and charge in effect at the time of the new purchase. There is no carry-over of the Income Base.

Upon the first death under the joint life option, the lifetime payout of the Guaranteed Annual Income amount will continue for the life of the surviving spouse. The 5% Enhancement and Automatic Annual Step-up will continue if applicable as discussed above. Upon the death of the surviving spouse, the *Lincoln Lifetime Income*SM Advantage 2.0 will end and no further Guaranteed Annual Income amounts are available (even if there was an Income Base in effect at the time of the death).

As an alternative, after the first death, the surviving spouse if under age 86 may choose to terminate the joint life option and purchase a new single life option, if available, under the terms and charge in effect at the time for a new purchase. In deciding whether to make this change, the surviving spouse should consider whether the change will cause the Income Base and the Guaranteed Annual Income amount to decrease.

Termination. After the fifth anniversary of the effective date of the rider, the contractowner may terminate the rider by notifying us in writing of the request to terminate or by failing to adhere to Investment Requirements. *Lincoln Lifetime Income*SM Advantage 2.0 will automatically terminate:

- on the Annuity Commencement Date (except payments under the Guaranteed Annual Income Amount Annuity Payout Option will continue if applicable); or
- upon the death under the single life option or the death of the surviving spouse under the joint life option;
- when the Guaranteed Annual Income amount or contract value is reduced to zero due to an Excess Withdrawal;
- upon surrender of the contract; or
- upon termination of the underlying annuity contract.

The termination will not result in any increase in contract value equal to the Income Base. Upon effective termination of this rider, the benefits and charges within this rider will terminate. If you terminate the rider, you must wait one year before you can re-elect any Living Benefit rider, or any other living benefits we may offer in the future.

Compare to *Lincoln SmartSecurity*® Advantage. If a contractowner is interested in purchasing a rider that provides guaranteed minimum withdrawals, the following factors should be considered when comparing *Lincoln Lifetime Income*SM Advantage 2.0 and the *Lincoln SmartSecurity*® Advantage (only one of these riders can be added to a contract at any one time): the *Lincoln Lifetime Income*SM Advantage 2.0 has the opportunity to provide a higher Income Base than the Guaranteed Amount under *Lincoln SmartSecurity*® Advantage because of the 5% Enhancement or Automatic Annual Step-up. You should compare the annual income percentage available under each rider. The Income Base for *Lincoln Lifetime Income*SM Advantage 2.0 may also be higher than the Guaranteed Amount under *Lincoln SmartSecurity*® Advantage because withdrawals equal to or less than the Guaranteed Annual Income amount do not reduce the Income Base whereas withdrawals under *Lincoln SmartSecurity*® Advantage reduce the Guaranteed Amount. *Lincoln Lifetime Income*SM Advantage 2.0 also provides the potential for lifetime withdrawals from an earlier age (rather than age 65 with the *Lincoln SmartSecurity*® Advantage). However, the percentage charge for the *Lincoln Lifetime Income*SM Advantage 2.0 is higher and has the potential to increase on every Benefit Year Anniversary if the increase in contract value exceeds the 5% Enhancement and after the 10th Benefit Year anniversary upon a 5% Enhancement. In addition, the guaranteed maximum charge is higher for *Lincoln Lifetime Income*SM Advantage 2.0. Since the *Lincoln Lifetime Income*SM Advantage 2.0 Income Base is not reduced by withdrawals that are less than or equal to the Guaranteed Annual Income amount, the charge, which is applied against the Income Base will not be reduced. Whereas with *Lincoln SmartSecurity*® Advantage, withdrawals reduce the Guaranteed Amount against which the *Lincoln SmartSecurity*® Advantage charge is applied. In addition, the *Lincoln SmartSecurity*® Advantage provides that guaranteed Maximum Annual Withdrawal amounts can continue to a beneficiary to the extent of any remaining Guaranteed Amount while the *Lincoln Lifetime Income*SM Advantage 2.0 does not offer this feature.

***i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) for purchasers who previously purchased *Lincoln Lifetime Income*SM Advantage 2.0.** *i4LIFE*® Advantage is an optional annuity payout rider that provides periodic variable income payments for life, the ability to make withdrawals during a defined period of time (the Access Period) and a death benefit during the Access Period. A minimum payout floor, called the Guaranteed Income Benefit, is also available for election at the time you elect *i4LIFE*® Advantage. You cannot have both *i4LIFE*® Advantage and *Lincoln Lifetime Income*SM Advantage 2.0 in effect on your contract at the same time.

Contractowners with an active *Lincoln Lifetime Income*SM Advantage 2.0 may decide to drop *Lincoln Lifetime Income*SM Advantage 2.0 and purchase *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) even if it is no longer available for sale as long as the election occurs prior to the Annuity Commencement Date. They are also guaranteed that the Guaranteed Income Benefit percentage and Access Period requirements will be at least as favorable as those in effect at the time the purchase *Lincoln Lifetime Income*SM Advantage 2.0. If the decision to drop *Lincoln Lifetime Income*SM Advantage 2.0 is made, the contractowner can use the greater of the *Lincoln Lifetime Income*SM Advantage 2.0 Income Base reduced by all Guaranteed Annual Income payments since the last Automatic Annual Step-up (or inception date) or the Account Value immediately prior to electing *i4LIFE*® Advantage to establish the *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4). This decision must be made by the maximum age to elect *i4LIFE*® Advantage, which is age 95 for nonqualified contracts and 80 for qualified contracts. Purchasers of *Lincoln Lifetime Income*^{SM} Advantage 2.0 who have waited until after the 5th Benefit Year anniversary may elect *i4LIFE*® Advantage with Guaranteed Income Benefit until age 99 for nonqualified contracts and 85 for qualified contracts.

If you choose to drop the *Lincoln Lifetime Income*^{SM} Advantage 2.0 and have the single life option, you must purchase *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) single life option. If you drop the *Lincoln Lifetime Income*^{SM} Advantage 2.0 and have the joint life option, you must purchase *i4LIFE*® Advantage Guaranteed Income Benefit (version 4) joint life option. The minimum length of the *i4LIFE*® Advantage Access Period will vary based upon when you purchased your *Lincoln Lifetime Income*^{SM} Advantage 2.0 rider and how long the rider was in effect before you decided to purchase *i4LIFE*® Advantage. These requirements are specifically listed in the *i4LIFE*® Advantage Guaranteed Income Benefit section of this prospectus under Impacts to *i4LIFE*® Advantage Regular Income Payments.

For nonqualified contracts, the contractowner must elect the levelized option for Regular Income Payments. While i4LIFE® Advantage with Guaranteed Income Benefit (version 4) is in effect, the contractowner cannot change the payment mode elected or decrease the length of the Access Period.

When deciding whether to drop *Lincoln Lifetime Income*^{SM} Advantage 2.0 and purchase *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) you should consider that depending on a person's age and the selected length of the Access Period, *i4LIFE*® Advantage may provide a higher payout than the Guaranteed Annual Income amounts under *Lincoln Lifetime Income*^{SM} Advantage 2.0. You should consider electing *i4LIFE*® Advantage when you are ready to immediately start receiving *i4LIFE*® Advantage payments whereas with *Lincoln Lifetime Income*^{SM} Advantage 2.0 you may defer taking withdrawals until a later date. Payments from a nonqualified contract that a person receives under the *i4LIFE*® Advantage rider are treated as "amounts received as an annuity" under section 72 of the Internal Revenue Code because the payments occur after the annuity starting date. These payments are subject to an "exclusion ratio" as provided in section 72(b) of the Code, which means a portion of each annuity payout is treated as income (taxable at ordinary income tax rates), and the remainder is treated as a nontaxable return of purchase payments. In contrast, withdrawals under *Lincoln Lifetime Income*^{SM} Advantage 2.0 are not treated as amounts received as an annuity because they occur prior to the annuity starting date. As a result, such withdrawals are treated first as a return of any existing gain in the contract (which is the measure of the extent to which the contract value exceeds purchase payments), and then as a nontaxable return of purchase payments.

You should consider that not all *i4LIFE*® Advantage death benefit options will be available to you. Refer to the Expense Table: *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) for purchasers who previously purchased *Lincoln Lifetime Income*^{SM} Advantage 2.0 for available death benefit options.

The initial charge for *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) will be equal to the current annual rate in effect for your *Lincoln Lifetime Income*^{SM} Advantage 2.0 rider. This charge is in addition to the mortality and expense risk and administrative charge for your base contract death benefit option. The charge is calculated based upon the greater of the value of the Income Base or contract value as of the last valuation date under *Lincoln Lifetime Income*^{SM} Advantage 2.0 prior to election of *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4). During the Access Period, this charge is deducted from the *i4LIFE*® Advantage Account Value on a quarterly basis with the first deduction occurring on the valuation date on or next following the three-month anniversary of the effective date of *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4). During the Lifetime Income Period, this charge is deducted annually. The initial charge may increase annually upon a step-up of the Guaranteed Income Benefit by an amount equal to the prior charge rate (or initial charge rate if the first anniversary of the rider's effective date) multiplied by the percentage increase, if any, to the Guaranteed Income Benefit and the percentage increase if any to the *Lincoln Lifetime Income*^{SM} Advantage 2.0 current charge. If an Excess Withdrawal occurs, the charge will decrease by the same percentage as the percentage change to the Account Value.

Impact to Withdrawal Calculations of Death Benefits before the Annuity Commencement Date. The death benefit calculation for certain death benefit options in effect prior to the Annuity Commencement Date may change for contractowners with an active *Lincoln Lifetime Income*^{SM} Advantage 2.0. Certain death benefit options provide that all withdrawals reduce the death benefit in the same proportion that the withdrawals reduce the contract value. If you elect the *Lincoln Lifetime Income*^{SM} Advantage 2.0, withdrawals less than or equal to the Guaranteed Annual Income will reduce the sum of all purchase payment amounts on a dollar for dollar basis for purposes of calculating the death benefit under the Guarantee of Principal Death Benefit. The same also applies to the the EGMDB or the EEB rider if the death benefit is based on the sum of all purchase payments, decreased by withdrawals. See The Contracts – Death Benefits. Any Excess Withdrawals will reduce the sum of all purchase payments in the same proportion that the withdrawals reduced the contract value under any death benefit option in which proportionate withdrawals are in effect. This change has no impact on death benefit options in which all withdrawals reduce the death benefit calculation on a dollar for dollar basis. The terms of your contract will describe which method is in effect for your contract while this rider is in effect.

The following example demonstrates how a withdrawal will reduce the death benefit if both the EGMDB and the *Lincoln Lifetime Income*^{SM} Advantage 2.0 are in effect when the contractowner dies. Note that this calculation applies only to the sum of all purchase payments calculation and not for purposes of reducing the highest anniversary contract value under the EGMDB:

Contract value before withdrawal $80,000

Guaranteed Annual Income amount $5,000

Enhanced Guaranteed Minimum Death Benefit (EGMDB) values before withdrawal is the greatest of a), b), or c) described in detail in the EGMDB section of this prospectus:

a) Contract value $80,000

b) Sum of purchase payments $100,000

c) Highest anniversary contract value $150,000

Withdrawal of $9,000 will impact the death benefit calculation as follows:

a) $80,000 - $9,000 = $71,000 (Reduction $9,000)

b) $100,000 - $5,000 = $95,000 (reduction by the amount of the Guaranteed Annual Income amount)

($95,000 - $5,067 = $89,932 [$95,000 times ($4,000/$75,000) = $5,067] Proportional reduction of Excess Withdrawal. Total reduction = $10,067.

c) $150,000 - $16,875 = $133,125 [$150,000 times $9,000/$80,000 = $16,875]. The entire $9,000 withdrawal reduced the death benefit option proportionally. Total reduction = $16,875.

Item c) provides the largest death benefit of $133,125.

Lincoln Lifetime Income℠ Advantage (for Non-Qualified Contracts or IRAs only)

The *Lincoln Lifetime Income*℠ Advantage is a Rider that is available for purchase with your variable annuity contract if the purchase payment or contract value (if purchased after the contract is issued) is at least $25,000. *Lincoln Lifetime Income*℠ Advantage is available for purchase with non-qualified contracts and IRAs only. This Rider provides minimum, guaranteed, periodic withdrawals for your life as contract owner/annuitant (Single Life Option) or for the lives of you as contract owner/annuitant and your spouse as joint owner or primary beneficiary (Joint Life Option) regardless of the investment performance of the contract, provided that certain conditions are met. A minimum guaranteed amount (Guaranteed Amount) is used to calculate the periodic withdrawals from your contract, but is not available as a separate benefit upon death or surrender. The Guaranteed Amount is equal to the initial purchase payment (or contract value if elected after contract issue) increased by subsequent purchase payments, Automatic Annual Step-ups, 5% Enhancements and the Step-up to 200% (if applicable to your contract) of the initial Guaranteed Amount and decreased by withdrawals in accordance with the provisions set forth below. No additional purchase payments are allowed if the contract value decreases to zero for any reason. **The *Lincoln Lifetime Income*℠ Advantage and *Lincoln Lifetime Income*℠ Advantage Plus riders will no longer be available for purchase after December 31, 2010 or 60 days from the date that *Lincoln Lifetime Income*℠ Advantage 2.0 is approved in your state, whichever date is later.**

This Rider provides annual withdrawals of 5% of the initial Guaranteed Amount called Maximum Annual Withdrawal amounts. With the Single Life option, you may receive Maximum Annual Withdrawal amounts for your lifetime. If you purchase the Joint Life option, Maximum Annual Withdrawal amounts for the lifetimes of you and your spouse will be available. Withdrawals in excess of the Maximum Annual Withdrawal amount and any withdrawals prior to age 59½ (for the Single Life Option) or age 65 (for the Joint Life Option) may significantly reduce your Maximum Annual Withdrawal amount. Withdrawals will also negatively impact the availability of the 5% Enhancement, the 200% Step-up (if applicable to your contract) and the *Lincoln Lifetime Income*℠ Advantage Plus. These options are discussed below in detail.

An additional option, available for purchase with your *Lincoln Lifetime Income*℠ Advantage provides that on the seventh Benefit Year anniversary, provided you have not made any withdrawals, you may choose to cancel your *Lincoln Lifetime Income*℠ Advantage rider and receive an increase in your contract value of an amount equal to the excess of your initial Guaranteed Amount (and purchase payments made within 90 days of rider election) over your contract value. This option is called *Lincoln Lifetime Income*℠ Advantage Plus and is discussed in detail below. You may consider purchasing this option if you want to guarantee at least a return of your initial purchase payment after 7 years. *Lincoln Lifetime Income*℠ Advantage Plus must be purchased with the *Lincoln Lifetime Income*℠ Advantage.

By purchasing the *Lincoln Lifetime Income*℠ Advantage Rider, you will be limited in how you can invest in the subaccounts in your contract. In addition, the fixed account is not available except for use with dollar cost averaging. See The Contracts - Investment Requirements - Option 3 if you purchased the *Lincoln Lifetime Income*℠ Advantage on or after January 20, 2009. See The Contracts — Investment Requirements - Option 2 if you purchased *Lincoln Lifetime Income*℠ Advantage prior to January 20, 2009.

Lincoln Life offers other optional riders available for purchase with its variable annuity contracts. These riders provide different methods to take income from your contract value and may provide certain guarantees. These riders are fully discussed in this prospectus. There are differences between the riders in the features provided as well as the charge structure. In addition, the purchase of one rider may impact the availability of another rider. Information about the relationship between *Lincoln Lifetime Income*℠ Advantage and these other riders is included later in this prospectus (see *Lincoln Lifetime Income*℠ Advantage - Compare to *Lincoln SmartSecurity*® Advantage and *i4LIFE*® Advantage option). Not all riders will be available at all times.

We have designed the rider to protect you from outliving your contract value. If the rider terminates or you (or your spouse, if applicable) die before your contract value is reduced to zero, neither you nor your estate will receive any lifetime withdrawals from us under the rider. We limit your withdrawals to the Maximum Annual Withdrawal amount and impose Investment Requirements in order to *minimize* the risk that your contract value will be reduced to zero before your (or your spouse's) death.

If the Rider is elected at contract issue, then the Rider will be effective on the contract's effective date. If the Rider is elected after the contract is issued (by sending a written request to our Home Office), the Rider will be effective on the next valuation date following approval by us. You may not simultaneously elect *Lincoln Lifetime Income*SM Advantage with any other Living Benefit rider.

Benefit Year. The Benefit Year is the 12-month period starting with the effective date of the Rider and starting with each anniversary of the Rider effective date after that.

Guaranteed Amount. The Guaranteed Amount is a value used to calculate your withdrawal benefit under this Rider. The Guaranteed Amount is not available to you as a lump sum withdrawal or a death benefit. The initial Guaranteed Amount varies based on when you elect the Rider. If you elect the Rider at the time you purchase the contract, the initial Guaranteed Amount will equal your initial purchase payment. If you elect the Rider after we issue the contract, the initial Guaranteed Amount will equal the contract value on the effective date of the Rider. The maximum Guaranteed Amount is $10,000,000. This maximum takes into consideration the total Guaranteed Amounts from all Lincoln Life contracts (or contracts issued by our affiliates) in which you (or spouse if Joint Life Option) are the covered lives under either the *Lincoln Lifetime Income*SM Advantage or *Lincoln SmartSecurity*® Advantage.

Additional purchase payments automatically increase the Guaranteed Amount by the amount of the purchase payment (not to exceed the maximum Guaranteed Amount); for example, a $10,000 additional purchase payment will increase the Guaranteed Amount by $10,000. After the first anniversary of the Rider effective date, each time a purchase payment is made after the cumulative purchase payments equal or exceed $100,000, the charge for your Rider may change on the next Benefit Year anniversary. The charge will be the current charge in effect on that next Benefit Year Anniversary, for new purchases of the Rider. The charge will never exceed the guaranteed maximum annual charge. See Charges and Other Deductions - *Lincoln Lifetime Income*SM Advantage Charge. Additional purchase payments will not be allowed if the contract value decreases to zero for any reason including market loss.

The following example demonstrates the impact of additional purchase payments on the *Lincoln Lifetime Income*SM Advantage charge:

Initial purchase payment	$100,000	
Additional purchase payment in Year 2	$ 95,000	No change to charge
Additional purchase payment in Year 3	$ 75,000	Charge will be the current charge
Additional purchase payment in Year 4	$ 25,000	Charge will be the current charge

Each withdrawal reduces the Guaranteed Amount as discussed below.

Since the charge for the Rider is based on the Guaranteed Amount, the cost of the Rider increases when additional purchase payments, Automatic Annual Step-ups, 5% Enhancements and the 200% Step-up are made, and the cost decreases as withdrawals are made because these transactions all adjust the Guaranteed Amount. In addition, the percentage charge may change when cumulative purchase payments exceed $100,000 and also when Automatic Annual Step-ups occur as discussed below. See Charges and Other Deductions - *Lincoln Lifetime Income*SM Advantage Charge.

5% Enhancement to the Guaranteed Amount. On each Benefit Year anniversary, the Guaranteed Amount, minus purchase payments received in that year, will be increased by 5% if the contract owner/annuitant (as well as the spouse if the Joint Life option is in effect) are under age 86 and the Rider is within the 10 year period described below. Additional purchase payments must be invested in the contract at least one Benefit Year before the 5% Enhancement will be made on the portion of the Guaranteed Amount equal to that purchase payment. Any purchase payments made within the first 90 days after the effective date of the Rider will be included in the Guaranteed Amount for purposes of receiving the 5% Enhancement on the first Benefit Year anniversary.

Note: The 5% Enhancement is not available in any year there is a withdrawal from contract value including a Maximum Annual Withdrawal Amount. A 5% Enhancement will occur in subsequent years after a withdrawal only under certain conditions. If you are eligible (as defined below) for the 5% Enhancement in the next year, the Enhancement will not occur until the Benefit Year anniversary of that year.

The following is an example of the impact of the 5% Enhancement on the Guaranteed Amount:

Initial purchase payment = $100,000; Guaranteed Amount = $100,000

Additional purchase payment on day 30 = $15,000; Guaranteed Amount = $115,000

Additional purchase payment on day 95 = $10,000; Guaranteed Amount = $125,000

On the first Benefit Year Anniversary, the Guaranteed Amount is $130,750 ($115,000 times 1.05%=$120,750 plus $10,000). The $10,000 purchase payment on day 95 is not eligible for the 5% Enhancement until the 2nd Benefit Year Anniversary.

The 5% Enhancement will be in effect for 10 years from the effective date of the Rider. The 5% Enhancement will cease upon the death of the contract owner/annuitant or upon the death of the survivor of the contractowner or spouse (if Joint Life option is in effect) or when the oldest of these individuals reaches age 86. A new 10-year period will begin each time an Automatic Annual Step-up to the contract value occurs as described below. As explained below, the 5% Enhancement and Automatic Annual Step-up will not occur in the same year. If the Automatic Annual Step-up provides a greater increase to the Guaranteed Amount, you will not receive the 5% Enhancement. The 5% Enhancement cannot increase the Guaranteed Amount above the maximum Guaranteed Amount of $10,000,000. For contracts purchased prior to January 20, 2009, the 5% Enhancement will be in effect for 15 years from the effective date of the Rider, and a new 15-year period will begin following each Automatic Annual Step-up.

Any withdrawal from the contract value limits the 5% Enhancement as follows:

a. The 5% Enhancement will not occur on any Benefit Year anniversary in which there is a withdrawal, including a Maximum Annual Withdrawal amount, from the contract during that Benefit Year. The 5% Enhancement will occur on the following Benefit Year anniversary if no other withdrawals are made from the contract and the Rider is within the 10-year period as long as the contract owner/ annuitant (Single Life Option) is 59½ or older or the contractowner and spouse (Joint Life Option) are age 65 or older.

b. If the contractowner/annuitant (Single Life Option) is under age 59½ or the contractowner or spouse (Joint Life Option) is under age 65, and a withdrawal is made from the contract, the 5% Enhancement will not occur again until an Automatic Annual Step-Up to the contract value (as described below) occurs.

An example of the impact of a withdrawal on the 5% Enhancement is included in the Withdrawals section below.

If your Guaranteed Amount is increased by the 5% Enhancement on the Benefit Year anniversary, your percentage charge for the Rider will not change. However, the amount you pay for the Rider will increase since the charge for the Rider is based on the Guaranteed Amount. See Charges and Other Deductions - *Lincoln Lifetime Income*^SM Advantage Charge.

Automatic Annual Step-ups of the Guaranteed Amount. The Guaranteed Amount will automatically step-up to the contract value on each Benefit Year anniversary if:

a. the contractowner/annuitant (Single Life Option), or the contractowner and spouse (Joint Life option) are both still living and under age 86; and

b. the contract value on that Benefit Year anniversary is greater than the Guaranteed Amount after the 5% Enhancement (if any) or 200% Step-up (if any, as described below).

Each time the Guaranteed Amount is stepped up to the current contract value as described above, your percentage charge for the Rider will be the current charge for the Rider, not to exceed the guaranteed maximum charge. Therefore, your percentage charge for this Rider could increase every Benefit Year anniversary. See Charges and Other Deductions - *Lincoln Lifetime Income*^SM Advantage Charge.

If your percentage rider charge is increased upon an Automatic Annual Step-up, you may opt out of the Automatic Annual Step-up by giving us notice within 30 days after the Benefit Year anniversary if you do not want your percentage charge for the Rider to change. This opt out will only apply for this particular Automatic Annual Step-up. You will need to notify us each time the percentage charge increases if you do not want the Step-up. If you decline the Automatic Annual Step-up, you will receive the 200% Step-up (if you are eligible as described below) or the 5% Enhancement (if you are eligible as specified above); however, a new 10-year period for 5% Enhancements will not begin. You may not decline the Automatic Annual Step-up, if applicable, if your additional purchase payments would cause your charge to increase. See the earlier Guaranteed Amount section.

Following is an example of how the Automatic Annual Step-ups and the 5% Enhancement will work (assuming no withdrawals or additional purchase payments and issue age above 59½ (Single Life) or 65 (Joint Life):

	Contract Value	Guaranteed Amount	Potential for Charge to Change	Length of 5% Enhancement Period
Initial Purchase Payment $50,000	$50,000	$50,000	No	10
1st Benefit Year Anniversary	$54,000	$54,000	Yes	10
2nd Benefit Year Anniversary	$53,900	$56,700	No	9
3rd Benefit Year Anniversary	$57,000	$59,535	No	8
4th Benefit Year Anniversary	$64,000	$64,000	Yes	10

On the 1st Benefit Year anniversary, the Automatic Annual Step-up increased the Guaranteed Amount to the contract value of $54,000 since the increase in the contract value is greater than the 5% Enhancement amount of $2,500 (5% of $50,000). On the 2nd Benefit Year anniversary, the 5% Enhancement provided a larger increase (5% of $54,000 = $2,700). On the 3rd Benefit Year anniversary, the 5% Enhancement provided a larger increase (5% of $56,700=$2,835). On the 4th Benefit Year anniversary, the Automatic Annual Step-up to the contract value was greater than the 5% Enhancement amount of $2,977 (5% of $59,535).

An Automatic Annual Step-up cannot increase the Guaranteed Amount beyond the maximum Guaranteed Amount of $10,000,000.

Step-up to 200% of the initial Guaranteed Amount. If you purchased *Lincoln Lifetime Income*^{SM} Advantage on or after October 5, 2009, the 200% Step-up will not be available. For contractowners who purchased *Lincoln Lifetime Income*^{SM} Advantage on or after January 20, 2009, but before October 5, 2009, on the Benefit Year anniversary after you (Single Life) or the younger of you and your spouse (Joint Life) reach age 65, or the rider has been in effect for 10 years, whichever event is later, we will step-up your Guaranteed Amount to 200% of your initial Guaranteed Amount (plus any purchase payments made within 90 days of rider election), less any withdrawals, if this would increase your Guaranteed Amount to an amount higher than that provided by the 5% Enhancement or the Automatic Annual Step-up for that year, if applicable. (You will not also receive the 5% Enhancement or Automatic Annual Step-up if the 200% Step-up applies.) This Step-up will not occur if:

1) any withdrawal was made prior to age 59½ (Single Life) or age 65 (Joint Life);
2) an Excess Withdrawal (defined below) has occurred; or
3) cumulative withdrawals totaling more than 10% of the initial Guaranteed Amount (plus purchase payments within 90 days of rider election) have been made (even if these withdrawals were within the Maximum Annual Withdrawal amount).

For example, assume the initial Guaranteed Amount is $200,000. A $10,000 Maximum Annual Withdrawal was made at age 65 and at age 66. If one more $10,000 Maximum Annual Withdrawal was made at age 67, the Step-up would not be available since withdrawals cannot exceed $20,000 (10% of $200,000).

If you purchased the *Lincoln Lifetime Income*^{SM} Advantage prior to January 20, 2009, you will not be eligible to receive the 200% Step-up of the Guaranteed Amount until the Benefit Year anniversary after you (Single Life) or the younger of you and your spouse (Joint Life) reach age 70, or the rider has been in effect for 10 years, whichever event is later.

This Step-up is only available one time and it will not occur if, on the applicable Benefit Year anniversary, your Guaranteed Amount exceeds 200% of your initial Guaranteed Amount (plus purchase payments within 90 days of rider election). Required minimum distributions from qualified contracts may adversely impact this benefit because you may have to withdraw more than 10% of your initial Guaranteed Amount. See the terms governing RMDs in the Maximum Annual Withdrawal Amounts section below.

This Step-up will not cause a change to the percentage charge for your rider. However, the amount you pay for the rider will increase since the charge is based on the Guaranteed Amount. See Charges and Other Deductions - *Lincoln Lifetime Income*^{SM} Advantage Charge.

The following example demonstrates the impact of this Step-up on the Guaranteed Amount:

Initial purchase payment at age 55 = $200,000; Guaranteed Amount =$200,000; Maximum Annual Withdrawal amount = $10,000.

After 10 years, at age 65, the Guaranteed Amount is $272,339 (after applicable 5% Enhancements and two $10,000 Maximum Annual Withdrawal Amounts) and the contract value is $250,000. Since the Guaranteed Amount is less than $360,000 ($200,000 initial Guaranteed Amount reduced by the two $10,000 withdrawals times 200%), the Guaranteed Amount is increased to $360,000.

The 200% Step-up (if applicable to your contract) cannot increase the Guaranteed Amount beyond the Maximum Guaranteed Amount of $10,000,000.

Maximum Annual Withdrawal Amount. You may make periodic withdrawals up to the Maximum Annual Withdrawal amount each Benefit Year for your (contractowner) lifetime (Single Life Option) or the lifetimes of you and your spouse (Joint Life Option)as long as you are at least age 59½ (Single Life Option) or you and your spouse are both at least age 65 (Joint Life Option) and your Maximum Annual Withdrawal amount is greater than zero.

On the effective date of the Rider, the Maximum Annual Withdrawal amount is equal to 5% of the initial Guaranteed Amount. If you do not withdraw the entire Maximum Annual Withdrawal amount during a Benefit Year, there is no carryover of the extra amount into the next Benefit Year.

If your contract value is reduced to zero because of market performance, withdrawals equal to the Maximum Annual Withdrawal amount will continue automatically for your life (and your spouse if applicable) under the Maximum Annual Withdrawal Amount Annuity Payment Option (discussed later). You may not withdraw the remaining Guaranteed Amount in a lump sum.

Note: if any withdrawal is made, the 5% Enhancement is not available during that Benefit Year and the *Lincoln Lifetime Income*^{SM} Advantage Plus is not available (see below). Withdrawals may also negatively impact the 200% Step-up (see above).

The tax consequences of withdrawals are discussed in Federal Tax Matters section of this prospectus.

All withdrawals you make, whether or not within the Maximum Annual Withdrawal amount, will decrease your contract value.

The Maximum Annual Withdrawal amount will be doubled, called the Nursing Home Enhancement, during a Benefit Year when the contractowner/annuitant is age 59½ or older or the contractowner and spouse (Joint Life option), are both age 65 or older, and one is admitted into an accredited nursing home or equivalent health care facility. The Nursing Home Enhancement applies if the admittance into such facility occurs 60 months or more after the effective date of the Rider (36 months or more for contractowners who purchased this Rider prior to January 20, 2009), the individual was not in the nursing home in the year prior to the effective date of the rider, and upon entering the nursing home, the person has been then confined for at least 90 consecutive days. Proof of nursing home confinement will be required each year. If you leave the nursing home, your Maximum Annual Withdrawal amount will be reduced by 50% starting after the next Benefit Year anniversary.

The requirements of an accredited nursing home or equivalent health care facility are set forth in the Nursing Home Enhancement Claim Form. The criteria for the facility include, but are not limited to: providing 24 hour a day nursing services; an available physician; an employed nurse on duty or call at all times; maintains daily clinical records; and able to dispense medications. This does not include an assisted living or similar facility. For riders purchased on or after January 20, 2009, the admittance to a nursing home must be pursuant to a plan of care provided by a licensed health care practitioner, and the nursing home must be located in the United States.

The remaining references to the 5% Maximum Annual Withdrawal amount also include the Nursing Home Enhancement Maximum Annual Withdrawal amount.

The Maximum Annual Withdrawal amount is increased by 5% of any additional purchase payments. For example, if the Maximum Annual Withdrawal amount of $2,500 (5% of $50,000 Guaranteed Amount) is in effect and an additional purchase payment of $10,000 is made, the new Maximum Annual Withdrawal amount is $3,000 ($2,500 + 5% of $10,000).

5% Enhancements, Automatic Annual Step-ups and the 200% Step-up (if applicable to your contract) will cause a recalculation of the eligible Maximum Annual Withdrawal amount to the greater of:

a. the Maximum Annual Withdrawal amount immediately prior to the 5% Enhancement, Automatic Annual Step-up or 200% Step-up; or

b. 5% of the Guaranteed Amount on the Benefit Year anniversary.

See the chart below for examples of the recalculation.

The Maximum Annual Withdrawal amount from both *Lincoln Lifetime Income*[SM] Advantage and *Lincoln SmartSecurity*® Advantage under all Lincoln Life contracts (or contracts issued by our affiliates) applicable to you (or your spouse if Joint Life Option) can never exceed 5% of the maximum Guaranteed Amount.

Withdrawals after age 59½ (Single Life Option) or age 65 (Joint Life Option). If the cumulative amounts withdrawn from the contract during the Benefit Year (including the current withdrawal) after age 59½ (Single Life) or age 65 (Joint Life) are within the Maximum Annual Withdrawal amount, then:

1. the withdrawal will reduce the Guaranteed Amount by the amount of the withdrawal on a dollar-for-dollar basis, and

2. the Maximum Annual Withdrawal amount will remain the same.

The impact of withdrawals prior to age 59½ or age 65 will be discussed later in this section. The following example illustrates the impact of Maximum Annual Withdrawals on the Guaranteed Amount and the recalculation of the Maximum Annual Withdrawal amount (assuming no additional purchase payments and the contractowner (Single Life) is older than 59½ and the contractowner and spouse (Joint Life) are both older than 65):

	Contract Value	Guaranteed Amount	Maximum Annual Withdrawal Amount
Initial Purchase Payment $50,000	$50,000	$50,000	$2,500
1st Benefit Year Anniversary	$54,000	$54,000	$2,700
2nd Benefit Year Anniversary	$51,000	$51,300	$2,700
3rd Benefit Year Anniversary	$57,000	$57,000	$2,850
4th Benefit Year Anniversary	$64,000	$64,000	$3,200

The initial Maximum Annual Withdrawal amount is equal to 5% of the Guaranteed Amount. Since withdrawals occurred each year (even withdrawals within the Maximum Annual Withdrawal amount), the 5% Enhancement of the Guaranteed Amount was not available. However, each year the Automatic Annual Step-up occurred (1st, 3rd and 4th anniversaries), the Maximum Annual Withdrawal amount was recalculated to 5% of the current Guaranteed Amount.

Withdrawals within the Maximum Annual Withdrawal amount are not subject to surrender charges. Withdrawals from Individual Retirement Annuity contracts will be treated as within the Maximum Annual Withdrawal amount (even if they exceed the 5% Maximum Annual Withdrawal amount) only if the withdrawals are taken in systematic monthly or quarterly installments of the amount needed to satisfy the required minimum distribution (RMD) rules under Internal Revenue Code Section 401(a)(9). In addition, in order for this exception for RMDs to apply, the following must occur:

1. Lincoln's monthly or quarterly automatic withdrawal service is used to calculate and pay the RMD;

2. The RMD calculation must be based only on the value in this contract; and
3. No withdrawals other than RMDs are made within that Benefit Year (except as described in next paragraph).

If your RMD withdrawals during a Benefit Year are less than the Maximum Annual Withdrawal amount, an additional amount up to the Maximum Annual Withdrawal amount may be withdrawn and will not be subject to surrender charges. If a withdrawal, other than an RMD is made during the Benefit Year, then all amounts withdrawn in excess of the Maximum Annual Withdrawal amount, including amounts attributed to RMDs, will be treated as Excess Withdrawals (see below).

Distributions from qualified contracts are generally taxed as ordinary income. In nonqualified contracts, withdrawals of contract value that exceed purchase payments are taxed as ordinary income. See Federal Tax Matters.

Excess Withdrawals. Excess Withdrawals are the cumulative amounts withdrawn from the contract during the Benefit Year (including the current withdrawal) that exceed the Maximum Annual Withdrawal amount. When Excess Withdrawals occur:

1. The Guaranteed Amount is reduced by the same proportion that the Excess Withdrawal reduces the contract value. This means that the reduction in the Guaranteed Amount could be more than a dollar-for-dollar reduction.
2. The Maximum Annual Withdrawal amount will be immediately recalculated to 5% of the new (reduced) Guaranteed Amount (after the pro rata reduction for the Excess Withdrawal); and
3. The 200% Step-up will never occur.

The following example demonstrates the impact of an Excess Withdrawal on the Guaranteed Amount and the Maximum Annual Withdrawal amount. A $12,000 withdrawal caused a $15,182 reduction in the Guaranteed Amount.

Prior to Excess Withdrawal:
Contract Value = $60,000
Guaranteed Amount = $85,000
Maximum Annual Withdrawal amount = $5,000 (5% of the initial Guaranteed Amount of $100,000)

After a $12,000 Withdrawal ($5,000 is within the Maximum Annual Withdrawal amount, $7,000 is the Excess Withdrawal):

The contract value and Guaranteed Amount are reduced dollar for dollar for the Maximum Annual Withdrawal amount of $5,000:

Contract Value = $55,000
Guaranteed Amount = $80,000

The contract value is reduced by the $7,000 Excess Withdrawal and the Guaranteed Amount is reduced by 12.72%, the same proportion that the Excess Withdrawal reduced the $55,000 contract value ($7,000 ÷ $55,000)

Contract value = $48,000

Guaranteed Amount = $69,818 ($80,000 X 12.72% = $10,181; $80,000 - $10,181 = $69,818)
Maximum Annual Withdrawal amount = $3,491.00 (5% of $69,818)

In a declining market, withdrawals that exceed the Maximum Annual Withdrawal amount may substantially deplete or eliminate your Guaranteed Amount and reduce or deplete your Maximum Annual Withdrawal amount.

Excess Withdrawals will be subject to surrender charges unless one of the waiver of surrender charge provisions set forth in your prospectus is applicable. Continuing with the prior example of the $12,000 withdrawal: the $5,000 Maximum Annual Withdrawal amount is not subject to surrender charges; the $7,000 Excess Withdrawal may be subject to surrender charges. See Charges and Other Deductions - Surrender Charge.

Withdrawals before age 59½/65. If any withdrawal is made prior to the time the contractowner, is age 59½ (Single Life) or the contractowner and spouse (Joint Life) are both age 65, including withdrawals equal to Maximum Annual Withdrawal amounts, the following will occur:

1. The Guaranteed Amount will be reduced in the same proportion that the entire withdrawal reduced the contract value (this means that the reduction in the Guaranteed amount could be more than a dollar-for-dollar reduction);
2. The Maximum Annual Withdrawal amount will be immediately recalculated to 5% of the new (reduced) Guaranteed Amount;
3. The 5% Enhancement to the Guaranteed Amount is not available until after an Automatic Annual Step-up to the contract value occurs. This Automatic Annual Step-up will not occur until the contract value exceeds the Guaranteed Amount on a Benefit Year anniversary. (see the 5% Enhancement section above); and
4. The 200% Step-up will never occur.

The following is an example of the impact of a withdrawal prior to age 59½ for single or age 65 for joint:

- $100,000 purchase payment

- $100,000 Guaranteed Amount
- A 10% market decline results in a contract value of $90,000
- $5,000 Maximum Annual Withdrawal amount

If a $5,000 withdrawal is made before age 59½, the Guaranteed Amount will be $94,444 ($100,000 reduced by 5.56% ($5,000/ $90,000) and the new Maximum Annual Withdrawal amount is $4,722 (5% times $94,444). Surrender charges will apply unless one of the waiver of surrender charge provisions is applicable. See Charges and Other Deductions - Surrender Charge.

In a declining market, withdrawals prior to age 59½ (or 65 if Joint Life) may substantially deplete or eliminate your Guaranteed Amount and reduce or deplete your Maximum Annual Withdrawal amount.

Lincoln Lifetime Income**SM Advantage Plus.** If you have purchased *Lincoln Lifetime Income*SM Advantage Plus ("Plus Option"), on the seventh Benefit Year anniversary, you may elect to receive an increase in your contract value equal to the excess of your initial Guaranteed Amount, (plus any purchase payments made within 90 days of the rider effective date) over your current contract value. Making this election will terminate the Plus Option as well as the *Lincoln Lifetime Income*SM Advantage and the total charge for this rider and you will have no further rights to Maximum Annual Withdrawal amounts or any other benefits under this rider. You have 30 days after the seventh Benefit Year anniversary to make this election, but you will receive no more than the difference between the contract value and the initial Guaranteed Amount (plus any purchase payments within 90 days of the rider effective date) on the seventh Benefit Year anniversary. If you choose to surrender your contract at this time, any applicable surrender charges will apply.

You may not elect to receive an increase in contract value if any withdrawal is made, including Maximum Annual Withdrawal amounts or RMDs, prior to the seventh Benefit Year anniversary. If you make a withdrawal prior to the seventh Benefit Year anniversary, the charge for this Plus Option (in addition to the *Lincoln Lifetime Income*SM Advantage charge) will continue until the seventh Benefit Year anniversary. After the seventh Benefit Year anniversary, the 0.15% charge for the Plus Option will be removed from your contract and the charge for your *Lincoln Lifetime Income*SM Advantage will continue.

If you do not elect to exercise the Plus Option, after the seventh Benefit Year anniversary, your *Lincoln Lifetime Income*SM Advantage and its charge will continue and the Plus Option 0.15% charge will be removed from your contract.

The following example illustrates the Plus Option upon the seventh Benefit Year anniversary:

Initial purchase payment of $100,000; Initial Guaranteed Amount of $100,000.

On the seventh Benefit Year anniversary, if the current contract value is $90,000; the contractowner may choose to have $10,000 placed in the contract and the Plus Option (including the right to continue the *Lincoln Lifetime Income*SM Advantage) will terminate at that time.

If you purchased the *Lincoln Lifetime Income*SM Advantage Plus option, you have limited investment options until the seventh Benefit Year anniversary as set forth in the Investment Requirements section of this prospectus. After the seventh Benefit Year anniversary, if your contract continues, you may invest in other subaccounts in your contract, subject to the Investment Requirements applicable to your purchase date of *Lincoln Lifetime Income*SM Advantage.

Maximum Annual Withdrawal Amount Annuity Payout Option. If you are required to annuitize your Maximum Annual Withdrawal amount, because you have reached the maturity date of the contract, the Maximum Annual Withdrawal Amount Annuity Payout Option is available.

The Maximum Annual Withdrawal Amount Annuity Payment Option is a fixed annuitization in which the contractowner (and spouse if applicable) will receive annual annuity payments equal to the Maximum Annual Withdrawal amount for life (this option is different from other annuity payment options discussed in your prospectus, including *i4LIFE®* Advantage, which are based on your contract value). Payment frequencies other than annual may be available. You will have no other contract features other than the right to receive annuity payments equal to the Maximum Annual Withdrawal amount (including the Nursing Home Enhancement if you qualify) for your life or the life of you and your spouse for the Joint Life option.

If the contract value is zero and you have a remaining Maximum Annual Withdrawal amount, you will receive the Maximum Annual Withdrawal Amount Annuity Payment Option.

If you are receiving the Maximum Annual Withdrawal Amount Annuity Payout Option, your beneficiary may be eligible for a final payment upon death of the Single Life or surviving Joint Life. To be eligible the death benefit option in effect immediately prior to the exercise of the Maximum Annual Withdrawal Amount Annuity Payout Option must **not** be the Account Value Death Benefit.

The final payment is equal to the sum of all purchase payments, decreased by withdrawals in the same proportion as the withdrawals reduce the contract value; withdrawals less than or equal to the Maximum Annual Withdrawal amount and payments under the Maximum Annual Withdrawal Annuity Payout Option will reduce the sum of the purchase payments dollar for dollar. If your death benefit option in effect immediately prior to the Maximum Annual Withdrawal Amount Annuity Payout Option provided for deduction for withdrawals on a dollar for dollar basis, then any withdrawals that occurred prior to the election of the *Lincoln Lifetime Income®* Advantage will reduce the sum of all purchase payments on a dollar for dollar basis.

Death Prior to the Annuity Commencement Date. The *Lincoln Lifetime Income*^{SM} Advantage has no provision for a payout of the Guaranteed Amount or any other death benefit upon death of the contractowners or annuitant. At the time of death, if the contract value equals zero, no death benefit options (as described in the Death Benefit section of this prospectus) will be in effect. Election of the *Lincoln Lifetime Income*^{SM} Advantage does not impact the death benefit options available for purchase with your annuity contract except as described below in Impact to Withdrawal Calculations of Death Benefits before the Annuity Commencement Date. All death benefit payments must be made in compliance with Internal Revenue Code Sections 72(s) or 401(a)(9) as applicable as amended from time to time. See The Contracts - Death Benefit.

Upon the death of the Single Life, the *Lincoln Lifetime Income*^{SM} Advantage will end and no further Maximum Annual Withdrawal amounts are available (even if there was a Guaranteed Amount in effect at the time of the death). The *Lincoln Lifetime Income*^{SM} Advantage Plus will also terminate, if in effect. If the beneficiary elects to continue the contract after the death of the Single Life (through a separate provision of the contract), the beneficiary may purchase a new *Lincoln Lifetime Income*^{SM} Advantage Rider if available under the terms and charge in effect at the time of the new purchase. There is no carryover of the Guaranteed Amount.

Upon the first death under the Joint Life option, the lifetime payout of the Maximum Annual Withdrawal amount will continue for the life of the surviving spouse. The 5% Enhancement, 200% Step-up, *Lincoln Lifetime Income*^{SM} Advantage Plus and Automatic Annual Step-up will continue if applicable as discussed above. Upon the death of the surviving spouse, the *Lincoln Lifetime Income*^{SM} Advantage will end and no further Maximum Annual Withdrawal amounts are available (even if there was a Guaranteed Amount in effect at the time of the death). The *Lincoln Lifetime Income*^{SM} Advantage Plus will also terminate, if in effect.

As an alternative, after the first death, the surviving spouse may choose to terminate the Joint Life option and purchase a new Single Life option, if available, under the terms and charge in effect at the time for a new purchase. The surviving spouse must be under age 65. In deciding whether to make this change, the surviving spouse should consider: 1) if the change will cause the Guaranteed Amount and the Maximum Annual Withdrawal amount to decrease and 2) if the Single Life Rider option for new issues will provide an earlier age (59½) to receive Maximum Annual Withdrawal amounts.

Impact of Divorce on Joint Life Option. In the event of a divorce, the contractowner may terminate the Joint Life Option and purchase a Single Life Option, if available, (if the contractowner is under age 65) at the current Rider charge and the terms in effect for new sales of the Single Life Option.

After a divorce, the contractowner may keep the Joint Life Option to have the opportunity to receive lifetime payouts for the lives of the contractowner and a new spouse. This is only available if no withdrawals were made from the contract after the effective date of the Rider up to and including the date the new spouse is added to the Rider.

General Provisions.

Termination. After the seventh anniversary of the effective date of the Rider, the contractowner may terminate the Rider by notifying us in writing. *Lincoln Lifetime Income*^{SM} Advantage will automatically terminate:

- Upon exercise of the *Lincoln Lifetime Income*^{SM} Advantage Plus option to receive an increase in the contract value equal to the excess of your initial Guaranteed Amount over the contract value;
- on the annuity commencement date (except payments under the Maximum Annual Withdrawal Amount Annuity Payment Option will continue if applicable);
- if the contractowner or annuitant is changed (except if the surviving spouse under the Joint Life option assumes ownership of the contract upon death of the contractowner) including any sale or assignment of the contract or any pledge of the contract as collateral;
- upon the death under the Single Life option or the death of the surviving spouse under the Joint Life option;
- when the Maximum Annual Withdrawal amount is reduced to zero; or
- upon termination of the underlying annuity contract.

The termination will not result in any increase in contract value equal to the Guaranteed Amount. Upon effective termination of this Rider, the benefits and charges within this Rider will terminate.

If you terminate the Rider, you must wait one year before you can re-elect any *Lincoln Lifetime Income*^{SM} Advantage, *Lincoln SmartSecurity*® Advantage, *4LATER*® Advantage or any other living benefits we may offer in the future. The one-year wait does not apply to the election of a new rider after the exercise (and resulting termination) of the *Lincoln Lifetime Income*^{SM} Advantage Plus.

Compare to *Lincoln SmartSecurity*® Advantage. If a contractowner is interested in purchasing a rider that provides guaranteed minimum withdrawals, the following factors should be considered when comparing *Lincoln Lifetime Income*^{SM} Advantage and the *Lincoln SmartSecurity*® Advantage (only one of these riders can be added to a contract at any one time): the *Lincoln Lifetime Income*^{SM} Advantage has the opportunity to provide a higher Guaranteed Amount because of the 5% Enhancement and Automatic Annual Step-up and this benefit also provides the potential for lifetime withdrawals from an earlier age and for the Single Life Option only (59 ½ rather than age 65 with the *Lincoln SmartSecurity*® Advantage - 1 Year Automatic Step-Up). However, the percentage charge for the *Lincoln Lifetime Income*^{SM} Advantage is higher for the Single Life (lower for the Joint Life) and has the potential to increase on every Benefit Year Anniversary if the increase in contract value exceeds the 5% Enhancement. Another factor to consider is that immediate withdrawals from your contract, under the *Lincoln Lifetime Income*SM Advantage, will adversely impact the 5% Enhancement. In addition, if the withdrawal is made before age 59½ (Single Life) or age 65 (Joint Life), the 5% Enhancement is further limited. The *Lincoln SmartSecurity*® Advantage provides that Maximum Annual Withdrawal amounts can continue to a beneficiary to the extent of any remaining Guaranteed Amount while the *Lincoln Lifetime Income*SM Advantage does not offer this feature. The Investment Requirements and Termination provisions are different between these two riders.

***i4LIFE*® Advantage Option.** *i4LIFE*® Advantage is an income program, available for purchase at an additional charge, that provides periodic variable income payments for life, the ability to make withdrawals during a defined period of time (the Access Period) and a death benefit during the Access Period. A minimum payout floor, called the Guaranteed Income Benefit, is also available for purchase at the time you elect *i4LIFE*® Advantage. Depending on a person's age and the selected length of the Access Period, *i4LIFE*® Advantage may provide a higher payout than the Maximum Annual Withdrawal amounts under *Lincoln Lifetime Income*SM Advantage. You cannot have both *i4LIFE*® Advantage and *Lincoln Lifetime Income*SM Advantage in effect on your contract at the same time.

Contractowners with an active *Lincoln Lifetime Income*SM Advantage may decide to drop *Lincoln Lifetime Income*SM Advantage and purchase *i4LIFE*® Advantage since *i4LIFE*® Advantage provides a different income stream. If this decision is made, the contractowner can use any remaining *Lincoln Lifetime Income*SM Advantage Guaranteed Amount to establish the Guaranteed Income Benefit under the *i4LIFE*® Advantage. Owners of the *Lincoln Lifetime Income*SM Advantage rider are guaranteed the ability to purchase *i4LIFE*® Advantage in the future even if it is no longer generally available for purchase. Owners of *Lincoln Lifetime Income*SM Advantage are also guaranteed that the annuity factors that are used to calculate the initial Guaranteed Income Benefit under *i4LIFE*® Advantage will be the annuity factors in effect as of the day they purchased *Lincoln Lifetime Income*SM Advantage. In addition, owners of *Lincoln Lifetime Income*SM Advantage may in the future purchase the Guaranteed Income Benefit at or below the guaranteed maximum charge that is in effect on the date that they purchase *Lincoln Lifetime Income*SM Advantage.

i4LIFE® Advantage with the Guaranteed Income Benefit for *Lincoln Lifetime Income*SM Advantage purchasers must be elected before the Annuity Commencement Date and by age 99 for nonqualified contracts or age 85 for qualified contracts. See *i4LIFE*® Advantage and the Guaranteed Income Benefit sections of this prospectus. The charges for these benefits will be the current charge for new purchasers in effect for the *i4LIFE*® Advantage and the current Guaranteed Income Benefit charge in effect for prior purchasers of *Lincoln Lifetime Income*SM Advantage at the time of election of these benefits. If you use your *Lincoln Lifetime Income*SM Advantage Guaranteed Amount to establish the Guaranteed Income Benefit, you must keep *i4LIFE*® Advantage and the Guaranteed Income Benefit in effect for at least 3 years.

Below is an example of how the Guaranteed Amount from the *Lincoln Lifetime Income*SM Advantage is used to establish the Guaranteed Income Benefit with *i4LIFE*® Advantage.

Prior to *i4LIFE*® Advantage election:

Contract Value = $100,000

Guaranteed Amount = $150,000

After *i4LIFE*®Advantage election:

Regular Income Payment = $6,700 per year = Contract Value divided by the *i4LIFE*® Advantage annuity factor

Guaranteed Income Benefit = $7,537.50 per year = Guaranteed Amount divided by Guaranteed Income Benefit Table factor applicable to owners of the *Lincoln Lifetime Income*SM Advantage rider.

Impact to Withdrawal Calculations of Death Benefits before the Annuity Commencement Date. The death benefit calculation for certain death benefit options in effect prior to the annuity commencement date may change for contractowners with an active *Lincoln Lifetime Income*SM Advantage. Certain death benefit options provide that all withdrawals reduce the death benefit in the same proportion that the withdrawals reduce the contract value. If you elect the *Lincoln Lifetime Income*SM Advantage, withdrawals less than or equal to the Maximum Annual Withdrawal amount, after age 59½ for the Single Life Option or age 65 for Joint Life Option, will reduce the sum of all purchase payments option of the death benefit on a dollar for dollar basis. This applies to the Guarantee of Principal Death Benefit, and only the sum of all purchase payments alternative of the Enhanced Guaranteed Minimum Death Benefit or the Estate Enhancement Benefit, whichever is in effect. See The Contracts - Death Benefits. Any Excess Withdrawals and all withdrawals prior to age 59½ for Single Life or age 65 for Joint Life will reduce the sum of all purchase payments in the same proportion that the withdrawals reduced the contract value under any death benefit option in which proportionate withdrawals are in effect. This change has no impact on death benefit options in which all withdrawals reduce the death benefit calculation on a dollar for dollar basis. The terms of your contract will describe which method is in effect for your contract.

The following example demonstrates how a withdrawal will reduce the death benefit if both the Enhanced Guaranteed Minimum Death Benefit (EGMDB) and the *Lincoln Lifetime Income*SM Advantage are in effect when the contractowner dies. Note that this calculation applies only to the sum of all purchase payments calculation and not for purposes of reducing the highest anniversary contract value under the EGMDB:

Contract value before withdrawal $80,000

Maximum Annual Withdrawal Amount $ 5,000

Enhanced Guaranteed Minimum Death Benefit (EGMDB) values before withdrawal is the greatest of a), b), or c) described in detail in the EGMDB section of this prospectus:

a) Contract value $80,000

b) Sum of purchase payments $100,000

c) Highest anniversary contract value $150,000

Withdrawal of $9,000 will impact the death benefit calculations as follows:

a) $80,000 - $9,000 = $71,000 (Reduction $9,000)

b) $100,000 - $5,000 = $95,000 (dollar for dollar reduction of Maximum Annual Withdrawal amount)
$95,000 - $5,067 = $89,933 [$95,000 times ($4,000/$75,000) = $5,067] Pro rata reduction of Excess Withdrawal. Total reduction = $10,067.

c) $150,000 - $16,875 = $133,125 [$150,000 times $9,000/$80,000 = $16,875] The entire $9,000 withdrawal reduces the death benefit option pro rata. Total reduction = $16,875.

Item c) provides the largest death benefit of $133,125.

Availability. The *Lincoln Lifetime Income*℠ Advantage is available for purchase with nonqualified contracts and IRAs. The contractowner/annuitant as well as the spouse under the Joint Life option must be under age 86 at the time this Rider is elected. You cannot elect the Rider on or after the purchase of *i4LIFE*® Advantage or on or after the Annuity Commencement Date and must wait at least 12 months after terminating *4LATER*® Advantage, *Lincoln SmartSecurity*® Advantage or any other living benefits we may offer in the future. If you decide to drop a rider to add *Lincoln Lifetime Income*℠ *Advantage*, your Guaranteed Amount will equal the current contract value on the effective date of the change. Before you make this change, you should consider that no guarantees or fee waiver provisions carry over from the previous rider. The *Lincoln Lifetime Income*℠ Advantage terminates after the death of a covered life and the Guaranteed Amount is not available to a beneficiary. You will be subject to additional Investment Requirements. See the comparison to *Lincoln SmartSecurity*® Advantage for other factors to consider before making a change.

Lincoln Lifetime Income℠ Advantage is no longer available for purchase (unless your state has not approved *Lincoln Lifetime Income*℠ Advantage 2.0). Check with your investment representive regarding availability.

Lincoln SmartSecurity® Advantage (for Non-Qualified Contracts and IRAs only)

The *Lincoln SmartSecurity*® Advantage is a rider that is available for purchase with your variable annuity contract. *Lincoln SmartSecutiy*® Advantage is available for purchase with non-qualified contracts and IRAs only. This benefit provides a minimum guaranteed amount (Guaranteed Amount) that you will be able to withdraw, in installments, from your contract. The Guaranteed Amount is equal to the initial purchase payment (or contract value if elected after contract issue) adjusted for subsequent purchase payments, step-ups and withdrawals in accordance with the provisions set forth below. There are two options that step-up the Guaranteed Amount to a higher level (the contract value at the time of the step-up):

Lincoln SmartSecurity® Advantage — 5 Year Elective Step-up or

Lincoln SmartSecurity® Advantage — 1 Year Automatic Step-up

The *Lincoln SmartSecurity*® Advantage — 5 Year Elective Step-up option is no longer available for purchase after January 16, 2009. Under the *Lincoln SmartSecurity*® Advantage — 5 Year Elective Step-up, the contractowner has the option to step-up the Guaranteed Amount after five years. With the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option, the Guaranteed Amount will automatically step-up to the contract value, if higher, on each Benefit Year anniversary through the 10th anniversary. With the Lincoln *SmartSecurity*® Advantage – 1 Year Automatic Step-up, the contractowner can also initiate additional 10-year periods of automatic step-ups.

You may access this Guaranteed Amount through periodic withdrawals which are based on a percentage of the Guaranteed Amount. With the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up single life or joint life options, you also have the option to receive periodic withdrawals for your lifetime or for the lifetimes of you and your spouse (when available in your state). These options are discussed below in detail.

By purchasing this rider, you will be limited in how much you can invest in certain subaccounts. See The Contracts — Investment Requirements. We offer other optional riders available for purchase with variable annuity contracts. These riders, which are fully discussed in this prospectus, provide different methods to take income from your contract value and may provide certain guarantees. There are differences between the riders in the features provided as well as the charge structure. In addition, the purchase of one rider may impact the availability of another rider. In particular, before you elect the *Lincoln SmartSecurity*® Advantage, you may want to compare it to *Lincoln Lifetime Income*℠ Advantage 2.0, which provides minimum guaranteed, periodic withdrawals for life. See The Contracts – *Lincoln Lifetime Income*℠ Advantage 2.0 - Compare to *Lincoln SmartSecurity*® Advantage.

If the benefit is elected at contract issue, then the rider will be effective on the contract's effective date. If the benefit is elected after the contract is issued (by sending a written request to our Home Office), the rider will be effective on the next valuation date following approval by us.

Benefit Year. The Benefit Year is the 12-month period starting with the effective date of the rider and starting with each anniversary of the rider effective date after that. If the contractowner elects to step-up the Guaranteed Amount (this does not include automatic annual step-ups within a 10-year period), the Benefit Year will begin on the effective date of the step-up and each anniversary of the effective date of the step-up after that. The step-up will be effective on the next valuation date after notice of the step-up is approved by us.

Guaranteed Amount. The Guaranteed Amount is a value used to calculate your withdrawal benefit under this rider. The Guaranteed Amount is not available to you as a lump sum withdrawal or a death benefit. The initial Guaranteed Amount varies based on when and how you elect the benefit. If you elect the benefit at the time you purchase the contract, the Guaranteed Amount will equal your initial purchase payment. If you elect the benefit after we issue the contract, the Guaranteed Amount will equal the contract value on the effective date of the rider. The maximum Guaranteed Amount is $5,000,000 under *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up option and $10,000,000 for *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option. This maximum takes into consideration the combined guaranteed amounts under the Living Benefit riders of all Lincoln Life contracts (or contracts issued by our affiliates) owned by you (or on which you or your spouse, if joint owner, are the annuitant).

Additional purchase payments automatically increase the Guaranteed Amount by the amount of the purchase payment (not to exceed the maximum); for example, a $10,000 additional purchase payment will increase the Guaranteed Amount by $10,000. For the *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up option we may restrict purchase payments to your annuity contract in the future. We will notify you if we restrict additional purchase payments. For the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option, we will allow purchase payments into your annuity contract after the first anniversary of the rider effective date if the cumulative additional purchase payments exceed $100,000 only with prior Home Office approval. Additional purchase payments will not be allowed if the contract value is zero.

Each withdrawal reduces the Guaranteed Amount as discussed below.

Since the charge for the rider is based on the Guaranteed Amount, the cost of the rider increases when additional purchase payments and step-ups are made, and the cost decreases as withdrawals are made because these transactions all adjust the Guaranteed Amount.

Step-ups of the Guaranteed Amount. Under the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option, the Guaranteed Amount will automatically step-up to the contract value on each Benefit Year anniversary up to and including the 10th Benefit Year if:

a. the contractowner or joint owner is still living; and

b. the contract value as of the valuation date, after the deduction of any withdrawals (including surrender charges and Interest Adjustments), the rider charge and account fee plus any purchase payments made on that date is greater than the Guaranteed Amount immediately preceding the valuation date.

After the 10th Benefit Year anniversary, you may initiate another 10-year period of automatic step-ups by electing (in writing) to step-up the Guaranteed Amount to the greater of the contract value or the current Guaranteed Amount if:

a. each contractowner and annuitant is under age 81; and

b. the contractowner or joint owner is still living.

If you choose, we will administer this election for you automatically, so that a new 10-year period of step-ups will begin at the end of each prior 10-year step-up period.

Following is an example of how the step-ups work in the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option, (assuming no withdrawals or additional purchase payments):

	Contract Value	Guaranteed Amount
• Initial purchase payment $50,000	$50,000	$50,000
• 1st Benefit Year Anniversary	$54,000	$54,000
• 2nd Benefit Year Anniversary	$53,900	$54,000
• 3rd Benefit Year Anniversary	$57,000	$57,000

Annual step-ups, if the conditions are met, will continue until (and including) the 10th Benefit Year Anniversary. If you had elected to have the next 10-year period of step-ups begin automatically after the prior 10-year period, annual step-ups, if conditions are met, will continue beginning on the 11th Benefit Year Anniversary.

Under the *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up option, after the fifth anniversary of the rider, you may elect (in writing) to step-up the Guaranteed Amount to an amount equal to the contract value on the effective date of the step-up. Additional step-ups are permitted, but you must wait at least 5 years between each step-up.

Under both the *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up and the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up options, contractowner elected step-ups (other than automatic step-ups) will be effective on the next valuation date after we receive your request and a new Benefit Year will begin. Purchase payments and withdrawals made after a step-up adjust the Guaranteed Amount. In the future, we may limit your right to step-up the Guaranteed Amount to your Benefit Year anniversary dates. All step-ups are subject to the maximum Guaranteed Amount.

A contractowner elected step-up (including contractowner step-ups that we administer for you to begin a new 10-year step-up period) may cause a change in the percentage charge for this benefit. There is no change in the percentage charge when automatic, annual step-ups occur during a 10-year period. See Charges and Other Deductions – Rider Charges – *Lincoln SmartSecurity*® Advantage Charge.

Withdrawals. You will have access to your Guaranteed Amount through periodic withdrawals up to the Maximum Annual Withdrawal amount each Benefit Year until the Guaranteed Amount equals zero.

On the effective date of the rider, the Maximum Annual Withdrawal amount is:
- 7% of the Guaranteed Amount under the *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up option and
- 5% of the Guaranteed Amount under the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option.

If you do not withdraw the entire Maximum Annual Withdrawal amount during a Benefit Year, there is no carryover of the extra amount into the next Benefit Year. The Maximum Annual Withdrawal amount is increased by 7% or 5% (depending on your option) of any additional purchase payments. For example, if the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option with a Maximum Annual Withdrawal amount of $2,500 (5% of $50,000 Guaranteed Amount) is in effect and an additional purchase payment of $10,000 is made, the new Maximum Annual Withdrawal amount is $3,000 ($2,500 + 5% of $10,000). Step-ups of the Guaranteed Amount (both automatic step-ups and step-ups elected by you) will step-up the Maximum Annual Withdrawal amount to the greater of:

a. the Maximum Annual Withdrawal amount immediately prior to the step-up; or

b. 7% or 5% (depending on your option) of the new (stepped-up) Guaranteed Amount.

If the cumulative amounts withdrawn from the contract during the Benefit Year (including the current withdrawal) are within the Maximum Annual Withdrawal amount, then:

1. the withdrawal will reduce the Guaranteed Amount by the amount of the withdrawal on a dollar-for-dollar basis, and
2. the Maximum Annual Withdrawal amount will remain the same.

Withdrawals within the Maximum Annual Withdrawal amount are not subject to surrender charges or the Interest Adjustment on the amount withdrawn from the fixed account, if applicable. See The Contracts - Fixed Side of the Contract. If the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option is in effect, withdrawals from IRA contracts will be treated as within the Maximum Annual Withdrawal amount (even if they exceed the 5% Maximum Annual Withdrawal amount) only if the withdrawals are taken in the form of systematic monthly or quarterly installments, as calculated by Lincoln, of the amount needed to satisfy the required minimum distribution rules under Internal Revenue Code Section 401(a)(9) for this contract value. Distributions from qualified contracts are generally taxed as ordinary income. In nonqualified contracts, withdrawals of contract value that exceed purchase payments are taxed as ordinary income. See Federal Tax Matters.

When cumulative amounts withdrawn from the contract during the Benefit Year (including the current withdrawal) exceed the Maximum Annual Withdrawal amount:

1. The Guaranteed Amount is reduced to the lesser of:
- the contract value immediately following the withdrawal, or
- the Guaranteed Amount immediately prior to the withdrawal, less the amount of the withdrawal.

2. The Maximum Annual Withdrawal amount will be the least of:
- the Maximum Annual Withdrawal amount immediately prior to the withdrawal; or
- the greater of:
  - 7% or 5% (depending on your option) of the reduced Guaranteed Amount immediately following the withdrawal (as specified above when withdrawals exceed the Maximum Annual Withdrawal amount); or
  - 7% or 5% (depending on your option) of the contract value immediately following the withdrawal; or
- the new Guaranteed Amount.

The following example of the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option demonstrates the impact of a withdrawal in excess of the Maximum Annual Withdrawal amount on the Guaranteed Amount and the Maximum Annual Withdrawal amount. A $7,000 withdrawal caused a $32,000 reduction in the Guaranteed Amount.

Prior to Excess Withdrawal:
Contract Value = $60,000
Guaranteed Amount = $85,000
Maximum Annual Withdrawal = $5,000 (5% of the initial Guaranteed Amount of $100,000)

After a $7,000 Withdrawal:
Contract Value = $53,000
Guaranteed Amount = $53,000
Maximum Annual Withdrawal = $2,650

The Guaranteed Amount was reduced to the lesser of the contract value immediately following the withdrawal ($53,000) or the Guaranteed Amount immediately prior to the withdrawal, less the amount of the withdrawal ($85,000 - $7,000 = $78,000).

The Maximum Annual Withdrawal amount was reduced to the least of:

1) Maximum Annual Withdrawal amount prior to the withdrawal ($5,000); or
2) The greater of 5% of the new Guaranteed Amount ($2,650) or 5% of the contract value following the withdrawal ($2,650); or
3) The new Guaranteed Amount ($53,000).

The least of these three items is $2,650.

In a declining market, withdrawals that exceed the Maximum Annual Withdrawal amount may substantially deplete or eliminate your Guaranteed Amount and reduce your Maximum Annual Withdrawal amount.

Under the *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up option for IRA contracts, the annual amount available for withdrawal within the Maximum Annual Withdrawal amount may not be sufficient to satisfy your required minimum distributions under the Internal Revenue Code. This is particularly true for individuals over age 84. Therefore, you may have to make withdrawals that exceed the Maximum Annual Withdrawal amount. Withdrawals over the Maximum Annual Withdrawal amount may quickly and substantially decrease your Guaranteed Amount and Maximum Annual Withdrawal amount, especially in a declining market. You should consult your tax advisor to determine if there are ways to limit the risks associated with these withdrawals. Such methods may involve the timing of withdrawals or foregoing step-ups of the Guaranteed Amount.

Withdrawals in excess of the Maximum Annual Withdrawal amount will be subject to surrender charges (to the extent that total withdrawals exceed the free amount of withdrawals allowed during a contract year) and an Interest Adjustment on the amount withdrawn from the fixed account. Refer to the Statement of Additional Information for an example of the Interest Adjustment calculation.

Lifetime Withdrawals. (Available only with the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up Single or Joint Life options and not the *Lincoln SmartSecurity*® Advantage – 5 Year Elective Step-up option or the prior version of the *Lincoln SmartSecurity*® Advantage – 1 Year Automatic Step-up option). Payment of the Maximum Annual Withdrawal amount will be guaranteed for your (contractowner) lifetime (if you purchase the single life option) or for the lifetimes of you (contractowner) and your spouse (if the joint life option is purchased), as long as:

1) No withdrawals are made before you (and your spouse if a joint life) are age 65; and
2) An Excess Withdrawal (described above) has not reduced the Maximum Annual Withdrawal amount to zero.

If the lifetime withdrawal is not in effect, the Maximum Annual Withdrawal amount will last only until the Guaranteed Amount equals zero.

If any withdrawal is made prior to the time you (or both spouses) are age 65, the Maximum Annual Withdrawal amount will not last for the lifetime(s), except in the two situations described below:

1) If a step-up of the Guaranteed Amount after age 65 causes the Maximum Annual Withdrawal amount to equal or increase from the immediately prior Maximum Annual Withdrawal amount. This typically occurs if the contract value equals or exceeds the highest, prior Guaranteed Amount. If this happens, the new Maximum Annual Withdrawal amount will automatically be available for the specified lifetime(s); or
2) The contractowner makes a one-time election to reset the Maximum Annual Withdrawal amount to 5% of the current Guaranteed Amount. This reset will occur on the first valuation date following the Benefit Year anniversary and will be based on the Guaranteed Amount as of that valuation date. This will reduce your Maximum Annual Withdrawal amount. A contractowner would only choose this if the above situation did not occur. To reset the Maximum Annual Withdrawal amount, the following must occur:

a. the contractowner (and spouse if applicable) is age 65;

b. the contract is currently within a 10-year automatic step-up period described above (or else a contractowner submits a step-up request to start a new 10-year automatic step-up period) (the contractowner must be eligible to elect a step-up; i.e., all contractowners and the annuitant must be alive and under age 81); and

c. you have submitted this request to us in writing at least 30 days prior to the end of the Benefit Year.

As an example of these two situations, if you purchased the *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up single life with $100,000, your initial Guaranteed Amount is $100,000 and your initial Maximum Annual Withdrawal amount is $5,000. If you make a $5,000 withdrawal at age 62, your Guaranteed Amount will decrease to $95,000. Since you did not satisfy the age 65 requirement, you do not have a lifetime Maximum Annual Withdrawal amount. If a step-up of the Guaranteed Amount after age 65 (either automatic or owner-elected) causes the Guaranteed Amount to equal or exceed $100,000, then the Maximum Annual Withdrawal amount of $5,000 (or greater) will become a lifetime payout. This is the first situation described above. However, if the Guaranteed Amount has not been reset to equal or exceed the highest prior Guaranteed Amount, then you can choose the second situation described above if you are age 65 and the contract is within a 10-year automatic step-up period. This will reset the Maximum Annual Withdrawal amount to 5% of the current Guaranteed Amount; 5% of $95,000 is $4,750. This is your new Maximum Annual Withdrawal amount which can be paid for your lifetime unless Excess Withdrawals are made.

The tax consequences of withdrawals and annuity payments are discussed in Federal Tax Matters.

All withdrawals you make, whether or not within the Maximum Annual Withdrawal amount, will decrease your contract value. If the contract is surrendered, the contractowner will receive the contract value (less any applicable charges, fees, and taxes) and not the Guaranteed Amount.

If your contract value is reduced to zero because of market performance, withdrawals equal to the Maximum Annual Withdrawal amount will continue for the life of you (and your spouse if applicable) if the lifetime withdrawals are in effect. If not, the Maximum Annual Withdrawal amount will continue until the Guaranteed Amount equals zero. You may not withdraw the remaining Guaranteed Amount in a lump sum.

Guaranteed Amount Annuity Payout Option. If you desire to annuitize your Guaranteed Amount, the Guaranteed Amount Annuity Payout Option is available.

The Guaranteed Amount Annuity Payment Option is a fixed annuitization in which the contractowner (and spouse if applicable) will receive the Guaranteed Amount in annual annuity payments equal to the current 7% or 5% (depending on your option) Maximum Annual Withdrawal amount, including the lifetime Maximum Annual Withdrawals if in effect (this option is different from other annuity payment options discussed in this prospectus, including *i4LIFE®* Advantage, which are based on your contract value). Payment frequencies other than annual may be available. Payments will continue until the Guaranteed Amount equals zero and may continue until death if the lifetime Maximum Annual Withdrawal is in effect. This may result in a partial, final payment. You would consider this option only if your contract value is less than the Guaranteed Amount (and you don't believe the contract value will ever exceed the Guaranteed Amount) and you do not wish to keep your annuity contract in force other than to pay out the Guaranteed Amount. You will have no other contract features other than the right to receive annuity payments equal to the Maximum Annual Withdrawal amount until the Guaranteed Amount equals zero.

If the contract value is zero and you have a remaining Guaranteed Amount, you may not withdraw the remaining Guaranteed Amount in a lump sum, but must elect the Guaranteed Amount Annuity Payment Option.

Death Prior to the Annuity Commencement Date. There is no provision for a lump sum payout of the Guaranteed Amount upon death of the contractowners or annuitant. At the time of death, if the contract value equals zero, no death benefit will be paid other than any applicable Maximum Annual Withdrawal amounts. All death benefit payments must be made in compliance with Internal Revenue Code Sections 72(s) or 401(a)(9) as applicable as amended from time to time. See The Contracts – Death Benefit.

Upon the death of the single life under the *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up – single life option, the lifetime payout of the Maximum Annual Withdrawal amount, if in effect, will end. If the contract is continued as discussed below, the Maximum Annual Withdrawal amount will continue until the Guaranteed Amount, if any, is zero. In the alternative, the surviving spouse can choose to become the new single life, if the surviving spouse is under age 81. This will cause a reset of the Guaranteed Amount and the Maximum Annual Withdrawal amount. The new Guaranteed Amount will equal the contract value on the date of the reset and the new Maximum Annual Withdrawal amount will be 5% of the new Guaranteed Amount. This also starts a new 10 year period of automatic step-ups. At this time, the charge for the rider will become the current charge in effect for new purchases of the single life option. The surviving spouse will need to be 65 before taking withdrawals to qualify for a lifetime payout. In deciding whether to make this change, the surviving spouse should consider: 1) the change a reset would cause to the Guaranteed Amount and the Maximum Annual Withdrawal amount; 2) whether it is important to have Maximum Annual Withdrawal amounts for life versus the remainder of the prior Guaranteed Amount; and 3) the cost of the single life option.

Upon the first death under the *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up – joint life option, the lifetime payout of the Maximum Annual Withdrawal amount, if in effect, will continue for the life of the surviving spouse. Upon the death of the surviving spouse, the lifetime payout of the Maximum Annual Withdrawal amount will end. However, if the spouse's beneficiary elects to take the annuity death benefit in installments over life expectancy, the Maximum Annual Withdrawal amount will continue until the Guaranteed Amount, if any, is zero (see below for a non-spouse beneficiary). As an alternative, after the first death, the surviving spouse may choose to change from the joint life option to the single life option, if the surviving spouse is under age 81. This will cause a reset of the Guaranteed Amount and the Maximum Annual Withdrawal amount. The new Guaranteed Amount will equal the contract value on the date of the reset and the new Maximum Annual Withdrawal amount will be 5% of the new Guaranteed Amount. This also starts a new 10 year period of automatic step-ups. At this time, the charge for the rider will become the current charge in effect for new purchases of the single life option. In deciding whether to make this change, the surviving spouse should consider: 1) if the reset will cause the Guaranteed Amount and the Maximum Annual Withdrawal amount to decrease and 2) if the cost of the single life option is less than the cost of the joint life option.

If the surviving spouse of the deceased contractowner continues the contract, the remaining automatic step-ups under the *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up option, will apply to the spouse as the new contractowner. Under the *Lincoln SmartSecurity®* Advantage – 5 Year Elective Step-up option, the new contractowner is eligible to elect to step-up the Guaranteed Amount prior to the next available step-up date; however, all other conditions for the step-up apply and any subsequent step-up by the new contractowner must meet all conditions for a step-up.

If a non-spouse beneficiary elects to receive the death benefit in installments over life expectancy (thereby keeping the contract in force), the beneficiary may continue the *Lincoln SmartSecurity®* Advantage if desired. Automatic step-ups under the *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up option will not continue and elective step-ups of the Guaranteed Amount under both options will not be permitted. In the event the contract value declines below the Guaranteed Amount (as adjusted for withdrawals of death benefit payments), the beneficiary is assured of receiving payments equal to the Guaranteed Amount (as adjusted). Deductions for the rider charge will continue on a quarterly basis and will be charged against the remaining Guaranteed Amount. Note: there are instances where the required installments of the death benefit, in order to be in compliance with the Internal Revenue Code as noted above, may exceed the Maximum Annual Withdrawal amount, thereby reducing the benefit of this rider. If there are multiple beneficiaries, each beneficiary will be entitled to continue a share of the *Lincoln SmartSecurity®* Advantage equal to his or her share of the death benefit.

Impact of Divorce on Joint Life Option. In the event of a divorce, the contractowner may change from a joint life option to a single life option (if the contractowner is under age 81) at the current rider charge for new sales of the single life option. At the time of the change, the Guaranteed Amount will be reset to the current contract value and the Maximum Annual Withdrawal amount will equal 5% of this new Guaranteed Amount.

After a divorce, the contractowner may keep the joint life option to have the opportunity to receive lifetime payouts for the lives of the contractowner and a new spouse. This is only available if no withdrawals were made from the contract after the effective date of the rider up to and including the date the new spouse is added to the rider.

Termination. After the later of the fifth anniversary of the effective date of the rider or the fifth anniversary of the most recent contractowner-elected step-up, including any step-up we administered for you, of the Guaranteed Amount, the contractowner may terminate the rider by notifying us in writing. After this time, the rider will also terminate if the contractowner fails to adhere to the Investment Requirements. *Lincoln SmartSecurity®* Advantage will automatically terminate:

- on the Annuity Commencement Date (except payments under the Guaranteed Amount Annuity Payment Option will continue if applicable);
- upon the election of *i4LIFE®* Advantage;
- if the contractowner or annuitant is changed (except if the surviving spouse assumes ownership of the contract upon death of the contractowner) including any sale or assignment of the contract or any pledge of the contract as collateral;
- upon the last payment of the Guaranteed Amount unless the lifetime Maximum Annual Withdrawal is in effect;
- when a withdrawal in excess of the Maximum Annual Withdrawal amount reduces the Guaranteed Amount to zero; or
- upon termination of the underlying annuity contract.

The termination will not result in any increase in contract value equal to the Guaranteed Amount. Upon effective termination of this rider, the benefits and charges within this rider will terminate.

If you terminate the rider, you must wait one year before you can re-elect *Lincoln SmartSecurity®* Advantage, or purchase *Lincoln Lifetime Income℠* Advantage 2.0 or *4LATER®* Advantage or any other living benefit we are offering in the future.

***i4LIFE®* Advantage Option.** Contractowners with an active *Lincoln SmartSecurity®* Advantage who decide to terminate the *Lincoln SmartSecurity®* Advantage rider and purchase *i4LIFE®* Advantage can use any remaining Guaranteed Amount to establish the Guaranteed Income Benefit under the *i4LIFE®* Advantage terms and charge in effect at the time of the *i4LIFE®* Advantage election. Contractowners may consider this if *i4LIFE®* Advantage will provide a higher payout amount, among other reasons. There are many factors to consider when making this decision, including the cost of the riders, the payout amounts , applicable guarantees and applicable Investment Requirements. You should discuss this decision with your registered representative. See *i4LIFE®* Advantage.

Availability. The *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up option is available for purchase with nonqualified contracts and IRAs. All contractowners and the annuitant of the contracts with the *Lincoln SmartSecurity®* Advantage – 1 Year Automatic Step-up option must be under age 81 at the time this rider is elected. You cannot elect the rider on or after the purchase of *i4LIFE®* Advantage, *4LATER®* Advantage, *Lincoln Lifetime Income℠* Advantage, *Lincoln Lifetime Income℠* Advantage 2.0 or on or after the Annuity Commencement Date. The *Lincoln SmartSecurity®* Advantage – 5 Year Elective Step-up option is no longer available for purchase.

There is no guarantee that the *Lincoln SmartSecurity®* Advantage will be available for new purchasers in the future as we reserve the right to discontinue this benefit at any time. Check with your investment representative regarding availability.

i4LIFE® Advantage for Non-Qualified Contracts and IRAs

i4LIFE® Advantage (the Variable Annuity Payout Option rider in your contract) is an optional annuity payout rider you may purchase at an additional cost and is separate and distinct from other annuity payout options offered under your contract and described later in this prospectus. You may also purchase either the *i4LIFE®* Advantage Guaranteed Income Benefit or the *4LATER* Guaranteed Income Benefit (described below) for an additional charge.

i4LIFE® Advantage is an annuity payout option that provides you with variable, periodic Regular Income Payments for life subject to certain conditions. These payouts are made during two time periods: an Access Period and a Lifetime Income Period. During the Access Period, you have access to your Account Value, which means you may surrender the contract, make withdrawals, and have a death benefit. During the Lifetime Income Period, you no longer have access to your Account Value. You choose the length of the Access Period when you select *i4LIFE®* Advantage; the Lifetime Income Period begins immediately after the Access Period ends and continues until your death (or the death of a Secondary Life, if later). *i4LIFE®* Advantage is different from other annuity payout options provided by Lincoln because with *i4LIFE®* Advantage, you have the ability to make additional withdrawals or surrender the contract during the Access Period. You may also purchase the Guaranteed Income Benefit which provides a minimum payout floor for your Regular Income Payments. You choose when you want to receive your first Regular Income Payment and the frequency with which you will receive Regular Income Payments. The initial Regular Income Payment is calculated from the Account Value on a date no more than 14 days prior to the date you select to begin receiving the Regular Income Payments. This calculation date is called the Periodic Income Commencement Date, and is the same date the Access Period begins. Regular Income Payments must begin within one year of the date you elect *i4LIFE®* Advantage. Once they begin, Regular Income Payments will continue until the death of the annuitant or Secondary Life, if applicable. This option is available on non-qualified annuities, IRAs and Roth IRAs (check with your registered representative regarding availability with SEP market). This option is subject to a charge while the *i4LIFE®* Advantage is in effect computed daily on the Account Value. See Charges and Other Deductions – *i4LIFE®* Advantage Charges.

i4LIFE® Advantage is available for contracts with a contract value of at least $50,000 and may be elected at the time of application or at any time before an annuity payout option under this contract is elected by sending a written request to our Home Office. If you purchased *4LATER℠* Advantage, you must wait at least one year before you can purchase *i4LIFE®* Advantage. When you elect *i4LIFE®* Advantage, you must choose the annuitant, Secondary Life, if applicable, and make several choices about your Regular Income Payments. The annuitant and Secondary Life may not be changed after *i4LIFE®* Advantage is elected. For qualified contracts, the Secondary Life must be the spouse. See *i4LIFE®* Advantage Death Benefits regarding the impact of a change to the annuitant prior to the *i4LIFE®* Advantage election.

i4LIFE® Advantage for IRA annuity contracts is only available if the annuitant and Secondary Life are age 59½ or older at the time the option is elected. Additional limitations on issue ages and features may be necessary to comply with the IRC provisions for required minimum distributions. Additional purchase payments may be made during the Access Period for an IRA annuity contract, unless the *4LATER®* Advantage Guaranteed Income Benefit or *i4LIFE®* Advantage Guaranteed Income Benefit has been elected. If the Guaranteed Income Benefit option has been elected on an IRA contract, additional purchase payments may be made until the initial Guaranteed Income Benefit is calculated. Additional purchase payments will not be accepted after the Periodic Income Commencement Date for a non-qualified annuity contract.

If *i4LIFE®* Advantage is selected, the applicable transfer provisions among subaccounts and the fixed account will continue to be those specified in your annuity contract for transfers on or before the Annuity Commencement Date. However, once *i4LIFE®* Advantage begins, any automatic withdrawal service will terminate. See The Contracts – Transfers on or before the Annuity Commencement Date.

When you elect *i4LIFE®* Advantage, the death benefit that you had previously elected will become the death benefit under *i4LIFE®* Advantage, unless you elect a less expensive death benefit option. Existing contractowners with the Account Value death benefit who elect *i4LIFE®* Advantage must choose the *i4LIFE®* Advantage Account Value death benefit. The amount paid under the new death benefit may be less than the amount that would have been paid under the death benefit provided before *i4LIFE®* Advantage began(if premium taxes have been deducted from the contract value). See The Contracts – i4LIFE® Advantage Death Benefits.

Access Period. At the time you elect *i4LIFE®* Advantage, you also select the Access Period, which begins on the Periodic Income Commencement Date. The Access Period is a defined period of time during which we pay variable, periodic Regular Income Payments and provide a death benefit, and during which you may surrender the contract and make withdrawals from your Account Value (defined below). At the end of the Access Period, the remaining Account Value is used to make Regular Income Payments for the rest of your life (or the Secondary Life if applicable). This is called the Lifetime Income Period. During the Lifetime Income Period, you will no longer be able to make withdrawals or surrenders or receive a death benefit. If your Account Value is reduced to zero because of withdrawals or market loss, your Access Period ends.

We will establish the minimum (currently 5 years) and maximum Access Periods at the time you elect *i4LIFE®* Advantage. Generally, shorter Access Periods will produce a higher initial Regular Income Payment than longer Access Periods. At any time during the Access Period, and subject to the rules in effect at that time, you may extend or shorten the Access Period by sending us notice. Additional restrictions may apply if you are under age 59½ when you request a change to the Access Period. Currently, if you extend the Access Period, it must be extended at least 5 years. If you change the Access Period, subsequent Regular Income Payments will be adjusted accordingly, and the Account Value remaining at the end of the new Access Period will be applied to continue Regular Income Payments for your life. Additional limitations on issue ages and features may be necessary to comply with the IRC provisions for required minimum distributions. We may reduce or terminate the Access Period for IRA *i4LIFE®* Advantage contracts in order to keep the Regular Income Payments in compliance with IRC provisions for required minimum distributions. The minimum Access Period requirements for Guaranteed Income Benefits are longer than the requirements for *i4LIFE®* Advantage without a Guaranteed Income Benefit. Shortening the Access Period will terminate the Guaranteed Income Benefit. See Guaranteed Income Benefit with *i4LIFE®* Advantage.

Account Value. The initial Account Value is the contract value on the valuation date *i4LIFE®* Advantage is effective (or your initial purchase payment if *i4LIFE®* Advantage is purchased at contract issue), less any applicable premium taxes. During the Access Period, the Account Value on a valuation date will the total value of all of the contractowner's accumulation units plus the contractowner's value in the fixed account, and will be reduced by Regular Income Payments made and Guaranteed Income Benefit payments as well as any withdrawals taken. After the Access Period ends, the remaining Account Value will be applied to continue Regular Income Payments for your life and the Account Value will be reduced to zero.

Regular Income Payments during the Access Period. *i4LIFE®* Advantage provides for variable, periodic Regular Income Payments for as long as an annuitant (or Secondary Life, if applicable) is living and access to your Account Value during the Access Period. When you elect *i4LIFE®* Advantage, you will have to choose the date you will receive the initial Regular Income Payment. Once they begin, Regular Income Payments will continue until the death of the annuitant or Secondary Life, if applicable. Regular Income Payments must begin within one year of the date your elect *i4LIFE®* Advantage. You also select when the Access Period ends and when the Lifetime Income Period begins. You must also select the frequency of the payments (monthly, quarterly, semi-annually or annually), how often the payment is recalculated, the length of the Access Period and the assumed investment return. These choices will influence the amount of your Regular Income Payments.

If you do not choose a payment frequency, the default is a monthly frequency. In most states, you may also elect to have Regular Income Payments from non-qualified contracts recalculated only once each year rather than recalculated at the time of each payment. This results in level Regular Income Payments between recalculation dates. Qualified contracts are only recalculated once per year, at the beginning of each calendar year. You also choose the assumed investment return. Return rates of 3%, 4%, 5% or 6% may be available. The higher the assumed investment return you choose, the higher your initial Regular Income Payment will be and the higher the return must be to increase subsequent Regular Income Payments. You also choose the length of the Access Period. At this time, changes can only be made on Periodic Income Commencement Date anniversaries.

Regular Income Payments are not subject to any surrender charges. See Charges and Other Deductions. For information regarding income tax consequences of Regular Income Payments, see Federal Tax Matters.

The amount of the initial Regular Income Payment is determined on the Periodic Income Commencement Date by dividing the contract value (or purchase payment if elected at contract issue), less applicable premium taxes by 1000 and multiplying the result by an annuity factor. The annuity factor is based upon:

- the age and sex of the annuitant and Secondary Life, if applicable;
- the length of the Access Period selected;
- the frequency of the Regular Income Payments;
- the assumed investment return you selected; and
- the Individual Annuity Mortality table specified in your contract.

The annuity factor used to determine the Regular Income Payments reflects the fact that, during the Access Period, you have the ability to withdraw the entire Account Value and that a death benefit of the entire Account Value will be paid to your beneficiary upon your death. These benefits during the Access Period result in a slightly lower Regular Income Payment, during both the Access Period and the Lifetime Income Period, than would be payable if this access was not permitted and no lump-sum death benefit of the full Account Value was payable. The contractowner must elect an Access Period of no less than the minimum Access Period which is currently set at 5 years. The annuity factor also reflects the requirement that there be sufficient Account Value at the end of the Access Period to continue your Regular Income Payments for the remainder of your life (and/or the Secondary Life if applicable), during the Lifetime Income Period, with no further access or death benefit.

The Account Value will vary with the actual net investment return of the subaccounts selected and the interest credited on the fixed account, which then determines the subsequent Regular Income Payments during the Access Period. Each subsequent Regular Income Payment (unless the levelized option is selected) is determined by dividing the Account Value on the applicable valuation date by 1000 and multiplying this result by an annuity factor revised to reflect the declining length of the Access Period. As a result of this calculation, the actual net returns in the Account Value are measured against the assumed investment return to determine subsequent Regular Income Payments. If the actual net investment return (annualized) for the contract exceeds the assumed investment return, the Regular Income Payment will increase at a rate approximately equal to the amount of such excess. Conversely, if the actual net investment return for the contract is less than the assumed investment return, the Regular Income Payment will decrease. For example, if net investment return is 3% higher (annualized) than the assumed investment return, the Regular Income Payment for the next year will increase by approximately 3%. Conversely, if actual net investment return is 3% lower than the assumed investment return, the Regular Income Payment will decrease by approximately 3%.

Withdrawals made during the Access Period will also reduce the Account Value that is available for Regular Income Payments, and subsequent Regular Income Payments will be reduced in the same proportion that withdrawals reduce the Account Value.

For a joint life option, if either the annuitant or Secondary Life dies during the Access Period, Regular Income Payments will be recalculated using a revised annuity factor based on the single surviving life, if doing so provides a higher Regular Income Payment.

For nonqualified contracts, if the annuitant (and Secondary Life if applicable) dies during the Access Period, the Guaranteed Income Benefit (if any) will terminate and the annuity factor will be revised for a non-life contingent Regular Income Payment and Regular Income Payments will continue until the Account Value is fully paid out and the Access Period ends. For qualified contracts, if the annuitant (and Secondary Life) dies during the Access Period, *i4LIFE®* Advantage (and the Guaranteed Income Benefit if applicable) will terminate.

Regular Income Payments during the Lifetime Income Period. The Lifetime Income Period begins at the end of the Access Period if either the annuitant or Secondary Life is living. Your earlier elections regarding the frequency of Regular Income Payments, assumed investment return and the frequency of the recalculation do not change. The initial Regular Income Payment during the Lifetime Income Period is determined by dividing the Account Value on the last valuation date of the Access Period by 1000 and multiplying the result by an annuity factor revised to reflect that the Access Period has ended. The annuity factor is based upon:

- the age and sex of the annuitant and Secondary Life (if living);
- the frequency of the Regular Income Payments;
- the assumed investment return you selected; and
- the Individual Annuity Mortality table specified in your contract.

The impact of the length of the Access Period and any withdrawals made during the Access Period will continue to be reflected in the Regular Income Payments during the Lifetime Income Period. To determine subsequent Regular Income Payments, the contract is credited with a fixed number of annuity units equal to the initial Regular Income Payment (during the Lifetime Income Period) divided by the annuity unit value (by subaccount). Subsequent Regular Income Payments are determined by multiplying the number of annuity units per subaccount by the annuity unit value. Your Regular Income Payments will vary based on the value of your annuity units. If your Regular Income Payments are adjusted on an annual basis, the total of the annual payment is transferred to Lincoln Life's general account to be paid out based on the payment mode you selected. Your payment(s) will not be affected by market performance during that year. You Regular Income Payment(s) for the following year will be recalculated at the beginning of the following year based on the current value of the annuity units.

Regular Income Payments will continue for as long as the annuitant or Secondary Life, if applicable, is living, and will continue to be adjusted for investment performance of the subaccounts your annuity units are invested in (and the fixed account if applicable). Regular Income Payments vary with investment performance.

During the Lifetime Income Period, there is no longer an Account Value; therefore, no withdrawals are available and no death benefit is payable. In addition, transfers are not allowed from a fixed annuity payment to a variable annuity payment.

i4LIFE® Advantage Death Benefits

***i4LIFE®* Advantage Account Value Death Benefit.** The *i4LIFE®* Advantage Account Value death benefit is available during the Access Period. This death benefit is equal to the Account Value as of the valuation date on which we approve the payment of the death claim. You may not change this death benefit once it is elected.

***i4LIFE®* Advantage EGMDB.** The *i4LIFE®* Advantage EGMDB is only available for nonqualified contracts during the Access Period. This benefit is the greatest of:

- the Account Value as of the valuation date on which we approve the payment of the claim; or
- the highest Account Value or contract value on any contract anniversary date (including the inception date of the contract) after the EGMDB is effective (determined before the allocation of any purchase payments on that contract anniversary) prior to the 81st birthday of the deceased and prior to the date of death. The highest Account Value or contract value is increased by purchase payments and is decreased by Regular Income Payments, including withdrawals to provide the Guaranteed Income

Benefits and all other withdrawals subsequent to the anniversary date on which the highest Account Value or contract value is obtained. Regular Income Payments and withdrawals are deducted on a dollar for dollar basis.

When determining the highest anniversary value, if you elected the EGMDB in the base contract and this death benefit was in effect when you purchased *i4LIFE®* Advantage, we will look at the contract value before *i4LIFE®* Advantage and the Account Value after the *i4LIFE®* Advantage election to determine the highest anniversary value.

All references to withdrawals include deductions for any applicable charges associated with that withdrawal (surrender charges for example) and premium taxes, if any.

Contracts with the *i4LIFE®* Advantage EGMDB may elect to change to the *i4LIFE®* Advantage Account Value death benefit. We will effect the change in death benefit on the valuation date we receive a completed election form at our Home Office, and we will begin deducting the lower *i4LIFE®* Advantage charge at that time. Once the change is effective, you may not elect to return to the *i4LIFE®* Advantage EGMDB.

General Death Benefit Provisions. For all death benefit options, following the Access Period, there is no death benefit. The death benefits also terminate when the Account Value equals zero, because the Access Period terminates.

If there is a change in the contractowner, joint owner or annuitant during the life of the contract, for any reason other than death, the only death benefit payable for the new person will be the *i4LIFE®* Advantage Account Value death benefit.

For non-qualified contracts, upon the death of the contractowner, joint owner or annuitant, the contractowner (or beneficiary) may elect to terminate the contract and receive full payment of the death benefit or may elect to continue the contract and receive Regular Income Payments. Upon the death of the Secondary Life, who is not also an owner, no death benefit is paid.

If you are the owner of an IRA annuity contract, and there is no Secondary Life, and you die during the Access Period, the i4LIFE® Advantage will terminate. A spouse beneficiary may start a new *i4LIFE®* Advantage program.

If a death occurs during the Access Period, the value of the death benefit will be determined as of the valuation date we approve the payment of the claim. Approval of payment will occur upon our receipt of all the following:

1. proof (e.g. an original certified death certificate), or any other proof of death satisfactory to us; and
2. written authorization for payment; and
3. all required claim forms, fully completed (including selection of a settlement option).

Notwithstanding any provision of this contract to the contrary, the payment of death benefits provided under this contract must be made in compliance with Code Section 72(s) or 401(a)(9) as applicable, as amended from time to time. Death benefits may be taxable. See Federal tax matters.

Upon notification to us of the death, Regular Income Payments may be suspended until the death claim is approved. Upon approval, a lump sum payment for the value of any suspended payments will be made as of the date the death claim is approved, and Regular Income Payments will continue, if applicable. The excess, if any, of the death benefit over the Account Value will be credited into the contract at that time.

If a lump sum settlement is elected, the proceeds will be mailed within seven days of approval by us of the claim subject to the laws, regulations and tax code governing payment of death benefits. This payment may be postponed as permitted by the Investment Company Act of 1940.

Guaranteed Income Benefit with *i4LIFE®* Advantage (for Non-Qualified Contracts or IRAs only)

A Guaranteed Income Benefit (version 4) is available for purchase when you elect *i4LIFE®* Advantage which ensures that your Regular Income Payments will never be less than a minimum payout floor, regardless of the actual investment performance of your contract. See Charges and Other Deductions for a discussion of the Guaranteed Income Benefit charges.

As discussed below, certain features of the Guaranteed Income Benefit may be impacted if you purchased *Lincoln SmartSecurity®* Advantage, *Lincoln Lifetime Income℠* Advantage or *Lincoln Lifetime Income℠* Advantage 2.0 (withdrawal benefit riders) prior to electing *i4LIFE®* Advantage with the Guaranteed Income Benefit (annuity payout rider). Refer to the *4LATER®* Advantage section of this prospectus for a discussion of the *4LATER®* Guaranteed Income Benefit.

Additional purchase payments cannot be made to a contract with the Guaranteed Income Benefit. You are also limited in how much you can invest in certain subaccounts. See the Contracts – Investment Requirements. The version of the Guaranteed Income Benefit, the date that you purchased it, and/or whether you previously owned *Lincoln Lifetime Income℠* Advantage 2.0 or *Lincoln Lifetime Income℠* Advantage will determine which Investment Requirement option applies to you.

There is no guarantee that the *i4LIFE®* Guaranteed Income Benefit option will be available to elect in the future, as we reserve the right to discontinue this option at any time. In addition, we may make different versions of the Guaranteed Income Benefit available to new purchasers or may create different versions for use with various Living Benefit riders. However, a contractowner with the *Lincoln Lifetime Income*℠ Advantage or the *Lincoln Lifetime Income*℠ Advantage 2.0 who decides to drop *Lincoln Lifetime Income*℠ Advantage or the *Lincoln Lifetime Income*℠ Advantage 2.0 to purchase *i4LIFE*® Advantage will be guaranteed the right to purchase the Guaranteed Income Benefit under the terms set forth in the *Lincoln Lifetime Income*℠ Advantage or the *Lincoln Lifetime Income*℠ Advantage 2.0 rider.

i4LIFE® Advantage Guaranteed Income Benefit, if available, is elected when you elect *i4LIFE*® Advantage or during the Access Period, if still available for election, subject to terms and conditions at that time. You may choose not to purchase the *i4LIFE*® Advantage Guaranteed Income Benefit at the time you purchase *i4LIFE*® Advantage by indicating that you do not want the *i4LIFE*® Advantage Guaranteed Income Benefit on the election form at the time that you purchase *i4LIFE*® Advantage. If you intend to use the Guaranteed Amount from either the *Lincoln SmartSecurity*® Advantage or the *Lincoln Lifetime Income*℠ Advantage riders to establish the Guaranteed Income Benefit, you must elect the Guaranteed Income Benefit at the time you elect *i4LIFE*® Advantage.

The *i4LIFE*® Advantage Guaranteed Income Benefit is reduced by withdrawals (other than Regular Income Payments) in the same proportion that the withdrawals reduce the Account Value. See *i4LIFE*® Advantage – General *i4LIFE*® Provisions for an example.

There are four versions of the Guaranteed Income Benefit. Guaranteed Income Benefit (version 1) is no longer available for election. Guaranteed Income Benefit (version 2) may only be elected if you own a version of *Lincoln Lifetime Income*℠ Advantage that guarantees you the right to elect that version. You may elect Guaranteed Income Benefit (version 3) after December 31, 2010 or after Guaranteed Income Benefit (version 4) is approved in your state, if later, only if you own a version of *Lincoln Lifetime Income*℠ Advantage that guarantees you the right to elect that version. Guaranteed Income Benefit (version 4) is available for election on or after November 15, 2010 or when approved in your state and is the only version of the Guaranteed Income Benefit currently available for election, when approved in your state, unless you are guaranteed the right to elect a prior version pursuant to the terms of your Living Benefit rider. Please refer to your Living Benefit rider regarding the availability of prior versions of Guaranteed Income Benefit.

Guaranteed Income Benefit (version 4). For Guaranteed Income Benefit (version 4) the initial Guaranteed Income Benefit will be an amount equal to a specified percentage of your Account Value (or Income Base or Guaranteed Amount as applicable), based on your age (or the age of the youngest life under a joint life option) at the time the Guaranteed Income Benefit is elected. The specified percentages and the corresponding age-bands for calculating the initial Guaranteed Income Benefit are outlined in the applicable table below.

Age-Banded Percentages for Calculating Initial Guaranteed Income Benefit for *i4LIFE*® Advantage elections on or after May 21, 2012.

Age	Percentage of Account Value, Income Base or Guaranteed Amount*
Under age 40	2.0%
40 - 54	2.5%
55 - under 59.5	3.0%
59.5 - 64	3.5%
65 - 69	4.0%
70 - 74	4.5%
75 and above	5.0%

Age-Banded Percentages for Calculating Initial Guaranteed Income Benefit for *i4LIFE*® Advantage elections prior to May 21, 2012.

Age	Percentage of Account Value, Income Base or Guaranteed Amount*
Under age 40	2.5%
40 - 54	3.0%
55 - under 59.5	3.5%
59.5 - 64	4.0%
65 - 69	4.5%
70 - 79	5.0%
80 and above	5.5%

*Purchasers of *Lincoln SmartSecurity*® Advantage may use any remaining Guaranteed Amount (if greater than the Account Value) to calculate the initial Guaranteed Income Benefit. Purchasers of *Lincoln Lifetime Income*℠ Advantage 2.0 may use any remaining Income Base reduced by all Guaranteed Annual Income payments since the last Automatic Annual Step-up or the rider's effective date (if there has not been any Automatic Annual Step-up) if greater than the Account

Value to establish the initial Guaranteed Income Benefit. Contractowners who elected *Lincoln SmartSecurity*® Advantage will receive the currently available version of the Guaranteed Income Benefit.

If the amount of your *i4LIFE*® Advantage Regular Income Payment has fallen below the Guaranteed Income Benefit, because of poor investment results, a payment equal to the *i4LIFE*® Advantage Guaranteed Income Benefit is the minimum payment you will receive. If the market performance in your contract is sufficient to provide Regular Income Payments at a level that exceeds the Guaranteed Income Benefit, the Guaranteed Income Benefit will never come into effect. If the Guaranteed Income Benefit is paid, it will be paid with the same frequency as your Regular Income Payment. If your Regular Income Payment is less than the Guaranteed Income Benefit, we will reduce the Account Value by the Regular Income Payment plus an additional amount equal to the difference between your Regular Income Payment and the Guaranteed Income Benefit (in other words, Guaranteed Income Benefit payments reduce the Account Value by the entire amount of the Guaranteed Income Benefit payment.) (Regular Income Payments also reduce the Account Value.) This payment will be made from the variable subaccounts and the fixed account on a pro-rata basis according to your investment allocations.

If your Account Value reaches zero as a result of payments to provide the Guaranteed Income Benefit, we will continue to pay you an amount equal to the Guaranteed Income Benefit. If your Account Value reaches zero, your Access Period will end and your Lifetime Income Period will begin. Additional amounts withdrawn from the Account Value to provide the Guaranteed Income Benefit may terminate your Access Period earlier than originally scheduled, and will reduce your death benefit. If your Account Value equals zero, no death benefit will be paid. See *i4LIFE*® Advantage Death Benefits. After the Access Period ends, we will continue to pay the Guaranteed Income Benefit for as long as the annuitant (or the Secondary Life, if applicable) is living.

The following example illustrates how poor investment performance, which results in a Guaranteed Income Benefit payment, affects the *i4LIFE*® Account Value:

• *i4LIFE*® Account Value before market decline	$135,000
• *i4LIFE*® Account Value after market decline	$100,000
• Guaranteed Income Benefit	$ 810
• Regular Income Payment after market decline	$ 769
• Account Value after market decline and Guaranteed Income Benefit payment	$ 99,190

The contractowner receives an amount equal to the Guaranteed Income Benefit. The entire amount of the Guaranteed Income Benefit is deducted from the Account Value.

The Guaranteed Income Benefit (version 4) will automatically step up every year to 75% of the current Regular Income Payment, if that result is greater than the immediately prior Guaranteed Income Benefit. For non-qualified contracts, the step-up will occur annually on the first valuation date on or after each Periodic Income Commencement Date anniversary starting on the first Periodic Income Commencement Date anniversary. For qualified contracts, the step-up will occur annually on the valuation date of the first periodic income payment of each calendar year. The first step-up is the valuation date of the first periodic income payment in the next calendar year following the Periodic Income Commencement Date.

The following example illustrates how the initial Guaranteed Income Benefit (version 4) is calculated for a 60-year old contractowner with a nonqualified contract, and how a step-up would increase the Guaranteed Income Benefit in a subsequent year. The percentage of the Account Value used to calculate the initial Guaranteed Income Benefit is 3.5% for a 60-year old per the Age-Banded Percentages for Calculating Initial Guaranteed Income Benefit for Elections on or after May 21, 2012, table above. The example also assumes that the Account Value has increased due to positive investment returns resulting in a higher recalculated Regular Income Payment. See The Contracts – *i4LIFE*® Advantage-Regular Income Payments during the Access Period for a discussion of recalculation of the Regular Income Payment.

8/1/2010 Amount of initial Regular Income Payment:	$ 4,801
8/1/2010 Account Value at election of Guaranteed Income Benefit (version 4):	$100,000
8/1/2010 Initial Guaranteed Income Benefit (3.5% times $100,000 Account Value):	$ 3,500
8/1/2011 Recalculated Regular Income Payment:	$ 6,000
8/1/2011 Guaranteed Income Benefit after step-up (75% of $6,000):	$ 4,500

The contractowner's Guaranteed Income Benefit was increased to 75% of the recalculated Regular Income Payment.

At the time of a step-up of the Guaranteed Income Benefit the *i4LIFE*® Guaranteed Income Benefit percentage charge may increase subject to the maximum guaranteed charge of 2.00%. This means that your charge may change every year. If we automatically administer a new step-up for you and if your percentage charge is increased, you may ask us to reverse the step-up by giving us notice within 30 days after the date of the step-up. If we receive notice of your request to reverse the step-up, on a going forward basis, we will decrease the percentage charge to the percentage charge in effect before the step-up occurred. Any increased charges paid between the time of the step-up and the date we receive your notice to reverse the step-up will not be reimbursed. Step-ups will continue after a request to reverse a step-up. *i4LIFE*® Advantage charges are in addition to the Guaranteed Income Benefit charges. We will provide you with written notice when a step-up will result in an increase to the current charge so that you may give us timely notice if you wish to reverse a step-up.

The next section describes any differences in how the Guaranteed Income Benefit works for Guaranteed Income Benefit (version 3), Guaranteed Income Benefit (version 2) and Guaranteed Income Benefit (version 1). All other features of the Guaranteed Income Benefit not discussed below are the same as in Guaranteed Income Benefit (version 4).

Guaranteed Income Benefit (version 3). Guaranteed Income Benefit (version 3) was available for purchase on or after October 6, 2008 to December 31, 2010 or when Guaranteed Income Benefit (version 4) is approved in your state whichever occurs later (unless version 3 is available for election at any time per the terms of a Living Benefit rider). For Guaranteed Income Benefit (version 3) the Guaranteed Income Benefit is initially equal to 75% of the Regular Income Payment (which is based on your Account Value as defined in the *i4LIFE*® Advantage rider section) in effect at the time the Guaranteed Income Benefit is elected.

The Guaranteed Income Benefit will automatically step up every year to 75% of the current Regular Income Payment, if that result is greater than the immediately prior Guaranteed Income Benefit. The step-up will occur on every Periodic Income Commencement Date anniversary during a 5-year step-up period. At the end of a step-up period you may elect a new step-up period by submitting a written request to the Home Office. If you prefer, when you start the Guaranteed Income Benefit, you can request that we administer this election for you.

At the time of a reset of the step-up period the *i4LIFE*® Guaranteed Income Benefit percentage charge may increase subject to the maximum guaranteed charge of 1.50%. This means that your charge may change, once every five years. If we administer a new step-up period for you at your election and if your percentage charge is increased, you may ask us to reverse the step-up by giving us notice within 30 days after the Periodic Income Commencement Date anniversary. If we receive this notice, on a going forward basis, we will decrease the percentage charge to the percentage charge in effect before the step-up occurred. Any increased charges paid between the time of the step-up and the date we receive your notice to reverse the step-up will not be reimbursed. After a request to reverse a step-up you will have no more step-ups unless you notify us that you wish to restart a new step-up period. *i4LIFE*® Advantage charges are in addition to the Guaranteed Income Benefit charges. We will provide you with written notice when a step-up will result in an increase to the current charge so that you may give us timely notice if you wish to reverse a step-up.

Guaranteed Income Benefit (version 2). Guaranteed Income Benefit (version 2) was available for election prior to October 6, 2008 (unless version 2 is available for election at any time per the terms of a Living Benefit rider). For Guaranteed Income Benefit (version 2) the Guaranteed Income Benefit is initially equal to 75% of the Regular Income Payment (which is based on your Account Value as defined in the *i4LIFE*® Advantage rider section) in effect at the time the Guaranteed Income Benefit is elected.

The Guaranteed Income Benefit will automatically step-up every three years on the Periodic Income Commencement Date anniversary to 75% of the current Regular Income Payment, if the result is greater than the immediately prior Guaranteed Income Benefit. The step-up will occur on every third Periodic Income Commencement Date anniversary during a 15-year step-up period. At the end of a step-up period, you may elect a new 15-year step-up period by submitting a written request to the Home Office. If you prefer, when you start the Guaranteed Income Benefit, you can request that we administer this election for you.

At the time of a reset of the 15-year step-up period the *i4LIFE*® Guaranteed Income Benefit percentage charge may increase subject to the maximum guaranteed charge of 1.50%. This means that your charge may change, once every 15 years. If we administer a new step-up period for you at your election and if your percentage charge is increased, you may ask us to reverse the step-up by giving us notice within 30 days after the Periodic Income Commencement Date anniversary. If we receive this notice, on a going forward basis, we will decrease the percentage charge to the percentage charge in effect before the step-up occurred. Any increased charges paid between the time of the step-up and the date we receive your notice to reverse the step-up will not be reimbursed. After a request to reverse a step-up you will have no more step-ups unless you notify us that you wish to restart a new step-up period. *i4LIFE*® Advantage charges are in addition to the Guaranteed Income Benefit charges. We will provide you with written notice when a step-up will result in an increase to the current charge so that you may give us timely notice if you wish to reverse a step-up.

Guaranteed Income Benefit (version 1). If you have Guaranteed Income Benefit (version 1), your Guaranteed Income Benefit will not step-up on an anniversary, but will remain level. This version is no longer available for election.

The next section describes certain guarantees in Living Benefit riders relating to the election of the Guaranteed Income Benefit.

***Lincoln Lifetime Income*^SM^ Advantage 2.0.** Contractowners who purchase *Lincoln Lifetime Income*SM Advantage 2.0 are guaranteed the ability in the future to purchase *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4) even if it is no longer available for sale. They are also guaranteed that the Guaranteed Income Benefit percentages and Access Period requirements will be at least as favorable as those available at the time they purchased *Lincoln Lifetime Income*SM Advantage 2.0. See The Contracts- *Lincoln Lifetime Income*SM Advantage 2.0.

Contractowners with an active *Lincoln Lifetime Income*SM Advantage 2.0 may decide to drop *Lincoln Lifetime Income*SM Advantage 2.0 and purchase *i4LIFE*® Advantage with Guaranteed Income Benefit (version 4). If this decision is made, the contractowner can use the *Lincoln Lifetime Income*SM Advantage 2.0 Income Base reduced by all Guaranteed Annual Income payments since the last Automatic Annual Step-up or since the rider's effective date (if there has not been an Automatic Annual Step-up) if greater than the Account Value to establish the *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4) at the terms in effect for purchasers of this rider.

***Lincoln SmartSecurity®* Advantage.** Contractowners who purchased the *Lincoln SmartSecurity®* Advantage are guaranteed that they may use the remaining Guaranteed Amount (if greater than the Account Value) at the time the initial Guaranteed Income Benefit is determined, to calculate the Guaranteed Income Benefit. The initial Guaranteed Income Benefit will be equal to the applicable percentage based on either the contractowner's age (single life) or the youngest age of either the contractowner or Secondary Life (if applicable), at the time the Guaranteed Income Benefit is elected, multiplied by the remaining Guaranteed Amount. The applicable percentage is found in the Age-Banded Percentages for Calculating Initial Guaranteed Income Benefit for elections on or after May 21, 2012 table above. In other words, the initial Guaranteed Income Benefit will equal the applicable percentage based on the contractowner's age multiplied by the remaining Guaranteed Amount (if greater than the Account Value).

The following is an example of how the Guaranteed Amount from *Lincoln SmartSecurity®* Advantage or the Income Base from *Lincoln Lifetime Income*SM Advantage 2.0 may be used to calculate the *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4). The example assumes that on the date that *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4) is elected the contractowner is 70 years of age and has made no withdrawals from the contract. The percentage of the Account Value used to calculate the initial Guaranteed Income Benefit is 4.5% for a 70-year old per the Age-Banded Percentages for Calculating Initial Guaranteed Income Benefit for elections on or after May 21, 2012 table above. The example assumes an annual payment mode has been elected.

Account Value (equals contract value on date *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4) is elected):	$100,000
Guaranteed Amount/Income Base on date *i4LIFE®* Advantage with Guaranteed Income Benefit (version 4) is elected:	$140,000
Amount of initial Regular Income Payment:	$ 5,411 per year
Initial Guaranteed Income Benefit (4.5% x $140,000 Guaranteed Amount/Income Base which is greater than $100,000 Account Value):	$ 6,300

***Lincoln Lifetime Income*SM Advantage.** Contractowners who purchased *Lincoln Lifetime Income*SM Advantage are guaranteed that they may use the remaining Guaranteed Amount (if greater than the Account Value) at the time the Guaranteed Income Benefit is determined, to increase the Guaranteed Income Benefit (version 2 or version 3 only). The Guaranteed Income Benefit will be increased by the ratio of the remaining Guaranteed Amount to the contract value at the time the initial *i4LIFE®* Advantage payment is calculated. In other words, the Guaranteed Income Benefit will equal 75% of the initial Regular Income Payment times the remaining Guaranteed Amount divided by the contract value, if the Guaranteed Amount is greater than the contract value. See the *Lincoln Lifetime Income*SM – *i4LIFE®* Advantage Option section for an example of calculation of the Guaranteed Income Benefit using the purchased *Lincoln Lifetime Income*SM Advantage Guaranteed Amount.

Contractowners who purchased *Lincoln Lifetime Income*SM Advantage may also choose to drop *Lincoln Lifetime Income*SM Advantage to purchase the version of the Guaranteed Income Benefit that is then currently available; however, only the Account Value and not the Guaranteed Amount will be used to establish the Guaranteed Income Benefit. For Guaranteed Income Benefit (version 4), the initial Guaranteed Income Benefit will be equal to the applicable percentage, which is based on the age of either the contractowner (single life option) or the youngest age of either the contractowner or Secondary Life (joint life option) at the time the Guaranteed Income Benefit is elected, multiplied by the Account Value. The applicable percentage is found in the Age-Banded Percentages for Calculating Initial Guaranteed Income Benefit table above.

Impacts to *i4LIFE®* Advantage Regular Income Payments. When you select the *i4LIFE®* Advantage Guaranteed Income Benefit, certain restrictions will apply to your contract:

- A 4% assumed investment return (AIR) will be used to calculate the Regular Income Payments.
- The minimum Access Period required for Guaranteed Income Benefit (version 4) is the longer of 20 years (15 years for versions 2 and 3) or the difference between your age (nearest birthday) and age 100 (age 90 for version 4 prior to May 21, 2012; age 85 for versions 2 and 3). We may change this Access Period requirement prior to election of the Guaranteed Income Benefit. If you use the greater of the Account Value or Income Base under *Lincoln Lifetime Income*SM Advantage 2.0 to calculate the Guaranteed Income Benefit after the fifth anniversary of the rider's effective date, the minimum Access Period will be the longer of 20 years or the difference between your age (nearest birthday) and age 95 (15 years or the difference between your age and age 85 prior to May 21, 2012).

If you choose to lengthen your Access Period (which must be increased by a minimum of 5 years), your Regular Income Payment will be reduced. For versions 1, 2 and 3 of Guaranteed Income Benefit, an extension of your Access Period will also reduce your *i4LIFE®*

Advantage Guaranteed Income Benefit in proportion to the reduction in the Regular Income Payment. This reduction of the *i4LIFE*® Advantage Guaranteed Income Benefit does not apply to Guaranteed Income Benefit (version 4). If you choose to shorten your Access Period, the *i4LIFE*® Advantage with Guaranteed Income Benefit will terminate. Refer to the Example in the *4LATER*® Guaranteed Income Benefit section of this prospectus.

The *i4LIFE*® Advantage Guaranteed Income Benefit will terminate due to any of the following events:

- the death of the annuitant (or the later of the death of the annuitant or Secondary Life if a joint payout was elected); or
- a contractowner requested decrease in the Access Period or a change to the Regular Income Payment frequency; or
- upon written notice to us; or
- assignment of the contract; or
- failure to comply with Investment Requirements.

A termination due to a decrease in the Access Period, a change in the Regular Income Payment frequency, or upon written notice from the contractowner will be effective as of the valuation date on the next Periodic Income Commencement Date anniversary. Termination will be only for the *i4LIFE*® Advantage Guaranteed Income Benefit and not the *i4LIFE*® Advantage election, unless otherwise specified. However if you used the greater of the Account Value or Income Base under *Lincoln Lifetime Income*SM Advantage 2.0 to establish the Guaranteed Income Benefit any termination of the Guaranteed Income Benefit will also result in a termination of the *i4LIFE*® Advantage election. If you used your *Lincoln Lifetime Income*SM Advantage Guaranteed Amount to establish the Guaranteed Income Benefit, you must keep *i4LIFE*® Advantage and the Guaranteed Income Benefit in effect for at least 3 years. If you terminate the *i4LIFE*® Advantage Guaranteed Income Benefit you may be able to re-elect it, if available, after one year. The election will be treated as a new purchase, subject to the terms and charges in effect at the time of election and the *i4LIFE*® Advantage Regular Income Payments will be recalculated. The *i4LIFE*® Advantage Guaranteed Income Benefit will be based on the Account Value at the time of the election.

Availability. The Guaranteed Income Benefit (version 4) is available with qualified and nonqualified (IRAs and Roth IRAs) annuity contracts. The contractowner must be under age 96 for nonqualified contracts and under age 81 for qualified contracts at the time this rider is elected.

Withdrawals. You may request a withdrawal at any time prior to or during the Access Period. We reduce the Account Value by the amount of the withdrawal, and all subsequent Regular Income Payments and Guaranteed Income Benefit payments, if applicable, will be reduced proportionately. Withdrawals may have tax consequences. See Federal Tax Matters. Withdrawals are subject to any applicable surrender charges except when amounts may be withdrawn free of surrender charges. See Charges and Other Deductions.

The following example demonstrates the impact of a withdrawal on the Regular Income Payments and the Guaranteed Income Benefit payments:

• *i4LIFE*® Regular Income Payment before Withdrawal	$ 1,200
• Guaranteed Income Benefit before Withdrawal	$ 900
• Account Value at time of Additional Withdrawal	$150,000
• Additional Withdrawal	$ 15,000 (a 10% withdrawal)

Reduction in *i4LIFE*® Regular Income Payment for Withdrawal = $1,200 X 10 % = $120
i4LIFE® Regular Income Payment after Withdrawal = $1,200 - $120 = $1,080

Reduction in Guaranteed Income Benefit for Withdrawal = $900 X 10% = $90
Guaranteed Income Benefit after Withdrawal = $900 - $90 = $810

Surrender. At any time prior to or during the Access Period, you may surrender the contract by withdrawing the surrender value. If the contract is surrendered, the contract terminates and no further Regular Income Payments will be made. Withdrawals are subject to any applicable surrender charges except when amounts may be withdrawn free of surrender charges. See Charges and Other Deductions.

Termination. For IRA annuity contracts, you may terminate *i4LIFE*® Advantage prior to the end of the Access Period by notifying us in writing. The termination will be effective on the next valuation date after we receive the notice and your contract will return to the accumulation phase. Your *i4LIFE*® Advantage death benefit will terminate and you will have the Account Value death benefit option. Upon termination, we will stop assessing the charge for *i4LIFE*® Advantage and begin assessing the mortality and expense risk charge and administrative charge associated with the new death benefit option. Your contract value upon termination will be equal to the Account Value on the valuation date we terminate *i4LIFE*® Advantage.

For non-qualified contracts, you may not terminate *i4LIFE*® Advantage once you have elected it.

i4LIFE® Advantage for Qualified Contracts

i4LIFE® Advantage (the Variable Annuity Income rider in your contract) is an optional annuity payout rider you may elect and is separate and distinct from other annuity payout options offered under your contract and described later in this prospectus.

In order to elect the *i4LIFE®* Advantage benefit, you may need to surrender your existing base contract and apply for a new contract. The surrender charges and fees applicable to the new base contract will not be higher than such fees applicable to the base contract being surrendered. However, an additional charge will be incurred on the new base contract for *i4LIFE®* Advantage; just as it would be for a contract that need not be surrendered to elect *i4LIFE®* Advantage. Enhanced interest rates will not be offered on the fixed account(s) of the new base contract. Please contact your sales representative to determine if it is necessary to surrender your contract in order to elect *i4LIFE®* Advantage.

i4LIFE® Advantage is a payout option that provides you with variable, regular monthly income payments for life. These payouts begin and are made during an Access Period, where you have access to the Account Value. After the Access Period ends, Regular Income Payments continue for the rest of your life, during the Lifetime Income Period. *i4LIFE®* Advantage is different from other annuity payout options provided by Lincoln because with *i4LIFE®* Advantage, you have the ability to make additional withdrawals or surrender the contract during the Access Period. The initial regular monthly income payment is based on the Account Value on the Periodic Income Commencement Date. This date is no more than 14 days prior to the date you begin receiving the regular monthly income payments. This option is available for participants in 401(k), 403(b) and most 457 plans ("tax-deferred retirement plans"). This option, when available in your state, is subject to a charge. See Charges and Other Deductions – *i4LIFE®* Advantage Charges for Qualified Contracts.

i4LIFE® Advantage may be elected at the time of application or at any time before another annuity payout option is elected by sending a written request to our Home Office. When you elect *i4LIFE®* Advantage, you make certain choices about your Regular Income Payments. The annuitant, or Secondary Life, if applicable, may not be changed after *i4LIFE®* Advantage is elected. The Periodic Income Commencement Date will be within one month of when your *i4LIFE®* Advantage election form is approved by us.

i4LIFE® Advantage for tax-deferred retirement plans is only available if the annuitant is eligible to receive a payout pursuant to the terms and conditions of his or her plan at the time the option is elected. Additional limitations on issue ages and features may be necessary to comply with the Internal Revenue Code provisions for required minimum distributions.

If *i4LIFE®* Advantage is selected, in addition to the Investment Requirements imposed by electing this option, the applicable transfer provisions among subaccounts and the fixed account during the access period will continue to be those specified in your prospectus. See The Contracts – Transfers on or Before the Annuity Commencement Date. During the Lifetime Income Period, the transfer provisions are those specified in your prospectus. See The Contracts – Transfers after the Annuity Commencement Date. Once *i4LIFE®* Advantage begins, any automatic withdrawal service will terminate. See The Contracts – Additional Services.

When you elect *i4LIFE®* Advantage, you will receive the *i4LIFE®* Advantage Guarantee of Principal death benefit. See *i4LIFE®* Advantage Death Benefit.

Access Period. At the time you elect *i4LIFE®* Advantage, you also select the Access Period, which begins on the Periodic Income Commencement Date. The Access Period is a defined period of time during which we pay variable, regular monthly income payments and provide a death benefit, and during which you may surrender the contract and make additional withdrawals from your Account Value. During the Access Period, the Account Value is available as a minimum death benefit, or for additional withdrawals or surrender of the contract. At the end of the Access Period, the remaining Account Value is used to determine the amount of regular monthly income payments for the rest of your life (and the Secondary Life if applicable) and you will no longer be able to make withdrawals or surrenders or receive a death benefit. If your Account Value is reduced to zero because of withdrawals or market loss, your Access Period ends.

We will establish the minimum (currently the greater of 15 years or to age 85) and maximum Access Periods at the time you elect *i4LIFE®* Advantage. Generally, shorter Access Periods will produce a higher initial Regular Income Payment than longer Access Periods. At any time during the Access Period, and subject to the rules in effect at that time, you may extend the Access Period by sending us notice. Additional restrictions may apply if you are under 59½ when you request a change to the Access Period. A request to extend the Access Period will be effective on the next Periodic Income Commencement Date anniversary. Currently, if you extend the Access Period, it must be extended at least 5 years.

If you extend the Access Period, subsequent Regular Income Payments and the Guaranteed Income Benefit will be reduced accordingly. The Guaranteed Income Benefit will be adjusted in proportion to the reduction in the new Regular Income Payment. Extending the Access Period lowers the regular payment and Guaranteed Income Benefit because these payments are spread out over a longer period of time. For example, assume you have an access period of 25 years, a Regular Income Payment of $433 a month and a Guaranteed Income Benefit of $332 per month. If you extend your access period to 30 years, the Regular Income Payment decreases to $428 per month (a reduction of 1.15%) and the Guaranteed Income Benefit is also reduced by 1.15% for a payment of $328.

We may reduce or terminate the Access Period for tax-deferred retirement plans in order to keep the Regular Income Payments in compliance with Internal Revenue Code ("IRC") provisions for required minimum distributions. You may not shorten your Access Period.

Account Value. The initial Account Value is equal to the total of the dollar value of the fixed and variable options contained in the contract in which you are invested on the Periodic Income Commencement Date. During the Access Period, the Account Value will be increased/decreased by any investment gains/losses including interest credited on the fixed account, and will be reduced by Regular Income Payments made, any Guaranteed Income Benefit payments made, and any withdrawals taken. After the Access Period ends, the remaining Account Value will be applied to continue Regular Income Payments for your life (and the Secondary Life, if applicable) and the Account Value will be reduced to zero.

Regular Income Payments during the Access Period. *i4LIFE*® Advantage provides for variable, periodic Regular Income Payments for as long as an annuitant (or Secondary Life, if applicable) is living; and access to your Account Value during the Access Period. Such payments will not vary during the year unless there is a withdrawal. When you elect *i4LIFE*® Advantage, you will have to choose the length of the Access Period. This choice will influence the amount of your Regular Income Payments. Regular Income Payments will begin within 14 days of the Periodic Income Commencement Date. At this time, changes to the Access Period can only be made on Periodic Income Commencement Date anniversaries.

Regular Income Payments for tax-deferred retirement plans will be paid monthly, and are only recalculated once per year, at the beginning of each calendar year. An assumed investment return rate of 4% will be available. Regular Income Payments are not subject to any surrender charges or applicable Interest Adjustments. For information regarding income tax consequences of Regular Income Payments, See Federal Tax Matters.

The amount of the initial Regular Income Payment is determined on the Periodic Income Commencement Date by dividing the Account Value by 1000 and multiplying the result by an annuity factor. In the absence of excess withdrawals this amount will remain constant throughout the calendar year. The annuity factor is based upon:

- The age and sex (unless unisex rates are required by law) of the annuitant and Secondary Life, if applicable;
- the length of the Access Period selected;
- the monthly Regular Income Payments;
- the assumed investment return of 4%; and
- the Individual Annuity Mortality table specified in your contract.

The annuity factor used to determine the Regular Income Payments reflects the fact that, during the Access Period, you have the ability to withdraw the entire Account Value and that a death benefit of the entire Account Value will be paid to your beneficiary upon your death. These benefits during the Access Period result in a slightly lower Regular Income Payment, during both the Access Period and the Lifetime Income Period, than would be payable if this access was not permitted and no lump-sum death benefit of the full Account Value was payable. The annuity factor also reflects the requirement that there be sufficient Account Value at the end of the Access Period to continue your Regular Income Payments for the remainder of your life (and/or the Secondary Life if applicable), during the Lifetime Income Period, with no further access or death benefit.

Subsequent Regular Income Payments during the Access Period are determined by dividing the Account Value, on the applicable valuation date (December 31) by 1000 and multiplying this result by an annuity factor revised to reflect the declining length of the Access Period. You will receive the same payment each month throughout the year. The Account Value continues to vary with the performance of the subaccounts selected and the interest credited on the fixed account. The assumed investment return is the measuring point for subsequent Regular Income Payments. If the actual net investment return (annualized) for the contract exceeds the assumed investment return, the Regular Income Payment will increase at a rate approximately equal to the amount of such excess. Conversely, if the actual net investment return for the contract is less than the assumed investment return, the Regular Income Payment will decrease. For example, if net investment return is 3% higher (annualized) than the assumed investment return, the Regular Income Payment for the next year will increase by approximately 3%. Conversely, if actual net investment return is 3% lower than the assumed investment return, the Regular Income Payment will decrease by approximately 3%.

Withdrawals made during the Access Period will also reduce the Account Value that is available for Regular Income Payments, and subsequent Regular Income Payments will be reduced in the same proportion that withdrawals reduce the Account Value. For example, a contract owner has an Account Value of $100,000 and an income payment of $400 per month. If the contract owner makes a withdrawal of $25,000 (resulting in a 25% reduction of Account Value), there would be a corresponding 25% reduction to the Regular Income Payment. The Regular Income Payment of $400 would be reduced to $300 [$400 – (25% x $400)]. See *i4LIFE*® Advantage – General *i4LIFE*® Advantage Provisions for more information on withdrawals.

For a joint life option, the Secondary Life must be the annuitant's spouse and must be the primary beneficiary. If either the annuitant or Secondary Life dies during the Access Period, the surviving life may elect to continue Regular Income Payments. We may adjust the Access Period length to ensure the regular monthly income payments conform to the required minimum distribution requirements of Section 401(a)(9) of the IRC. Regular Income Payments will continue for the remainder of the Access Period and then, if there is a surviving life, for the Lifetime Income Period. As an alternative, upon the death of the annuitant, the Secondary Life may choose to take the death benefit, and the *i4LIFE*® Advantage rider will terminate. The Account Value less any contingent deferred sales charge may be paid upon the death of the Secondary Life during the Access Period, if applicable. If there is no surviving life, then the Regular Income Payments will cease and this rider will terminate.

For a single life option, if the annuitant dies during the Access Period, a death benefit will be paid and the Regular Income Payments will cease and this rider will terminate.

Regular Income Payments during the Lifetime Income Period. The Lifetime Income Period begins at the end of the Access Period if either the annuitant or Secondary Life is living. The frequency of Regular Income Payments, the assumed investment return and the frequency of the recalculation do not change. The initial Regular Income Payment during the Lifetime Income Period is determined by dividing the Account Value on the last valuation date of the Access Period by 1000 and multiplying the result by an annuity factor revised to reflect that the Access Period has ended. The annuity factor is based upon:

- the age and sex (unless unisex rates are required by law) of the annuitant and Secondary Life (if living);
- the monthly Regular Income Payments;
- the assumed investment return of 4%; and
- the Individual Annuity Mortality table specified in your contract.

The impact of the length of the Access Period and any withdrawals made during the Access Period will continue to be reflected in the Regular Income Payments during the Lifetime Income Period. To determine subsequent Regular Income Payments, the contract is credited with a fixed number of annuity units equal to the initial Regular Income Payment (during the Lifetime Income Period) divided by the annuity unit value (by subaccount). Your Regular Income Payments are adjusted on an annual basis, and the total of the annual payment is transferred to Lincoln Life's general account in January to be paid out monthly. During the Lifetime Income Period monies deposited to the general account will receive the then current crediting rate. Your payment(s) will not be affected by market performance during that year. Your Regular Income Payment(s) for the following year will be recalculated at the beginning of the following year based on the current value of the annuity units.

Regular Income Payments will vary on an annual basis for as long as the annuitant or Secondary Life, if applicable, is living, and will continue to be adjusted for investment performance of the subaccounts your annuity units are invested in (and the fixed account if applicable). Regular Income Payments vary with investment performance.

During the Lifetime Income Period, there is no longer an Account Value; therefore, no withdrawals are available and no death benefit is payable.

i4LIFE® Advantage Death Benefit

***i4LIFE®* Advantage Guarantee of Principal Death Benefit.** The *i4LIFE®* Advantage Guarantee of Principal death benefit is available for qualified contracts during the Access Period and will be equal to the greater of:

- the Account Value as of the valuation date we approve the payment of the claim; or
- the sum of all purchase payments, less the sum of Regular Income Payments and other additional withdrawals (including withdrawals to provide the Guaranteed Income Benefit).

References to purchase payments and withdrawals include purchase payments and withdrawals made prior to the election of *i4LIFE®* Advantage if your contract was in force prior to that election. Regular Income Payments are deducted from the death benefit before any additional withdrawals when determining the death benefit.

The following example demonstrates the impact of a withdrawal on your death benefit:

Total Purchase Payments $200,000
Total *i4LIFE®* Advantage Regular Income Payments $25,000
Additional Withdrawal $15,000
Death Benefit Value after *i4LIFE®* Advantage withdrawal = $200,000 – $25,000 = $175,000
Death Benefit value after additional withdrawal = $175,000 - $15,000 = $160,000

General Death Benefit Provisions. Following the Access Period, there is no death benefit. The death benefits also terminate when the Account Value equals zero, because the Access Period terminates.

During the access period, if the single life option has been elected, then upon the death of the annuitant, the Regular Income Payments will cease and this rider will terminate. If the joint life option has been elected, then upon the death of the annuitant, the Secondary Life, if still surviving, as spouse and primary beneficiary, may terminate the contract and this rider and receive full payment of the death benefit or elect to continue the contract and this rider and receive Regular Income Payments for his/her lifetime. Upon the death of the Secondary Life, the annuitant if still surviving, may continue to receive Regular Income Payments for the remainder of the access period and for the Lifetime Income Period or may elect to terminate this rider. If neither the annuitant nor the Secondary Life is still surviving, the Regular Income Payments will cease and this rider will terminate.

The value of the death benefit will be determined as of the valuation date we approve the payment of the claim. Approval of payment will occur upon our receipt of all the following:

1. proof (e.g. an original certified death certificate), or any other proof of death satisfactory to us; and
2. written authorization for payment; and
3. all required claim forms, fully completed (including selection of a settlement option).

Notwithstanding any provision of this contract to the contrary, the payment of death benefits provided under this contract must be made in compliance with IRC Section 72(s) or 401(a)(9) as applicable, as amended from time to time. Death benefits may be taxable. See Federal Tax Matters.

Upon notification to Lincoln Life of the death, Regular Income Payments may be suspended until the death claim is approved. If this rider is continued, upon approval of the death claim the excess, if any, of the death benefit over the Account Value will be credited into the contract at that time and a lump sum payment for the value of any suspended payments, as of the date the death claim is approved, will be made and the Regular Income Payments will restart. Otherwise, this rider terminates.

If a lump sum settlement is elected, the proceeds will be mailed within seven days of approval by us of the claim subject to the laws, regulations and tax code governing payment of death benefits. This payment may be postponed as permitted by the Investment Company Act of 1940.

Withdrawals. You may request a withdrawal at any time prior to or during the Access Period. We reduce the Account Value by the amount of the withdrawal, and all subsequent Regular Income Payments will be reduced in the same proportion as the withdrawal reduces the Account Value. Withdrawals may have tax consequences. Withdrawals are subject to any applicable surrender charges except when amounts may be withdrawn free of surrender charges. The Interest Adjustment may apply.

The following example demonstrates the impact of a withdrawal on the Regular Income Payments and the Guaranteed Income Benefit Payments:

i4LIFE® Advantage Regular Income Payment before Withdrawal $1,200
Guaranteed Income Benefit before Withdrawal $750
Account Value at time of Additional Withdrawal $150,000
Additional Withdrawal $15,000 (a 10% withdrawal)
Reduction in *i4LIFE*® Advantage Regular Income Payment for Withdrawal = $1,200 x 10% = $120
i4LIFE® Advantage Regular Income Payment after Withdrawal = $1,200 – $120 = $1,080
Reduction in Guaranteed Income Benefit for Withdrawal = $750 x 10% = $75
Guaranteed Income Benefit after Withdrawal = $750 – $75 = $675

Surrender. At any time prior to or during the Access Period, you may surrender the contract by withdrawing the surrender value. If the contract is surrendered, the contract terminates and no further Regular Income Payments will be made. Withdrawals are subject to any applicable surrender charges except when amounts may be withdrawn free of surrender charges.

Termination. You may terminate *i4LIFE*® Advantage prior to the end of the Access Period by notifying us in writing. The termination will be effective on the next valuation date after we receive the notice and your contract will return to the accumulation phase. Upon termination, we will stop assessing the charge for *i4LIFE*® Advantage and assess the mortality and expense risk charge and administrative charge associated with the contract without this feature. Your contract value upon termination will be equal to the Account Value on the valuation date we terminate *i4LIFE*® Advantage.

Availability. The availability of *i4LIFE*® Advantage will depend upon your state's approval of the *i4LIFE*® Advantage contract rider. Please check with your registered representative for availability.

Guaranteed Income Benefit with *i4LIFE*® Advantage for Qualified Contracts

The Guaranteed Income Benefit ensures that your Regular Income Payments will never be less than a minimum amount, adjusted for withdrawals, regardless of the actual investment performance of your contract. The Guaranteed Income Benefit is in effect during both the access period and the Lifetime Income Period.

The Guaranteed Income Benefit is initially equal to 75% of the initial Regular Income Payment. If the amount of your *i4LIFE*® Advantage Regular Income Payment (which is based on your *i4LIFE*® Advantage Account Value) has fallen below the Guaranteed Income Benefit, because of poor investment results, a payment equal to the Guaranteed Income Benefit is the minimum payment you will receive. If the Guaranteed Income Benefit is paid, it will be paid with the same frequency as your Regular Income Payment. If your Regular Income Payment is less than the Guaranteed Income Benefit, we will reduce the Account Value by the Regular Income Payment plus an additional amount equal to the difference between your Regular Income Payment and the Guaranteed Income Benefit. This additional amount will be withdrawn from the variable subaccounts and the fixed account on a pro-rata basis according to your investment allocations. If your Account Value reaches zero as a result of the payment of the Guaranteed Income Benefit, your Access Period will end and your Lifetime Income Period will begin. Additional amounts withdrawn from the Account Value to provide the Guaranteed Income Benefit may terminate your Access Period earlier than originally scheduled, and will reduce your death benefit. See *i4LIFE*® Advantage Death Benefits. After the Access Period ends, we will continue to pay the Guaranteed Income Benefit for as long as the annuitant, or Secondary Life, if applicable, is living.

The Guaranteed Income Benefit has an automatic step-up feature that works as follows: During the 15-year step-up period, the Guaranteed Income Benefit will automatically step-up every three years to 75% of the current Regular Income Payment, if that result is greater than the immediately prior Guaranteed Income Benefit. The 15-year period will run from the Periodic Income Commencement Date, or the date of the most recent reset of the 15-year step-up period. Each 3-year step-up occurs on the valuation date of the first Regular Income Payment in the first calendar year of each 3-year period. . At the end of a 15-year step-up period, the contractowner may continue with the current Guaranteed Income Benefit amount at the current fee with no further step-ups or alternatively elect a new 15-year step-up period by submitting a written request to the Home Office. If a new 15-year step-up period is elected, the *i4LIFE*® Advantage fee will be the current charge in effect at the time of the step-up election period. A new step-up period may be elected during the Access and Lifetime Income periods, but the new step-up period must be elected at or before the end of the previous step-up period or no new step-up period may be elected in the future. If you prefer, when you start the Guaranteed Income Benefit, you can request that Lincoln administer the election of a new 15-year step-up period for you. After Lincoln administers this election, you have 30 days to notify us if you wish to reverse the election. If a new 15-year step-up period is elected, the *i4LIFE*® Advantage charge may increase subject to the guaranteed maximum annual percentage charge of 1.50%.

The Guaranteed Income Benefit is reduced by withdrawals (other than Regular Income Payments or Guaranteed Income Benefit payments) in the same proportion that the withdrawals reduce the Account Value. See *i4LIFE*® Advantage – General *i4LIFE*® Advantage Provisions to see the impact of a withdrawal on the Regular Income Payments and the Guaranteed Income Benefit.

If you choose to lengthen your Access Period, (which must be increased by a minimum of 5 years up to the maximum available) thereby reducing your Regular Income Payment, your Guaranteed Income Benefit will also be reduced. The Guaranteed Income Benefit will be reduced in proportion to the reduction in the Regular Income Payment. You may not shorten your Access Period.

4LATER® Advantage (for Non-Qualified Contracts or IRAs only)

4LATER® Advantage provides protection against market loss for your *i4LIFE*® Advantage Regular Income Payments. *4LATER*® Advantage includes the calculation of an Income Base (described below), prior to the time Regular Income Payments begin, which is then used to establish a minimum payout floor for the Regular Income Payments. The minimum payout floor called the *4LATER*® Advantage Guaranteed Income Benefit ensures that once you elect *i4LIFE*® Advantage, you will always receive a payout amount at least equal to the Guaranteed Income Benefit, regardless of market performance. Election of this rider may limit how much you can invest in certain subaccounts. See the Contracts - Investment Requirements - Option 1. *4LATER*® Advantage is available for non-qualified contracts and IRAs only.

4LATER® Advantage Prior to *i4LIFE*® Advantage

The following discussion covers the operation of *4LATER*® Advantage during the accumulation phase of your annuity. This is prior to the time *i4LIFE*® Advantage Regular Income Payments begin.

Income Base. The Income Base is a value established when you purchase *4LATER*® Advantage and will only be used to calculate the *4LATER*® Advantage Guaranteed Income Benefit at a later date. The Income Base is not available for withdrawals or as a death benefit. If you elect *4LATER*® Advantage at the time you purchase the contract, the Income Base initially equals the purchase payments. If you elect *4LATER*® Advantage after we issue the contract, the Income Base will initially equal the contract value on the *4LATER*® Advantage rider effective date. Additional purchase payments automatically increase the Income Base by the amount of the purchase payments. Each withdrawal reduces the Income Base in the same proportion as the amount withdrawn reduces the contract value on the valuation date of the withdrawal.

As described below, during the accumulation period, the Income Base will be automatically enhanced by 15% (adjusted for additional purchase payments and withdrawals as described in the Future Income Base section below) at the end of each Waiting Period. In addition, after the Initial Waiting Period, you may elect to reset your Income Base to the current contract value if your contract value has grown beyond the 15% enhancement. You may elect this reset on your own or you may choose to have Lincoln Life automatically reset the Income Base for you at the end of each Waiting Period. These reset options are discussed below. Then, when you are ready to elect *i4LIFE*® Advantage and establish the *4LATER*® Advantage Guaranteed Income Benefit, the Income Base is used in the *4LATER*® Advantage Guaranteed Income Benefit calculation.

Waiting Period. The Waiting Period is each consecutive 3-year period which begins on the *4LATER*® Advantage rider effective date, or on the date of any reset of the Income Base to the contract value. At the end of each completed Waiting Period, the Income Base is increased by 15% (as adjusted for purchase payments and withdrawals) to equal the Future Income Base as discussed below. The Waiting Period is also the amount of time that must pass before the Income Base can be reset to the current contract value. A new Waiting Period begins after each reset and must be completed before the next 15% enhancement or another reset occurs.

Future Income Base. *4LATER*® Advantage provides a 15% automatic enhancement to the Income Base after a 3-year Waiting Period. This enhancement will continue every 3 years until *i4LIFE*® Advantage is elected, you terminate *4LATER*® Advantage or you reach the Maximum Income Base. See Maximum Income Base. During the Waiting Period, the Future Income Base is established to provide the value of this 15% enhancement on the Income Base. After each 3-year Waiting Period is satisfied, the Income Base is increased to equal the value of the Future Income Base. The *4LATER®* Advantage charge will then be assessed on this newly adjusted Income Base, but the percentage charge will not change.

Any purchase payment made after the *4LATER®* Advantage rider Effective Date, but within 90 days of the contract effective date, will increase the Future Income Base by the amount of the purchase payment plus 15% of that purchase payment.

Example:

Initial Purchase Purchase payment	$100,000
Purchase Purchase payment 60 days later	$ 10,000
Income Base	$110,000
Future Income Base (during the 1st Waiting Period)	$126,500 ($110,000 x 115%)
Income Base (after 1st Waiting Period)	$126,500
New Future Income Base (during 2nd Waiting Period)	$145,475 ($126,500 x 115%)

Any purchase payments made after the *4LATER®* Advantage rider Effective Date and more than 90 days after the contract effective date will increase the Future Income Base by the amount of the purchase payment plus 15% of that purchase payment on a pro-rata basis for the number of full years remaining in the current Waiting Period.

Example:

Income Base	$100,000
Purchase Purchase Payment in Year 2	$ 10,000
New Income Base	$110,000
Future Income Base (during 1st Waiting Period-Year 2)	$125,500 ($100,000 x 115%) + ($10,000 x 100%) + (10,000 x 15% x 1/3)
Income Base (after 1st Waiting Period)	$125,500
New Future Income Base (during 2nd Waiting Period)	$144,325 (125,500 x 115%)

Withdrawals reduce the Future Income Base in the same proportion as the amount withdrawn reduces the contract value on the valuation date of the withdrawal.

During any subsequent Waiting Periods, if you elect to reset the Income Base to the contract value, the Future Income Base will equal 115% of the contract value on the date of the reset and a new Waiting Period will begin. See Resets of the Income Base to the current contract value below.

In all situations, the Future Income Base is subject to the Maximum Income Base described below. The Future Income Base is never available to the contractowner to establish a *4LATER®* Advantage Guaranteed Income Benefit, but is the value the Income Base will become at the end of the Waiting Period.

Maximum Income Base. The Maximum Income Base is equal to 200% of the Income Base on the *4LATER®* Advantage rider effective date. The Maximum Income Base will be increased by 200% of any additional purchase payments. In all circumstances, the Maximum Income Base can never exceed $10,000,000.

After a reset to the current contract value, the Maximum Income Base will equal 200% of the contract value on the valuation date of the reset not to exceed $10,000,000.

Each withdrawal will reduce the Maximum Income Base in the same proportion as the amount withdrawn reduces the contract value on the valuation date of the withdrawal.

Example:

Income Base	$100,000	Maximum Income Base	$200,000
Purchase Purchase Payment in Year 2	$ 10,000	Increase to Maximum Income Base	$ 20,000
New Income Base	$110,000	New Maximum Income Base	$220,000
Future Income Base after Purchase Purchase Payment	$125,500	Maximum Income Base	$220,000
Income Base (after 1st Waiting Period)	$125,500		
Future Income Base (during 2nd Waiting Period)	$144,325	Maximum Income Base	$220,000
Contract Value in Year 4	$112,000		
Withdrawal of 10%	$ 11,200		
After Withdrawal (10% adjustment)			
Contract Value	$100,800		
Income Base	$112,950		
Future Income Base	$129,892	Maximum Income Base	$198,000

Resets of the Income Base to the current contract value ("Resets"). You may elect to reset the Income Base to the current contract value at any time after the initial Waiting Period following: (a) the *4LATER®* Advantage rider effective date or (b) any prior reset of the Income Base. Resets are subject to a maximum of $10,000,000 and the annuitant must be under age 81. You might consider resetting the Income Base if your contract value has increased above the Income Base (including the 15% automatic Enhancements) and you want to lock-in this increased amount to use when setting the Guaranteed Income Benefit. If the Income Base is reset to the contract value, the 15% automatic Enhancement will not apply until the end of the next Waiting Period.

This reset may be elected by sending a written request to our Home Office or by specifying at the time of purchase that you would like us to administer this reset election for you. If you want us to administer this reset for you, at the end of each 3-year Waiting Period, if the contract value is higher than the Income Base (after the Income Base has been reset to the Future Income Base), we will implement this election and the Income Base will be equal to the contract value on that date. We will notify you that a reset has occurred. This will continue until you elect *i4LIFE®* Advantage, the annuitant reaches age 81, or you reach the Maximum Income Base. If we administer this reset election for you, you have 30 days after the election to notify us if you wish to reverse this election and have your Income Base increased to the Future Income Base instead. You may wish to reverse this election if you are not interested in the increased charge. If the contract value is less than the Income Base on any reset date, we will not administer this reset. We will not attempt to administer another reset until the end of the next 3-year Waiting Period; however, you have the option to request a reset during this period by sending a written request to our Home Office.

At the time of each reset (whether you elect the reset or we administer the reset for you), the annual charge will change to the current charge in effect at the time of the reset, not to exceed the guaranteed maximum charge. At the time of reset, a new Waiting Period will begin. Subsequent resets may be elected at the end of each new Waiting Period. The reset will be effective on the next valuation date after notice of the reset is approved by us.

We reserve the right to restrict resets to Benefit Year anniversaries. The Benefit Year is the 12-month period starting with the *4LATER®* Advantage rider effective date and starting with each anniversary of the *4LATER®* Advantage rider effective date after that. If the contractowner elects to reset the Income Base, the Benefit Year will begin on the effective date of the reset and each anniversary of the effective date of the reset after that.

4LATER® Advantage Guaranteed Income Benefit

When you are ready to elect *i4LIFE®* Advantage Regular Income Payments, the greater of the Income Base accumulated under the *4LATER®* Advantage or the contract value will be used to calculate the *4LATER®* Advantage Guaranteed Income Benefit. The *4LATER®* Advantage Guaranteed Income Benefit is a minimum payout floor for your *i4LIFE®* Advantage Regular Income Payments.

The Guaranteed Income Benefit will be determined by dividing the greater of the Income Base or contract value on the Periodic Income Commencement Date, by 1000 and multiplying the result by the rate per $1000 from the Guaranteed Income Benefit Table in your *4LATER®* Advantage rider. If the contract value is used to establish the *4LATER®* Advantage Guaranteed Income Benefit, this rate provides a Guaranteed Income Benefit not less than 75% of the initial *i4LIFE®* Advantage Regular Income Payment (which is also based on the contract value). If the Income Base is used to establish the Guaranteed Income Benefit (because it is larger than the contract value), the resulting Guaranteed Income Benefit will be more than 75% of the initial *i4LIFE®* Advantage Regular Income Payment.

If the amount of your *i4LIFE®* Advantage Regular Income Payment (which is based on your *i4LIFE®* Advantage Account Value) has fallen below the *4LATER®* Advantage Guaranteed Income Benefit, because of poor investment results, a payment equal to the *4LATER®* Advantage Guaranteed Income Benefit is the minimum payment you will receive. If the *4LATER®* Advantage Guaranteed Income Benefit is paid, it will be paid with the same frequency as your *i4LIFE®* Advantage Regular Income Payment. If your Regular Income Payment is less than the *4LATER®* Advantage Guaranteed Income Benefit, we will reduce your *i4LIFE®* Advantage Account

Value by the Regular Income Payment plus an additional amount equal to the difference between your Regular Income Payment and the *4LATER®* Advantage Guaranteed Income Benefit. This withdrawal from your Account Value will be made from the subaccounts and the fixed account on a pro-rata basis according to your investment allocations.

The following example illustrates how poor investment performance, which results in a Guaranteed Income Benefit payment, affects the *i4LIFE®* Account Value:

4LATER® Guaranteed Income Benefit	$5,692	*i4LIFE®* Regular Income Payment	$5,280

i4LIFE® Account Value before payment	$80,000
Regular Income Payment	-$5,280
Additional payment for *4LATER®* Guaranteed Income Benefit	-$412
i4LIFE® Account Value after payment	$74,308

If your Account Value reaches zero as a result of withdrawals to provide the *4LATER®* Advantage Guaranteed Income Benefit, we will continue to pay you an amount equal to the *4LATER®* Advantage Guaranteed Income Benefit.

When your Account Value reaches zero, your *i4LIFE®* Advantage Access Period will end and the *i4LIFE®* Advantage Lifetime Income Period will begin. Additional amounts withdrawn from the Account Value to provide the *4LATER®* Advantage Guaranteed Income Benefit may terminate your Access Period earlier than originally scheduled and will reduce your death benefit. See *i4LIFE®* Advantage Death Benefits. After the Access Period ends, we will continue to pay the *4LATER®* Advantage Guaranteed Income Benefit for as long as the annuitant (or for nonqualified contracts, the secondary life, if applicable) is living (i.e., the *i4LIFE®* Advantage Lifetime Income Period). **If your Account Value equals zero, no death benefit will be paid.**

If the market performance in your contract is sufficient to provide Regular Income Payments at a level that exceeds the *4LATER®* Advantage Guaranteed Income Benefit, the *4LATER®* Advantage Guaranteed Income Benefit will never come into effect.

The *4LATER®* Advantage Guaranteed Income Benefit will automatically step-up every three years to 75% of the then current Regular Income Payment, if that result is greater than the immediately prior *4LATER®* Advantage Guaranteed Income Benefit. The step-up will occur on every third Periodic Income Commencement Date anniversary for 15 years. At the end of a 15-year step-up period, the contractowner may elect a new 15-year step-up period by submitting a written request to the Home Office. If you prefer, when you start the Guaranteed Income Benefit, you can request that we administer this election for you. At the time of a reset of the 15 year period, the charge for the *4LATER®* Advantage Guaranteed Income Benefit will become the current charge up to the guaranteed maximum charge. After we administer this election, you have 30 days to notify us if you wish to reverse the election (because you do not wish to incur the additional cost).

Under *4LATER®* Advantage, additional purchase payments cannot be made to your contract after the Periodic Income Commencement Date. The *4LATER®* Advantage Guaranteed Income Benefit is reduced by withdrawals (other than Regular Income Payments) in the same proportion that the withdrawals reduce the Account Value. You may want to discuss the impact of additional withdrawals with your financial adviser.

Impacts to *i4LIFE®* Advantage Regular Income Payments. At the time you elect *i4LIFE®* Advantage, you also select the Access Period. See *i4LIFE®* Advantage – Access Period. Generally, shorter Access Periods will produce a higher initial *i4LIFE®* Advantage Regular Income Payment and higher Guaranteed Income Benefit payments than longer Access Periods. The minimum Access Period required with the *4LATER®* Advantage Guaranteed Income Benefit is currently the longer of 15 years or the difference between your current age (nearest birthday) and age 85. We reserve the right to increase this minimum prior to the election of *4LATER®* Advantage, subject to the terms in your rider. (Note: *i4LIFE®* Advantage can have a shorter Access Period if a Guaranteed Income Benefit is not provided.)

If you choose to lengthen your Access Period at a later date, thereby recalculating and reducing your Regular Income Payment, your *4LATER®* Advantage Guaranteed Income Benefit will also be recalculated and reduced. The *4LATER®* Advantage Guaranteed Income Benefit will be adjusted in proportion to the reduction in the Regular Income Payment. If you choose to shorten your Access Period, the *4LATER®* Advantage rider will terminate.

When you make your *4LATER®* Advantage Guaranteed Income Benefit and *i4LIFE®* Advantage elections, you must also choose an assumed investment return of 4% to calculate your *i4LIFE®* Advantage Regular Income Payments. Once you have elected *4LATER®* Advantage, the assumed investment return rate will not change; however, we may change the required assumed investment return rate in the future for new purchasers only.

The following is an example of what happens when you extend the Access Period:

Assume:
i4LIFE® Advantage remaining Access Period = 10 years

Current *i4LIFE®* Advantage Regular Income Payment = $6,375
Current *4LATER®* Advantage Guaranteed Income Benefit = $5,692

Extend Access Period 5 years:
i4LIFE® Advantage Regular Income Payment after extension = $5,355
Reduction in *i4LIFE®* Advantage Regular Income Payment = $5,355 ÷ $6,375 = 84%
Reduction in *4LATER®* Advantage Guaranteed Income Benefit = $5,692 x 84% = $4,781

General Provisions of *4LATER®* Advantage

Eligibility. To purchase *4LATER®* Advantage, all contractowners and the annuitant must be age 80 or younger. Contractowners of qualified contracts should be younger than age 77 to receive the full benefit of *4LATER®* Advantage, since *i4LIFE®* Advantage must be elected by age 80. If you plan to elect *i4LIFE®* Advantage within three years of the issue date of *4LATER®* Advantage, you will not receive the benefit of the Future Income Base.

***4LATER®* Advantage Rider Effective Date.** If *4LATER®* Advantage is elected at contract issue, then it will be effective on the contract's effective date. If *4LATER®* Advantage is elected after the contract is issued (by sending a written request to our Home Office), then it will be effective on the next valuation date following approval by us.

Termination. After the later of the third anniversary of the *4LATER®* Advantage rider Effective Date or the most recent Reset, the *4LATER®* Advantage rider may be terminated upon written notice to us. Prior to the Periodic Income Commencement Date, *4LATER®* Advantage will automatically terminate upon any of the following events:

- termination of the contract to which this *4LATER®* Advantage rider is attached;
- the change of or the death of the annuitant (except if the surviving spouse assumes ownership of the contract and the role of the annuitant upon death of the contractowner); or
- the change of contractowner (except if the surviving spouse assumes ownership of the contract and the role of annuitant upon the death of the contractowner).

After the Periodic Income Commencement Date, the *4LATER®* Advantage rider will terminate due to any of the following events:

- the death of the annuitant (or the later of the death of the annuitant or secondary life if a joint payout was elected); or
- a contractowner requested decrease in the Access Period or a change to the Regular Income Payment frequency.

A termination due to a decrease in the Access Period, a change in the Regular Income Payment frequency, or upon written notice from the contractowner will be effective as of the valuation date on the next Periodic Income Commencement Date anniversary. Termination will be only for the *4LATER®* Advantage Guaranteed Income Benefit and not the *i4LIFE®* Advantage election, unless otherwise specified.

If you terminate *4LATER®* Advantage prior to the Periodic Income Commencement Date, you must wait one year before you can re-elect *4LATER®* Advantage or purchase the *Lincoln SmartSecurity®* Advantage or *Lincoln Lifetime Income^{SM}* Advantage 2.0. If you terminate the *4LATER®* Advantage rider on or after the Periodic Income Commencement Date, you cannot re-elect it. You may be able to elect the *i4LIFE®* Advantage Guaranteed Income Benefit, if available, after one year. The *i4LIFE®* Advantage Guaranteed Income Benefit will be based on the Account Value at the time of the election. The election of one of these benefits, if available, will be treated as a new purchase, subject to the terms and charges in effect at the time of election.

Availability. The availability of *4LATER®* Advantage will depend upon your state's approval of the *4LATER®* Advantage rider. You cannot elect *4LATER®* Advantage after an annuity payout option has been elected, including *i4LIFE®* Advantage or Income4Life® Solution and it cannot be elected on contracts that currently have *Lincoln SmartSecurity®* Advantage, *Lincoln Lifetime Income℠* Advantage 2.0 or *Lincoln Lifetime Income℠* Advantage.

Contractowners who drop *Lincoln SmartSecurity®* Advantage or *Lincoln Lifetime Income℠* Advantage and elect *4LATER®* Advantage will not carry their Guaranteed Amount over into the new *4LATER®* Advantage. Contractowners who drop *Lincoln Lifetime Income℠* Advantage 2.0 will not carry their Income Base over into the new *4LATER®* Advantage. The *4LATER®* Advantage Income Base will be established based on the contractowner's contract value on the effective date of *4LATER®* Advantage. Contractowners who drop *Lincoln SmartSecurity®* Advantage, *Lincoln Lifetime Income℠* Advantage 2.0 or *Lincoln Lifetime Income℠* Advantage will have to wait one year before they can elect *4LATER®* Advantage. See The Contracts – *Lincoln SmartSecurity®* Advantage, *Lincoln Lifetime Income℠* Advantage 2.0 or *Lincoln Lifetime Income℠* Advantage.

Small Contract Surrenders

We may surrender your contract, in accordance with the laws of your state if:

- your contract value drops below certain state specified minimum amounts ($1,000 or less) for any reason, including if your contract value decreases due to the performance of the subaccounts you selected;
- no purchase payments have been received for two (2) full, consecutive contract years; and

- the annuity benefit at the Annuity Commencement Date would be less than $20.00 per month (these requirements may differ in some states).

At least 60 days before we surrender your contract, we will send you a letter at your last address we have on file, to inform you that your contract will be surrendered. You will have the opportunity to make additional purchase payments to bring your contract value above the minimum level to avoid surrender. If we surrender your contract, we will not assess any surrender or other charge.

Delay of Payments

Contract proceeds from the VAA will be paid within seven days, except:

- when the NYSE is closed (other than weekends and holidays);
- times when market trading is restricted or the SEC declares an emergency, and we cannot value units or the funds cannot redeem shares; or
- when the SEC so orders to protect contractowners.

If, pursuant to SEC rules, an underlying money market fund suspends payment of redemption proceeds in connection with a liquidation of the fund, we will delay payment of any transfer, partial withdrawal, surrender, loan, or death benefit from the money market sub-account until the fund is liquidated. Payment of contract proceeds from the fixed account may be delayed for up to six months. We may defer payments from the fixed side of the contract for up to six months.

Due to federal laws designed to counter terrorism and prevent money laundering by criminals, we may be required to reject a purchase payment and/or deny payment of a request for transfers, withdrawals, surrenders, or death benefits, until instructions are received from the appropriate regulator. We also may be required to provide additional information about a contractowner's account to government regulators.

Reinvestment Privilege

You may elect to make a reinvestment purchase with any part of the proceeds of a surrender/withdrawal, and we will recredit that portion of the surrender/withdrawal charges attributable to the amount returned.

This election must be made by your written authorization to us and received in our office within 30 days of the date of the surrender/withdrawal, and the repurchase must be of a contract covered by this prospectus. A representation must be made that the proceeds being used to make the purchase have retained their tax-favored status under an arrangement for which the contracts offered by this prospectus are designed. The number of accumulation units which will be credited when the proceeds are reinvested will be based on the value of the accumulation unit(s) on the next valuation date. This computation will occur following receipt of the proceeds and request for reinvestment at the office. You may utilize the reinvestment privilege only once. For tax reporting purposes, we will treat a surrender/withdrawal and a subsequent reinvestment purchase as separate transactions. You should consult a tax adviser before you request a surrender/withdrawal or subsequent reinvestment purchase.

Amendment of Contract

We reserve the right to amend the contract to meet the requirements of the 1940 Act or other applicable federal or state laws or regulations. You will be notified in writing of any changes, modifications or waivers. Any changes are subject to prior approval of your state's insurance department (if required).

Annuity Payouts

When you apply for a contract, you may select any Annuity Commencement Date permitted by law. (**Please note the following exception:** Contracts issued under qualified employee pension and profit-sharing trusts [described in Section 401(a) and tax exempt under Section 501(a) of the tax code] and qualified annuity plans [described in Section 403(a) of the tax code], including H.R. 10 trusts and plans covering self-employed individuals and their employees, provide for annuity payouts to start at the date and under the option specified in the plan.)

The contract provides that all or part of the contract value may be used to purchase an annuity payout option. The contract provides optional forms of payouts of annuities (annuity options), each of which is payable on a variable basis, a fixed basis or a combination of both.

You may elect annuity payouts in monthly, quarterly, semiannual or annual installments. If the payouts from any subaccount would be or become less than $50, we have the right to reduce their frequency until the payouts are at least $50 each. Following are explanations of the annuity options available.

Annuity Options

The annuity options outlined below do not apply to contractowners who have elected *i4LIFE®* Advantage, The Maximum Annual Withdrawal Amount Annuity Payout option, the Guaranteed Annual Income Amount Annuity Payout Option or the Guaranteed Amount Annuity Payout option.

Life Annuity. This option offers a periodic payout during the lifetime of the annuitant and ends with the last payout before the death of the annuitant. This option offers the highest periodic payout since there is no guarantee of a minimum number of payouts or provision for a death benefit for beneficiaries. **However, there is the risk under this option that the recipient would receive no payouts if he or she dies before the date set for the first payout; only one payout if death occurs before the second scheduled payout, and so on.**

Life Annuity with Guaranteed Period. This option guarantees periodic payouts during a designated period, usually 10 or 20 years, and then continues throughout the lifetime of the annuitant. The designated period is selected by the contractowner.

Joint Life Annuity. This option offers a periodic payout during the joint lifetime of the annuitant and a designated joint annuitant. The payouts continue during the lifetime of the survivor. **However, under a joint life annuity, if both annuitants die before the date set for the first payout, no payouts will be made. Only one payment would be made if both deaths occur before the second scheduled payout, and so on.**

Joint Life Annuity with Guaranteed Period. This option guarantees periodic payouts during a designated period, usually 10 or 20 years, and continues during the joint lifetime of the annuitant and a designated joint annuitant. The payouts continue during the lifetime of the survivor. The designated period is selected by the contractowner.

Joint Life and Two-Thirds to Survivor Annuity. This option provides a periodic payout during the joint lifetime of the annuitant and a designated joint annuitant. When one of the joint annuitants dies, the survivor receives two- thirds of the periodic payout made when both were alive.

Joint Life and Two-Thirds Survivor Annuity with Guaranteed Period. This option provides a periodic payout during the joint lifetime of the annuitant and a joint annuitant. When one of the joint annuitants dies, the survivor receives two-thirds of the periodic payout made when both were alive. This option further provides that should one or both of the annuitants die during the elected guaranteed period, usually 10 or 20 years, full benefit payment will continue for the rest of the guaranteed period.

Unit Refund Life Annuity. This option offers a periodic payout during the lifetime of the annuitant with the guarantee that upon death a payout will be made of the value of the number of annuity units (See Variable Annuity Payouts) equal to the excess, if any, of:

- the total amount applied under this option divided by the annuity unit value for the date payouts begin, minus
- the annuity units represented by each payout to the annuitant multiplied by the number of payouts paid before death.

The value of the number of annuity units is computed on the date the death claim is approved for payment by the Home office.

Life Annuity with Cash Refund. This option provides fixed annuity benefit payments that will be made for the lifetime of the annuitant with the guarantee that upon death, should (a) the total dollar amount applied to purchase this option be greater than (b) the fixed annuity benefit payment multiplied by the number of annuity benefit payments paid prior to death, then a refund payment equal to the dollar amount of (a) minus (b) will be made.

Under the annuity options listed above, you may not make withdrawals. Other options, with or without withdrawal features, may be made available by us. You may pre-select an annuity payout option as a method of paying the death benefit to a beneficiary. If you do, the beneficiary cannot change this payout option. You may change or revoke in writing to our office, any such selection, unless such selection was made irrevocable. If you have not already chosen an annuity payout option, the beneficiary may choose any annuity payout option. At death, options are only available to the extent they are consistent with the requirements of the contract as well as Sections 72(s) and 401(a)(9) of the tax code, if applicable. The mortality and expense risk charge of 1.002% will be assessed on all variable annuity payouts (except for the *i4LIFE®* Advantage, which has a different charge), including options that may be offered that do not have a life contingency and therefore no mortality risk.

***Lincoln SmartIncome*SM Inflation (for Non-Qualified Contracts or IRAs only)**. The *Lincoln SmartIncome*SM Inflation Fixed Annuity Payout Option ("*Lincoln SmartIncome*SM Inflation") is an annuity payout option that provides:

- Scheduled Payments (the periodic annuity payouts under this rider) for the life of the annuitant and secondary life (secondary life may also be referred to as joint life), if applicable, that may change each January based on changes in the Consumer Price Index-Urban (CPI). The CPI is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for all Urban Consumers published by the U.S. Bureau of Labor Statistics and is widely used to measure inflation.
- A Guaranteed Minimum Scheduled Payment.
- A death benefit based on the Reserve Value.
- A Reserve Value from which additional withdrawals, called Unscheduled Payments, may be taken at any time as long as the Reserve Value is greater than zero and up to the amount of the Reserve Value less any related charges and taxes.

You must wait at least one year from the effective date of the contract to elect *Lincoln SmartIncome*^{SM} Inflation. For non-qualified annuities the annuitant and joint annuitant must be at least 50 years of age and not older than 85 years of age (50 years and not more than 75 years of age for qualified annuities). The minimum contract value that may be credited to this annuity payout option is $50,000 and the maximum is $2,000,000.

You may consider electing this annuity payout option if you would like an annuity payout that may increase or decrease as inflation, as measured by the CPI, increases or decreases. *Lincoln SmartIncome*^{SM} Inflation also provides a guaranteed minimum payout, death benefits and access to the Reserve Value from which you can take Unscheduled Payments. We offer other fixed annuity payout options that have a higher income factor and would result in a higher payment than *Lincoln SmartIncome*^{SM} Inflation but do not offer Unscheduled Payments or a death benefit. You should carefully consider whether or not *Lincoln SmartIncome*^{SM} Inflation is the appropriate choice for you.

All or a portion of your contract value may be used to fund the *Lincoln SmartIncome*^{SM} Inflation. You may select both *Lincoln SmartIncome*^{SM} Inflation and another annuity payout option at the same time by allocating less than 100% of your contract value to *Lincoln SmartIncome*^{SM} Inflation and the remainder to the other annuity payout option. If only a portion of your contract value is used to fund *Lincoln SmartIncome*^{SM} Inflation, the remainder of the contract value must be used to fund another annuity payout option.

The *Lincoln SmartIncome*^{SM} Inflation may not be available for purchase in the future as we reserve the right not to offer it for sale. The availability of *Lincoln SmartIncome*^{SM} Inflation will depend upon your state's approval of the contract rider. We also reserve the right to substitute an appropriate index for the CPI, if:

1. The CPI is discontinued, delayed, or otherwise not available for this use; or
2. The composition, base or method of calculating the CPI changes so that we deem it inappropriate for use.

If the CPI is discontinued, delayed or otherwise not available, or if the composition, base or method of, calculating the CPI changes so that we deem it inappropriate for use in *Lincoln SmartIncome*^{SM} Inflation, we will substitute an appropriate index for the CPI. In the case of a substitution, we will give you written notification at least 30 days in advance of this change, as well as provide you with an amendment to the prospectus. We will attempt to utilize a substitute index generated by the government that is a measure of inflation. We will not substitute an index created by us or one of our affiliates. Upon substitution of the CPI, annuity payment values will be calculated consistent with the formulas currently used but with different index values for calculating the Scheduled Payment and Reserve Value adjustments. If we substitute a different index of the CPI you may cancel the rider per the terms of the termination provisions of rider and may be subject to an Unscheduled Payment charge. See Termination and Unscheduled Payments.

Rider Year and Rider Date. The Rider Date is the effective date of the rider. The Rider Date anniversary is the same calendar day as the Rider Date each calendar year. A Rider Year is each 12-month period starting with the Rider Date and starting each Rider Date anniversary after that.

Scheduled Payment and Guaranteed Minimum Scheduled Payment. Scheduled Payments are annuity payouts for the life of the annuitant (and secondary life if applicable).You choose when payments will begin and whether the Scheduled Payment is paid monthly, quarterly, semi-annually or annually. Once the Scheduled Payment frequency is established it cannot be changed. The frequency of the Scheduled Payments will affect the dollar amount of each Scheduled Payment. For example, a more frequent payment schedule will reduce the dollar amount of each Scheduled Payment. The first payment must be at least 30 days after the Rider Date and before the first Rider Date anniversary. The Scheduled Payment will be adjusted either up or down on an annual basis depending on the percentage change of the CPI. Scheduled Payments are also adjusted for Unscheduled Payments, any related Unscheduled Payment charge and any deduction for premium taxes. If adjustments to the Scheduled Payment cause it to be less than the Guaranteed Minimum Scheduled Payment, as adjusted, you will receive the Guaranteed Minimum Scheduled Payment, as adjusted, unless Unscheduled Payments have reduced the Reserved Value to zero, in which case the rider will terminate.

Lincoln SmartIncome^{SM} Inflation also provides a Guaranteed Minimum Scheduled Payment which is initially equal to the first Scheduled Payment. The Guaranteed Minimum Scheduled Payment may be adjusted for Unscheduled Payments, any related Unscheduled Payment charge and any deductions for premium taxes, but is not adjusted for changes in the CPI. (See further discussion and example of reductions to the Scheduled Payment and Guaranteed Minimum Scheduled Payment for Unscheduled Payment in the Unscheduled Payment section below.)

The initial Scheduled Payment is calculated by multiplying the contract value allocated to *Lincoln SmartIncome*^{SM} Inflation, reduced for any premium tax, by an income factor. The income factor is based upon:

- the age and sex of the annuitant and secondary life;
- the frequency of the Scheduled Payments;
- the Scheduled Payments start date.

For a given contractowner with the same characteristics (sex, age, frequency of annuity payouts and annuity payout start date) the income factor for a fixed lifetime annuity payout option would be higher than the income factor for *Lincoln SmartIncome*^{SM} Inflation. You may request an illustration of annuity values prior to purchasing *Lincoln SmartIncome*^{SM} Inflation which will illustrate the Scheduled Payment and Guaranteed Minimum Scheduled Payment you may expect.

Reserve Value. The Reserve Value is a value we establish to determine the amount available for Unscheduled Payments and the death benefit, if any. The initial Reserve Value on the Rider Date is equal to the amount of the contract value used to purchase *Lincoln SmartIncome*SM Inflation, less any outstanding premium taxes that have not previously been deducted. Each January 1, the Reserve Value will be adjusted either up or down by the percentage change in the CPI during the preceding calendar year, as described below. The Reserve Value is decreased dollar for dollar by any Scheduled or Unscheduled Payments and related Unscheduled Payment charges or any premium taxes. There is no minimum floor to the Reserve Value. If the Reserve Value falls to zero because of Scheduled Payments and/or negative CPI Adjustments (and not due to the deduction of Unscheduled Payments and related Unscheduled Payment charges and taxes) there will be no more annual adjustments to the Reserve Value and there will be no more Unscheduled Payments or death benefit. However, the Scheduled Payments will continue for the life of the annuitant and secondary life, if applicable.

If the deduction of an Unscheduled Payment and related Unscheduled Payment charge reduces the Reserve Value to zero the *Lincoln SmartIncome*SM Inflation will terminate.

Adjustment of the Scheduled Payment and Reserve Value. Each January 1st (Adjustment Date) the Scheduled Payment and Reserve Value may be adjusted up or down by the same percentage, which will be the percentage change in the CPI during the preceding calendar year. The CPI is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for all Urban Consumers and is published monthly by the United States Department of Labor, Bureau of Labor Statistics (BLS). The CPI measures over time the average price change paid by urban consumers for consumer goods and services. The CPI is published as a number (CPI Value).You may obtain information regarding the CPI from BLS electronically (www.bls.gov/cpi), through subscriptions to publications, and via telephone and fax, through automated recordings.

The adjustment to the Scheduled Payment and to the Reserve Value each Adjustment Date may be positive or negative, depending upon whether the CPI Value has risen or fallen in the preceding calendar year. A rise in the CPI Value will result in a positive adjustment. A fall in the CPI Value will result in a negative adjustment. The percentage change in the CPI is measured by the change in the CPI Value published each December immediately preceding the Adjustment Date compared to either the initial CPI Value (first adjustment) or the CPI Value published in December two calendar years preceding the Adjustment Date (all subsequent adjustments after the first). The CPI Value published in December is the CPI Value for the month of November. The first adjustment to the Scheduled Payment and Reserve Value will be made on the next Adjustment Date following the Rider Date. For the first adjustment the initial CPI Value will be the CPI Value published in the month preceding the Rider Date. The calculation of the first adjustment percentage will be equal to [(i)/(ii)] where:

(i) is the CPI Value published in December of the calendar year immediately preceding the Adjustment Date

(ii) is the initial CPI Value

Following is an example of the calculation of the first adjustment percentage and the first adjustment to the Reserve Value using hypothetical CPI values:

Initial Reserve Value on Rider Date 4/15/2009	$ 150,000
Initial Scheduled Payment on 4/15/2009	$ 8,000
Initial CPI Value published in March 2009	150
CPI Value published in December 2009	155
Adjustment percentage (155/150)	1.033333
Reserve Value After 1/1/2010 Adjustment ($150,000 x 1.033333)	$ 155,000
Scheduled Payment After 1/1/2010 Adjustment ($8,000 x 1.033333)	$ 8,266.67

Subsequent adjustments will be calculated on each subsequent Adjustment Date. Subsequent adjustments will be based upon the percentage change in the CPI Value published in December immediately preceding the Adjustment Date compared with the CPI Value published two calendar years prior to the Adjustment Date. Calculations of the adjustment percentage after calculation of the first adjustment percentage will be equal to [(i)/ (ii)] where:

(i) is the CPI Value published in December of the calendar year immediately preceding the Adjustment Date

(ii) is the CPI Value published in December two calendar years preceding the Adjustment Date.

If adjustments to the Scheduled Payment cause it to be less than the Guaranteed Minimum Scheduled Payment you will receive the Guaranteed Minimum Scheduled Payment. While you are receiving the Guaranteed Minimum Scheduled Payment we will continue to adjust the Scheduled Payment by the percentage change of the CPI Value published each December immediately preceding the Adjustment Date compared to the CPI Value published two calendar years prior to the Adjustment Date. You will start to receive the Scheduled Payment again in the year that it is adjusted so that it is greater than the Guaranteed Minimum Scheduled Payment.

The following example demonstrates the impact of a positive change in a hypothetical CPI Value resulting in a positive adjustment to the Scheduled Payment and Reserve Value:

Annual Scheduled Payment for calendar year 2009	$ 5,000
Guaranteed Minimum Scheduled Payment for calendar year 2009	$ 4,800
Reserve Value 12/31/2009	$ 100,000
CPI Value published in December 2009	120
CPI Value published in December 2008	115
Adjustment percentage (120/115):	1.043782
Reserve Value after 1/1/2010 adjustment ($100,000 x 1.043782)	$ 104,378
Annual Scheduled Payment for calendar year 2010 after 1/1/2010 adjustment ($5,000 x 1.043782)	$ 5,217.39

Since the Scheduled Payment (after the adjustment) for 2010 of $5,217.39 is greater than the Guaranteed Scheduled Payment of $4,800, the payment you will receive in 2010 will equal the Scheduled Payment of $5,217.39.

The following example demonstrates the impact of a negative change in a hypothetical CPI Value resulting in a negative adjustment to the Scheduled Payment and Reserve Value:

Annual Scheduled Payment for calendar year 2009	$ 5,000
Guaranteed Minimum Scheduled Payment for calendar year 2009	$ 4,800
Reserve Value 12/31/2009	$ 100,000
CPI Value published in December 2009	120
CPI Value published in December 2008	130
Adjustment percentage (120/130):	0.9230769
Reserve Value after 1/1/2010 adjustment ($100,000 x 0.9230769)	$ 92,308
Annual Scheduled Payment for calendar year 2010 after 1/1/2010 adjustment ($5,000 x 0.9230769)	$ 4,615.38

Since the Scheduled Payment (after adjustment) for 2010 of $4,615.38 is less than the Guaranteed Minimum Scheduled Payment of $4,800, the payment you will receive in 2010 will equal the Guaranteed Minimum Scheduled Payment of $4,800.

Continuing this example for the next year's adjustment:

Annual Scheduled Payment for calendar year 2010	$ 4,800
Guaranteed Minimum Scheduled Payment for calendar year 2010	$ 4,800
Reserve Value 12/31/2010 ($92,308 - $4,800)	$ 87,508
CPI Value published in December 2010	140
CPI Value published in December 2009	120
Adjustment percentage (140/120):	1.16666
Reserve Value after 1/1/2011 adjustment ($87,508 x 1.166666)	$ 102,093
Annual Scheduled Payment for calendar year 2011 after 1/1/2011 adjustment ($4,615.38 x 1.166666)	$5,384.61

The adjustment is applied to the previously calculated Scheduled Payment ($4,615.38) and not the Guaranteed Minimum Scheduled Payment $4,800. Since the adjusted Scheduled Payment is greater than the Guaranteed Minimum Guaranteed Payment, the Scheduled Payment will be paid out in calendar year 2011.

Unscheduled Payments. You may take withdrawals in addition to your Scheduled Payments (Unscheduled Payments) up to the amount of the Reserve Value less any related Unscheduled Payment charges and any deduction for any premium taxes. Unscheduled Payments and any related Unscheduled Payment charges or premium taxes will reduce the Reserve Value on a dollar for dollar basis. Unscheduled Payments will reduce the Scheduled Payments and Guaranteed Minimum Scheduled Payment in the same proportion the Unscheduled Payment reduces the Reserve Value (including Unscheduled Payment charges and taxes). Because the Reserve Value is reduced over time (due to Scheduled Payments, Unscheduled Payments and related Unscheduled Payment charges and any premium taxes) an Unscheduled Payment taken in the later years of the rider when the Reserve Value is smaller may result in a larger proportional reduction to the Scheduled Payment and Guaranteed Minimum Scheduled Payment than if the same Unscheduled Payment was taken in the early years of the rider when the Reserve Value was larger and may also result in a proportional reduction of the Scheduled Payment and Guaranteed Minimum Scheduled Payment that is more than the Unscheduled Payment amount taken.

If the Reserve Value falls to zero because of Scheduled Payments and/or negative CPI Adjustments (other than due to the deduction of Unscheduled Payments and related Unscheduled Payment charges and taxes) there will be no more annual adjustments to the Reserve Value and there will be no more Unscheduled Payments or death benefit. However, the Scheduled Payments will continue for the life of the annuitant and secondary life, if applicable. If the deduction of an Unscheduled Payment and related Unscheduled Payment charge reduces the Reserve Value to zero the *Lincoln SmartIncome*^{SM} Inflation will terminate.

The following example shows how an Unscheduled Payment of $2,000 taken in the early years of the rider results in a $300 proportional reduction of the Guaranteed Minimum Scheduled Payment. The example assumes that no other Unscheduled Payments have been taken.

Reserve Value 1/1/2010	$100,000
Guaranteed Minimum Scheduled Payment 1/1/2010	$ 15,000
Unscheduled Payment 1/2/2010	$ 2,000
Proportional reduction percentage ($2,000/$100,000)	.02
Proportional reduction to the Guaranteed Minimum Scheduled Payment (.02 x $15,000)	$ 300
New Guaranteed Minimum Scheduled Payment	$ 14,700

The example next shows how the same $2,000 Unscheduled Payment taken in the later years of the rider results in a $3,000 proportional reduction of the Guaranteed Minimum Scheduled Payment which is more than the actual Unscheduled Payment amount.

Reserve Value 1/1/2010	$10,000
Guaranteed Minimum Scheduled Payment	$15,000
Unscheduled Payment 1/2/2010	$ 2,000
Proportional reduction percentage ($2,000/$10,000)	.20
Proportional reduction to the Guaranteed Minimum Scheduled Payment (.20 x $15,000)	$ 3,000
New Guaranteed Minimum Scheduled Payment ($15,000 - $3,000)	$12,000

Please note that any Unscheduled Payments may significantly reduce your future Scheduled Payments, Guaranteed Minimum Scheduled Payment, as well as your Reserve Value, so carefully consider this before deciding to take an Unscheduled Payment.

If the Unscheduled Payment is taken during the first seven Rider Years an Unscheduled Payment charge is assessed on the amount of the Unscheduled Payment that exceeds the 10% free amount per Rider Year. Unscheduled Payments of up to 10% of the then current Reserve Value may be taken each Rider Year without charge, as long as the then current Reserve Value is greater than zero. The Unscheduled Payment charge is assessed against Unscheduled Payments in excess of 10% of the then current Reserve Value in a Rider Year. Unscheduled Payments that do not exceed on a cumulative basis more than 10% of the then current Reserve Value each year are not subject to an Unscheduled Payment charge. If an Unscheduled Payment is subject to an Unscheduled Payment charge the charge will be deducted from the Unscheduled Payment so that you will receive less than the amount requested. If the annuitant or secondary life is diagnosed with a terminal illness or confined to an extended care facility after the first Rider Year, then no Unscheduled Payment charges are assessed on any Unscheduled Payment. The Unscheduled Payment charge is also waived upon payment of a death benefit as described below. See Charges and Other Deductions – Charges for *Lincoln SmartIncome*SM Inflation for a schedule of Unscheduled Payment charges.

The following example demonstrates the Unscheduled Payment charge for an Unscheduled Payment taken in the third Rider Year and the impact to Scheduled Payments and the Guaranteed Minimum Scheduled Payment:

Guaranteed Minimum Scheduled Payment for calendar year 2010	$ 4,800
Annual Scheduled Payment for calendar year 2010 paid 1/1/2010	$ 5,000
Reserve Value 1/1/2010 before Scheduled Payment	$515,000
Reserve Value 1/2/2010 after Scheduled Payment ($515,000 - $5,000)	$510,000
Unscheduled Payment charge percent	7%
Then current Reserve Value before Unscheduled Payment on 1/15/2010	$510,000
Free amount on 1/15/2010 (10% x $510,000)	$ 51,000
Unscheduled Payment 1/15/2010	$ 10,000
[since Unscheduled Payment is within the 10% free amount ($10,000 < = $51,000) there is no Unscheduled Payment charge]	
Reserve Value 1/15/2010 after Unscheduled Payment ($510,000 - $10,000)	$500,000
Proportional reduction percentage due to Unscheduled Payment ($10,000/$510,000)	1.96078%
Scheduled Payment after proportional reduction for Unscheduled Payment [$5,000 - ($5,000 x .0196078)]	$ 4,902
Guaranteed Scheduled Payment after proportional reduction [$4,800 - ($4,800 x .0196078)]	$ 4,706
Then current Reserve Value 2/1/2010 before second Unscheduled Payment	$500,000
2nd Unscheduled Payment 2/1/2010	$ 75,000
Free amount on 2/1/2010 (10% x $500,000)	$ 50,000
Remaining free amount ($50,000 - $10,000 prior Unscheduled Payment)	$ 40,000
Unscheduled Payment charge [($75,000 - $40,000) x .07]	$ 2,450
Unscheduled Payment paid (minus Unscheduled Payment charge ($75,000 - $2,450)	$ 72,550
Proportional reduction percentage due to Unscheduled Payment ($75,000/$500,000)	15%
Scheduled Payment after proportional reduction for Unscheduled Payment [$5,000 - ($5,000 x .15)]	$ 4,250
Guaranteed Minimum Scheduled Payment after proportional reduction for Unscheduled Payment [$4,800 - ($4,800 x .15)]	$ 4,000
Reserve Value after 2/2/2010 Unscheduled Payment and Unscheduled Payment charge ($500,000 - $75,000)	$425,000

If the deduction for an Unscheduled Payment, including any related Unscheduled Payment charge and premium taxes, reduces the Reserve Value to zero, *Lincoln SmartIncome℠* Inflation will terminate.

Death of Contractowner, Annuitant or Secondary Life. On or after the Annuity Commencement Date, upon the death of the contractowner, annuitant or the secondary life a death benefit will be paid if there is a Reserve Value. The death benefit will be determined as of the date due proof of death is received by us. See Annuity Options—General Information.

The death benefit paid under *Lincoln SmartIncome℠* Inflation will be the greater of:

a. the current Reserve Value as of the date due proof of death is received by us; or

b. the initial Reserve Value, less all Scheduled and Unscheduled Payments, less any Unscheduled Payment charges.

Following is an example of the calculation of a death benefit upon the death of the contractowner demonstrating the impact of a negative hypothetical CPI factor:

7/15/2009	Initial Reserve Value	$100,000
1/10/2010	Reserve Value is adjusted due to negative CPI Value of -.10 ($100,000 x .10 = $10,000 Adjustment) ($100,000 - $10,000 = $90,000 Reserve Value)	$ 90,000
2/1/2010	Scheduled Payment of $45,000 reduces the Reserve Value Reserve Value is reduced by the amount of the Scheduled Payment ($90,000 - $45,000 = $45,000)	$ 45,000
8/6/2010	Death of a contractowner Death benefit is greater of a) current Reserve Value ($45,000);or b) initial Reserve Value minus Scheduled Payment ($100,000 - $45,000 = $55,000)	
8/5/2010	Death benefit paid	$ 55,000

If any contractowner (who is not the annuitant) dies while *Lincoln SmartIncome℠* Inflation is in force, the holder of the rights of ownership (i.e. the beneficiary or successor owner) pursuant to the terms of the underlying contract may:

1. Terminate the contract and receive the death benefit, if any, in a lump-sum; or
2. Continue the contract in force and receive Scheduled Payments and Unscheduled Payments less any Unscheduled Payment charge until the later of (i) the Reserve Value being reduced to zero, or (ii) the death(s) of the annuitant and any secondary life.

If the annuitant dies (whether or not the annuitant is an owner) while *Lincoln SmartIncome*SM Inflation is in force, the holder of the rights of ownership pursuant to the terms of the underlying contract may:

1. Terminate the contract and receive the death benefit, if any, in a lump-sum; or
2. Continue the contract in force and receive Scheduled Payments and Unscheduled Payments less any Unscheduled Payment charge until the later of (i) the Reserve Value being reduced to zero (this may result in a reduced final Scheduled Payment where the Reserve Value is less than the Scheduled Payment to reduce the Reserve Value to zero), or (ii) the death of any secondary life.

If the secondary life (who is not an owner) dies while *Lincoln SmartIncome*SM Inflation is in force the holder of the rights of ownership pursuant to the terms of the underlying contract, may:

1. Terminate the contract and receive the death benefit, if any in a lump-sum; or
2. Continue the contract in force and receive Scheduled Payments and Unscheduled Payments, less Unscheduled Payment charge until the later of (i) the Reserve Value being reduced to zero (this may result in a reduced final Scheduled Payment where the Reserve Value is less than the Scheduled Payment to reduce the Reserve Value to zero), or (ii) the death of the annuitant.

Once you elect *Lincoln SmartIncome*SM Inflation, any prior death benefit elections will terminate (other than any death benefit in effect under *i4LIFE*® Advantage) and the *Lincoln SmartIncome*SM Inflation death benefit will be in effect. If you have elected *i4LIFE*® Advantage, the *i4LIFE*® Advantage death benefit will be in effect only on the portion of the contract value invested in *i4LIFE*® Advantage.

If we were not notified of a death and we continue to make Scheduled or Unscheduled Payments after the date that *Lincoln SmartIncome*SM Inflation should have been terminated, any such payments made are recoverable by us. The contractowner(s) or the holder of the rights of ownership will be liable to the Company for the amount of such payments made.

Termination. You may terminate the *Lincoln SmartIncome*SM Inflation by taking an Unscheduled Payment that results in the Reserve Value being reduced to zero due to the deduction of the Unscheduled Payment and any related Unscheduled Payment charge and any premium taxes. Upon termination of the rider due to the deduction of an Unscheduled Payment, and any related Unscheduled Payment charge and any premium taxes, there will be no further Scheduled Payments made or received under the rider.

If the Reserve Value is reduced to zero and the sum of the Scheduled and Unscheduled Payments made, plus all Unscheduled Payment charges incurred, is less than the initial Reserve Value, we will pay the holder of the rights of ownership, the difference. The payment of the difference between the initial Reserve Value and the sum of all Scheduled and Unscheduled Payments made, plus charges incurred may occur under circumstances where changes in the CPI have been negative, thus resulting in a lowered Reserve Value.

The following example shows how negative changes to the CPI result in a payment of the difference between the initial Reserve Value and the sum of all Scheduled and Unscheduled Payments made plus incurred charges:

7/15/2009	Initial Reserve Value	$100,000
1/10/2010	Reserve Value is adjusted due to negative CPI Value of -.10	$ 90,000
	($100,000 x .10 = $10,000 Adjustment)	
	($100,000 - $10,000 = $90,000 Reserve Value)	
2/1/2010	Scheduled Payment of $45,000 reduces the Reserve Value	$ 45,000
	Reserve Value is reduced by the amount of the Scheduled Payment ($90,000 - $45,000 = $45,000)	
8/6/2010	Unscheduled Payment	$ 45,000
	Reserve Value	$ 0
	Reserve Value is reduced to zero which results in termination of the rider	
	Initial Reserve Value is greater than payments received	
	[$100,000 > ($45,000 + $45,000) = $90,000]	
	Final payment made to holder of rights of ownership	$ 10,000

General information

The annuity commencement date is usually on or before the annuitant's 85th birthday; however you may change the annuity commencement date, change the annuity option, or change the allocation of the allocations among the subaccounts up to 30 days before the scheduled annuity commencement date, upon written notice to the home office. You must give us at least 30 days notice before the date on which you want payouts to begin. If proceeds become available to a beneficiary in a lump sum, the beneficiary may choose any annuity payout option.

Unless you select another option, the contract automatically provides for a life with a 10 year guaranteed period annuity (on a fixed, variable or combination fixed and variable basis, in proportion to the account allocation at the time of annuitization), except when a joint life payout is required by law. Under any option providing for guaranteed payouts, the number of payouts which remain unpaid at the date of the annuitant's death (or surviving annuitant's death in the case of a joint life annuity) will be paid to your beneficiary as payouts become due after we are in receipt of all of the following:
- proof, satisfactory to us, of the death;
- written authorization for payment;
- all claim forms, fully completed.

Variable Annuity Payouts

Variable annuity payouts will be determined using:
- The contract value on the annuity commencement date;
- The annuity tables contained in the contract;
- The annuity option selected; and
- The investment performance of the fund(s) selected.

To determine the amount of payouts, we make this calculation:

1. Determine the dollar amount of the first periodic payout; then

2. Credit the contract with a fixed number of annuity units equal to the first periodic payout divided by the annuity unit value; and

3. Calculate the value of the annuity units each period thereafter.

We assume an investment return of 5% per year, as applied to the applicable mortality table. The amount of each payout after the initial payout will depend upon how the underlying fund(s) and series perform, relative to the 5% assumed rate. If the actual net investment rate (annualized) exceeds 5%, the annuity payout will increase at a rate proportional to the amount of such excess. Conversely, if the actual rate is less than 5% annuity payments will decrease. There is a more complete explanation of this calculation in the SAI.

Distribution of the Contracts

Lincoln Financial Distributors, Inc. ("LFD") serves as Principal Underwriter of this contract. LFD is affiliated with Lincoln Life and is registered as a broker-dealer with the SEC under the Securities Exchange Act of 1934 and is a member of FINRA. The Principal Underwriter has entered into selling agreements with Lincoln Financial Advisors Corporation and/or Lincoln Financial Securities Corporation (collectively "LFN"), also affiliates of ours. The Principal Underwriter has also entered into selling agreements with broker-dealers that are unaffiliated with us ("Selling Firms"). While the Principal Underwriter has the legal authority to make payments to broker-dealers which have entered into selling agreements, we will make such payments on behalf of the Principal Underwriter in compliance with appropriate regulations. We also pay on behalf of LFD certain of its operating expenses related to the distribution of this and other of our contracts. The Principal Underwriter may also offer "non-cash compensation", as defined under FINRA's rules, which includes among other things, merchandise, gifts and prizes, office space and equipment, seminars and travel expenses. You may ask your registered representative how he/she will personally be compensated, in whole or in part, for the sale of the contract to you or for any alternative proposal that may have been presented to you. You may wish to take such compensation payments into account when considering and evaluating any recommendation made to you in connection with the purchase of a contract. The following paragraphs describe how payments are made by us and the Principal Underwriter to various parties.

Compensation Paid to LFN. The maximum commission we pay to LFN is 9.00% of purchase payments, plus up to 0.1256% quarterly based on contract value. LFN may elect to receive a lower commission when a purchase payment is made along with an earlier quarterly payment based on contract value for so long as the contract remains in effect. Upon annuitization, the maximum commission we pay to LFN is 4.60% of annuitized value and/or ongoing annual compensation of up to 0.75% of annuity value or statutory reserves.

We also pay for the operating and other expenses of LFN, including the following sales expenses: sales representative training allowances; compensation and bonuses for LFN's management team; advertising expenses; and all other expenses of distributing the contracts. LFN pays its sales representatives a portion of the commissions received for their sales of contracts. LFN sales representatives and their managers are also eligible for various cash benefits, such as bonuses, insurance benefits and financing arrangements. In addition, LFN sales representatives who meet certain productivity, persistency and length of service standards and/or their managers may be eligible for additional compensation. Sales of the contracts may help LFN sales representatives and/or their managers qualify for such benefits. LFN sales representatives and their managers may receive other payments from us for services that do not directly involve the sale of the contracts, including payments made for the recruitment and training of personnel, production of promotional literature and similar services.

Compensation Paid to Unaffiliated Selling Firms. We pay commissions to all Selling Firms. The maximum commission we pay to Selling Firms, other than LFN, is 5.85% of purchase payments, plus up to 0.1256% quarterly based on contract value. Some Selling Firms may elect to receive a lower commission when a purchase payment is made along with an earlier quarterly payment based on contract value for so long as the contract remains in effect. Upon annuitization, the maximum commission paid to Selling Firms is 4.25% of annuitized value and/or ongoing annual compensation of up to 0.75% of annuity value or statutory reserves. Lincoln Financial Distributors, Inc., our affiliate, is a broker-dealer and acts as wholesaler of the contracts and performs certain marketing and other functions in support of the distribution and servicing of the contracts.

LFD may pay certain Selling Firms or their affiliates additional amounts for, among other things: (1) "preferred product" treatment of the contracts in their marketing programs, which may include marketing services and increased access to sales representatives; (2) sales promotions relating to the contracts; (3) costs associated with sales conferences and educational seminars for their sales representatives; (4) other sales expenses incurred by them; and (5) inclusion in the financial products the Selling Firm offers.

Lincoln Life may provide loans to broker-dealers or their affiliates to help finance marketing and distribution of the contracts, and those loans may be forgiven if aggregate sales goals are met. In addition, we may provide staffing or other administrative support and services to broker-dealers who distribute the contracts. LFD, as wholesaler, may make bonus payments to certain Selling Firms based on aggregate sales of our variable insurance contracts (including the contracts) or persistency standards.

These additional types of compensation are not offered to all Selling Firms. The terms of any particular agreement governing compensation may vary among Selling Firms and the amounts may be significant. The prospect of receiving, or the receipt of, additional compensation may provide Selling Firms and/or their registered representatives with an incentive to favor sales of the contracts over other variable annuity contracts (or other investments) with respect to which a Selling Firm does not receive additional compensation, or lower levels of additional compensation. You may wish to take such payment arrangements into account when considering and evaluating any recommendation relating to the contracts. Additional information relating to compensation paid in 2011 is contained in the SAI.

Compensation Paid to Other Parties. Depending on the particular selling arrangements, there may be others whom LFD compensates for the distribution activities. For example, LFD may compensate certain "wholesalers", who control access to certain selling offices, for access to those offices or for referrals, and that compensation may be separate from the compensation paid for sales of the contracts. LFD may compensate marketing organizations, associations, brokers or consultants which provide marketing assistance and other services to broker-dealers who distribute the contracts, and which may be affiliated with those broker-dealers. A marketing expense allowance is paid to American Funds Distributors (AFD) in consideration of the marketing assistance AFD provides to LFD. This allowance, which ranges from 0.10% to 0.16% is based on the amount of purchase payments initially allocated to the American Funds Insurance Series underlying the variable annuity. Commissions and other incentives or payments described above are not charged directly to contract owners or the Separate Account. All compensation is paid from our resources, which include fees and charges imposed on your contract.

Federal Tax Matters

Introduction

The Federal income tax treatment of the contract is complex and sometimes uncertain. The Federal income tax rules may vary with your particular circumstances. This discussion does not include all the Federal income tax rules that may affect you and your contract. This discussion also does not address other Federal tax consequences (including consequences of sales to foreign individuals or entities), or state or local tax consequences, associated with the contract. As a result, you should always consult a tax adviser about the application of tax rules found in the Internal Revenue Code ("Code"), Treasury Regulations and applicable IRS guidance to your individual situation.

Nonqualified Annuities

This part of the discussion describes some of the Federal income tax rules applicable to nonqualified annuities. A nonqualified annuity is a contract not issued in connection with a qualified retirement plan, such as an IRA or a section 403(b) plan, receiving special tax treatment under the Code. We may not offer nonqualified annuities for all of our annuity products.

Tax Deferral On Earnings

Under the Code, you are generally not subject to tax on any increase in your contract value until you receive a contract distribution. However, for this general rule to apply, certain requirements must be satisfied:

- An individual must own the contract (or the Code must treat the contract as owned by an individual).
- The investments of the VAA must be "adequately diversified" in accordance with IRS regulations.
- Your right to choose particular investments for a contract must be limited.
- The Annuity Commencement Date must not occur near the end of the annuitant's life expectancy.

Contracts Not Owned By An Individual

If a contract is owned by an entity (rather than an individual) the Code generally does not treat it as an annuity contract for Federal income tax purposes. This means that the entity owning the contract pays tax currently on the excess of the contract value over the purchase payments for the contract. Examples of contracts where the owner pays current tax on the contract's earnings, bonus credits and persistency credits, if applicable, are contracts issued to a corporation or a trust. Some exceptions to the rule are:

- Contracts in which the named owner is a trust or other entity that holds the contract as an agent for an individual; however, this exception does not apply in the case of any employer that owns a contract to provide deferred compensation for its employees;
- Immediate annuity contracts, purchased with a single premium, when the annuity starting date is no later than a year from purchase and substantially equal periodic payments are made, not less frequently than annually, during the annuity payout period;
- Contracts acquired by an estate of a decedent;
- Certain qualified contracts;
- Contracts purchased by employers upon the termination of certain qualified plans; and
- Certain contracts used in connection with structured settlement agreements.

Investments In The VAA Must Be Diversified

For a contract to be treated as an annuity for Federal income tax purposes, the investments of the VAA must be "adequately diversified." IRS regulations define standards for determining whether the investments of the VAA are adequately diversified. If the VAA fails to comply with these diversification standards, you could be required to pay tax currently on the excess of the contract value over the contract purchase payments. Although we do not control the investments of the underlying investment options, we expect that the underlying investment options will comply with the IRS regulations so that the VAA will be considered "adequately diversified."

Restrictions

The Code limits your right to choose particular investments for the contract. Because the IRS has issued little guidance specifying those limits, the limits are uncertain and your right to allocate contract values among the subaccounts may exceed those limits. If so, you would be treated as the owner of the assets of the VAA and thus subject to current taxation on the income, bonus credits, persistency credits and gains, if applicable, from those assets. We do not know what limits may be set by the IRS in any guidance that it may issue and whether any such limits will apply to existing contracts. We reserve the right to modify the contract without your consent in an attempt to prevent you from being considered as the owner of the assets of the VAA for purposes of the Code, you as the owner of the assets of the VAA.

Loss Of Interest Deduction

After June 8, 1997, if a contract is issued to a taxpayer that is not an individual, or if a contract is held for the benefit of an entity, the entity will lose a portion of its deduction for otherwise deductible interest expenses.

Age At Which Annuity Payouts Begin

The Code does not expressly identify a particular age by which annuity payouts must begin. However, those rules do require that an annuity contract provide for amortization, through annuity payouts, of the contract's purchase payments, bonus credits, persistency credits and earnings. If annuity payouts under the contract begin or are scheduled to begin on a date past the annuitant's 85th birthday, it is possible that the contract will not be treated as an annuity for purposes of the Code. In that event, you would be currently taxed on the excess of the contract value over the purchase payments of the contract.

Tax Treatment Of Payments

We make no guarantees regarding the tax treatment of any contract or of any transaction involving a contract. However, the rest of this discussion assumes that your contract will be treated as an annuity under the Code and that any increase in your contract value will not be taxed until there is a distribution from your contract.

Taxation Of Withdrawals And Surrenders

You will pay tax on withdrawals to the extent your contract value exceeds your purchase payments in the contract. This income (and all other income from your contract) is considered ordinary income (and does not receive capital gains treatment and is not qualified dividend income). A higher rate of tax is paid on ordinary income than on capital gains. You will pay tax on a surrender to the extent the amount you receive exceeds your purchase payments. In certain circumstances, your purchase payments are reduced by amounts received from your contract that were not included in income. Surrender and reinstatement of your contract will generally be taxed as a withdrawal. If your contract has a Living Benefit rider, and if the guaranteed amount under that rider immediately before a withdrawal exceeds your contract value, the Code may require that you include those additional amounts in your income. Please consult your tax adviser.

Taxation Of Annuity Payouts, Including Regular Income Payments

The Code imposes tax on a portion of each annuity payout (at ordinary income tax rates) and treats a portion as a nontaxable return of your purchase payments in the contract. We will notify you annually of the taxable amount of your annuity payout. Once you have recovered the total amount of the purchase payment in the contract, you will pay tax on the full amount of your annuity payouts. If annuity payouts end because of the annuitant's death and before the total amount in the contract has been distributed, the amount not received will generally be deductible. If withdrawals, other than Regular Income Payments, are taken from *i4LIFE*® Advantage during the Access Period, they are taxed subject to an exclusion ratio that is determined based on the amount of the payment.

Taxation Of Death Benefits

We may distribute amounts from your contract because of the death of a contractowner or an annuitant. The tax treatment of these amounts depends on whether you or the annuitant dies before or after the Annuity Commencement Date.

Death prior to the Annuity Commencement Date:

- If the beneficiary receives death benefits under an annuity payout option, they are taxed in the same manner as annuity payouts.
- If the beneficiary does not receive death benefits under an annuity payout option, they are taxed in the same manner as a withdrawal.

Death after the Annuity Commencement Date:

- If death benefits are received in accordance with the existing annuity payout option, they are excludible from income if they do not exceed the purchase payments not yet distributed from the contract. All annuity payouts in excess of the purchase payments not previously received are includible in income.
- If death benefits are received in a lump sum, the Code imposes tax on the amount of death benefits which exceeds the amount of purchase payments not previously received.

Penalty Taxes Payable On Withdrawals, Surrenders, Or Annuity Payouts

The Code may impose a 10% penalty tax on any distribution from your contract which you must include in your gross income. The 10% penalty tax does not apply if one of several exceptions exists. These exceptions include withdrawals, surrenders, or annuity payouts that:

- you receive on or after you reach 59½,
- you receive because you became disabled (as defined in the Code),
- you receive from an immediate annuity,
- a beneficiary receives on or after your death, or
- you receive as a series of substantially equal periodic payments based on your life or life expectancy (non-natural owners holding as agent for an individual do not qualify).

Unearned Income Medicare Contribution

Congress enacted the "Unearned Income Medicare Contribution" as a part of the Health Care and Education Reconciliation Act of 2010. This new tax, which affects individuals whose modified adjusted gross income exceeds certain thresholds, is a 3.8% tax on the lesser of (i) the individual's "unearned income," or (ii) the dollar amount by which the individual's modified adjusted gross income exceeds the applicable threshold. Unearned income includes the taxable portion of distributions that you take from your annuity contract. The tax is effected for tax years after December 31, 2012. Please consult your tax advisor to determine whether your annuity distributions are subject to this tax.

Special Rules If You Own More Than One Annuity Contract

In certain circumstances, you must combine some or all of the nonqualified annuity contracts you own in order to determine the amount of an annuity payout, a surrender, or a withdrawal that you must include in income. For example, if you purchase two or more deferred annuity contracts from the same life insurance company (or its affiliates) during any calendar year, the Code treats all such contracts as one contract. Treating two or more contracts as one contract could affect the amount of a surrender, a withdrawal or an annuity payout that you must include in income and the amount that might be subject to the penalty tax described previously.

Loans and Assignments

Except for certain qualified contracts, the Code treats any amount received as a loan under your contract, and any assignment or pledge (or agreement to assign or pledge) of any portion of your contract value, as a withdrawal of such amount or portion.

Gifting A Contract

If you transfer ownership of your contract to a person other than to your spouse (or to your former spouse incident to divorce), and receive a payment less than your contract's value, you will pay tax on your contract value to the extent it exceeds your purchase payments not previously received. The new owner's purchase payments in the contract would then be increased to reflect the amount included in income.

Charges for Additional Benefits

Your contract automatically includes a basic death benefit and may include other optional riders. Certain enhancements to the basic death benefit may also be available to you. The cost of the basic death benefit and any additional benefit are deducted from your contract. It is possible that the tax law may treat all or a portion of the death benefit and other optional rider charges, if any, as a contract withdrawal.

Qualified Retirement Plans

We also designed the contracts for use in connection with certain types of retirement plans that receive favorable treatment under the Code. Contracts issued to or in connection with a qualified retirement plan are called "qualified contracts." We issue contracts for use with various types of qualified plans. The Federal income tax rules applicable to those plans are complex and varied. As a result, this prospectus does not attempt to provide more than general information about the use of the contract with the various types of qualified plans. Persons planning to use the contract in connection with a qualified plan should obtain advice from a competent tax adviser.

Types of Qualified Contracts and Terms of Contracts

Qualified plans may include the following:

- Individual Retirement Accounts and Annuities ("Traditional IRAs")
- Roth IRAs
- Traditional IRA that is part of a Simplified Employee Pension Plan ("SEP")
- SIMPLE 401(k) plans (Savings Incentive Matched Plan for Employees)
- 401(a) plans (qualified corporate employee pension and profit-sharing plans)
- 403(a) plans (qualified annuity plans)
- 403(b) plans (public school system and tax-exempt organization annuity plans)
- H.R. 10 or Keogh Plans (self-employed individual plans)
- 457(b) plans (deferred compensation plans for state and local governments and tax-exempt organizations)
- Roth 403(b) plans

We do not offer certain types of qualified plans for all of our annuity products. Check with your representative concerning qualified plan availability for this product.

We will amend contracts to be used with a qualified plan as generally necessary to conform to the Code's requirements for the type of plan. However, the rights of a person to any qualified plan benefits may be subject to the plan's terms and conditions, regardless of the contract's terms and conditions. In addition, we are not bound by the terms and conditions of qualified plans to the extent such terms and conditions contradict the contract, unless we consent.

If your contract was issued pursuant to a 403(b) plan, we now are generally required to confirm, with your 403(b) plan sponsor or otherwise, that contributions (purchase payments), as well as surrenders, loans or transfers you request, comply with applicable tax requirements and to decline purchase payments or requests that are not in compliance. We will defer crediting purchase payments we receive or processing payments you request until all information required under the tax law has been received. By directing purchase payments to the contract or requesting a surrender, loan or transfer, you consent to the sharing of confidential information about you, the contract, and transactions under the contract and any other 403(b) contracts or accounts you have under the 403(b) plan among us, your employer or plan sponsor, any plan administrator or recordkeeper, and other product providers.
Also, for 403(b) contracts issued on or after January 1, 2009, amounts attributable to employer contributions are subject to restrictions on withdrawals specified in your employer's 403(b) plan, in order to comply with new tax regulations (previously, only amounts attributable to your salary reduction contributions were subject to withdrawal restrictions). Amounts transferred to a 403(b) contract from other 403(b) contracts or accounts must generally be subject to the same restrictions on withdrawals applicable under the prior contract or account.

Tax Treatment of Qualified Contracts

The Federal income tax rules applicable to qualified plans and qualified contracts vary with the type of plan and contract. For example:

- Federal tax rules limit the amount of purchase payments that can be made, and the tax deduction or exclusion that may be allowed for the purchase payments. These limits vary depending on the type of qualified plan and the plan participant's specific circumstances, e.g., the participant's compensation.

- Minimum annual distributions are required under most qualified plans once you reach a certain age, typically age 70½, as described below.
- Loans are allowed under certain types of qualified plans, but Federal income tax rules prohibit loans under other types of qualified plans. For example, Federal income tax rules permit loans under some section 403(b) plans, but prohibit loans under Traditional and Roth IRAs. If allowed, loans are subject to a variety of limitations, including restrictions as to the loan amount, the loan's duration, the rate of interest, and the manner of repayment. Your contract or plan may not permit loans.

Tax Treatment of Payments

The Federal income tax rules generally include distributions from a qualified contract in the participant's income as ordinary income. These taxable distributions will include purchase payments that were deductible or excludible from income. Thus, under many qualified contracts, the total amount received is included in income since a deduction or exclusion from income was taken for purchase payments. There are exceptions. For example, you do not include amounts received from a Roth IRA in income if certain conditions are satisfied.

Required Minimum Distributions

Under most qualified plans, you must begin receiving payments from the contract in certain minimum amounts by the later of age 70½ or retirement. You are required to take distributions from your traditional IRAs beginning in the year you reach age 70½. If you own a Roth IRA, you are not required to receive minimum distributions from your Roth IRA during your life.

Failure to comply with the minimum distribution rules applicable to certain qualified plans, such as Traditional IRAs, will result in the imposition of an excise tax. This excise tax equals 50% of the amount by which a minimum required distribution exceeds the actual distribution from the qualified plan.

The IRS regulations applicable to required minimum distributions include a rule that may impact the distribution method you have chosen and the amount of your distributions. Under these regulations, the presence of an enhanced death benefit, or other benefit which could provide additional value to your contract, may require you to take additional distributions. An enhanced death benefit is any death benefit that has the potential to pay more than the contract value or a return of purchase payments. Annuity contracts inside Custodial or Trusteed IRAs will also be subject to these regulations. Please contact your tax adviser regarding any tax ramifications.

Federal Penalty Taxes Payable on Distributions

The Code may impose a 10% penalty tax on a distribution from a qualified contract that must be included in income. The Code does not impose the penalty tax if one of several exceptions applies. The exceptions vary depending on the type of qualified contract you purchase. For example, in the case of an IRA, exceptions provide that the penalty tax does not apply to a withdrawal, surrender, or annuity payout:

- received on or after the annuitant reaches 59½,
- received on or after the annuitant's death or because of the annuitant's disability (as defined in the Code),
- received as a series of substantially equal periodic payments based on the annuitant's life (or life expectancy), or
- received as reimbursement for certain amounts paid for medical care.

These exceptions, as well as certain others not described here, generally apply to taxable distributions from other qualified plans. However, the specific requirements of the exception may vary.

Unearned Income Medicare Contribution

Congress enacted the "Unearned Income Medicare Contribution" as a part of the Health Care and Education Reconciliation Act of 2010. This new tax, which affects individuals whose modified adjusted gross income exceeds certain thresholds, is a 3.8% tax on the lesser of (i) the individual's "unearned income," or (ii) the dollar amount by which the individual's modified adjusted gross income exceeds the applicable threshold. Distributions that you take from your contract are not included in the calculation of unearned income because your contract is qualified plan contract. However, the amount of any such distribution is included in determining whether you exceed the modified adjusted gross income threshold. The tax is effective for tax years after December 31, 2012. Please consult your tax advisor to determine whether your annuity distributions are subject to this tax.

Transfers and Direct Rollovers

As a result of Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), you may be able to move funds between different types of qualified plans, such as 403(b) and 457(b) governmental plans, by means of a rollover or transfer. You may be able to rollover or transfer amounts between qualified plans and traditional IRAs. These rules do not apply to Roth IRAs and 457(b) non-governmental tax-exempt plans. The Pension Protection Act of 2006 (PPA) permits direct conversions from certain qualified, 403(b) or 457(b) plans to Roth IRAs (effective for distributions after 2007). There are special rules that apply to rollovers, direct rollovers and transfers (including rollovers or transfers of after-tax amounts). If the applicable rules are not followed, you may incur adverse Federal income tax consequences, including paying taxes which you might not otherwise have had to pay. Before we send a rollover distribution, we will provide a notice explaining tax withholding requirements (see Federal Income Tax Withholding). We are not required to send you such notice for your IRA. You should always consult your tax adviser before you move or attempt to move any funds.

Death Benefit and IRAs

Pursuant to IRS regulations, IRAs may not invest in life insurance contracts. We do not believe that these regulations prohibit the death benefit from being provided under the contract when we issue the contract as a Traditional or Roth IRA. However, the law is unclear and it is possible that the presence of the death benefit under a contract issued as a Traditional or Roth IRA could result in increased taxes to you. Certain death benefit options may not be available for all of our products.

Federal Income Tax Withholding

We will withhold and remit to the IRS a part of the taxable portion of each distribution made under a contract unless you notify us prior to the distribution that tax is not to be withheld. In certain circumstances, Federal income tax rules may require us to withhold tax. At the time a withdrawal, surrender, or annuity payout is requested, we will give you an explanation of the withholding requirements.

Certain payments from your contract may be considered eligible rollover distributions (even if such payments are not being rolled over). Such distributions may be subject to special tax withholding requirements. The Federal income tax withholding rules require that we withhold 20% of the eligible rollover distribution from the payment amount, unless you elect to have the amount directly transferred to certain qualified plans or contracts. The IRS requires that tax be withheld, even if you have requested otherwise. Such tax withholding requirements are generally applicable to 401(a), 403(a) or (b), HR 10, and 457(b) governmental plans and contracts used in connection with these types of plans.

Our Tax Status

Under the Code, we are not required to pay tax on investment income and realized capital gains of the VAA. We do not expect that we will incur any Federal income tax liability on the income and gains earned by the VAA. However, the Company does expect, to the extent permitted under the Code, to claim the benefit of the foreign tax credit as the owner of the assets of the VAA. Therefore, we do not impose a charge for Federal income taxes. If there are any changes in the Code that require us to pay tax on some or all of the income and gains earned by the VAA, we may impose a charge against the VAA to pay the taxes.

Changes in the Law

The above discussion is based on the Code, IRS regulations, and interpretations existing on the date of this prospectus. However, Congress, the IRS, and the courts may modify these authorities, sometimes retroactively.

Additional Information

Voting Rights

As required by law, we will vote the fund shares held in the VAA at meetings of the shareholders of the funds. The voting will be done according to the instructions of contractowners who have interests in any subaccounts which invest in classes of the funds. If the 1940 Act or any regulation under it should be amended or if present interpretations should change, and if as a result we determine that we are permitted to vote the fund shares in our own right, we may elect to do so.

The number of votes which you have the right to cast will be determined by applying your percentage interest in a subaccount to the total number of votes attributable to the subaccount. In determining the number of votes, fractional shares will be recognized.

Each underlying fund is subject to the laws of the state in which it is organized concerning, among other things, the matters which are subject to a shareholder vote, the number of shares which must be present in person or by proxy at a meeting of shareholders (a “quorum”), and the percentage of such shares present in person or by proxy which must vote in favor of matters presented. Because shares of the underlying fund held in the VAA are owned by us, and because under the 1940 Act we will vote all such shares in the same proportion as the voting instruction which we receive, it is important that each contractowner provide their voting instructions to us. Even though contractowners may choose not to provide voting instruction, the shares of a fund to which such contractowners would have been entitled to provide voting instruction will, subject to fair representation requirements, be voted by us in the same proportion as the voting instruction which we actually receive. As a result, the instruction of a small number of contractowners could determine the outcome of matters subject to shareholder vote. All shares voted by us will be counted when the underlying fund determines whether any requirement for a minimum number of shares be present at such a meeting to satisfy a quorum requirement has been met. Voting instructions to abstain on any item to be voted on will be applied on a pro-rata basis to reduce the number of votes eligible to be cast.

Whenever a shareholders meeting is called, we will provide or make available to each person having a voting interest in a subaccount proxy voting material, reports and other materials relating to the funds. Since the funds engage in shared funding, other persons or entities besides Lincoln Life may vote fund shares. See Investments of the Variable Annuity Account — Fund Shares.

Return Privilege

Within the free-look period after you receive the contract, you may cancel it for any reason by delivering or mailing it postage prepaid, to The Lincoln National Life Insurance Company at PO Box 2340, Fort Wayne, IN 46801-2340. A contract canceled under this provision will be void. With respect to the fixed side of a contract, we will return purchase payments. With respect to the VAA, except as explained in the following paragraph, we will return the contract value as of the valuation date on which we receive the cancellation request, plus any account charge and any premium taxes which had been deducted. No surrender charge will apply. **A purchaser who participates in the VAA is subject to the risk of a market loss during the free-look period.**

For contracts written in those states whose laws require that we assume this market risk during the free-look period, a contract may be canceled, in the manner specified above, except that we will return only the purchase payment(s). IRA purchasers will receive purchase payments only.

State Regulation

As a life insurance company organized and operated under Indiana law, we are subject to provisions governing life insurers and to regulation by the Indiana Commissioner of Insurance. Our books and accounts are subject to review and examination by the Indiana Department of Insurance at all times. A full examination of our operations is conducted by that Department at least every five years.

Restrictions Under the Texas Optional Retirement Program

Title 8, Section 830.105 of the Texas Government Code, consistent with prior interpretations of the Attorney General of the State of Texas, permits participants in the Texas Optional Retirement Program (ORP) to redeem their interest in a variable annuity contract issued under the ORP only upon:

- Termination of employment in all institutions of higher education as defined in Texas law;
- Retirement; or
- Death.

Accordingly, a participant in the ORP will be required to obtain a certificate of termination from their employer before accounts can be redeemed.

Records and Reports

As presently required by the 1940 Act and applicable regulations, we are responsible for maintaining all records and accounts relating to the VAA. We have entered into an agreement with The Bank of New York Mellon, One Mellon Bank Center, 500 Grant Street, Pittsburgh, Pennsylvania, 15258, to provide accounting services to the VAA. We will mail to you, at your last known address of record at the Home Office, at least semi-annually after the first contract year, reports containing information required by that Act or any other applicable law or regulation.

You have the option of receiving contract-related information (such as prospectuses, quarterly statements, semi-annual and annual reports) from Us electronically, if you have an e-mail account and access to an Internet browser. Once you select eDelivery, via the Internet Service Center, all documents available in electronic format will no longer be sent to you in hard copy. You will receive an e-mail notification when the documents become available online. It is your responsibility to provide us with your current e-mail address. You can resume paper mailings at any time without cost, by updating your profile at the Internet Service Center, or contacting us. To learn more about this service, please log on to www.LincolnRetirement.com, select service centers and continue on through the Internet Service Center.

Other Information

You may elect to receive your prospectus, prospectus supplements, quarterly statements, and annual and semiannual reports electronically over the Internet, if you have an e-mail account and access to an Internet browser. Once you select eDelivery, via the Internet Service Center, all documents available in electronic format will no longer be sent to you in hard copy. You will receive an e-mail notification when the documents become available online. It is your responsibility to provide us with your current e-mail address. You can resume paper mailings at any time without cost, by updating your profile at the Internet Service Center, or contacting us. To learn more about this service, please log on to www.LincolnFinancial.com, select service centers and continue on through the Internet Service Center.

Legal Proceedings

In the ordinary course of its business and otherwise, the Company and its subsidiaries or its separate accounts and Principal Underwriter may become or are involved in various pending or threatened legal proceedings, including purported class actions, arising from the conduct of its business. In some instances, the proceedings include claims for unspecified or substantial punitive damages and similar types of relief in addition to amounts for alleged contractual liability or requests for equitable relief.

After consultation with legal counsel and a review of available facts, it is management's opinion that the proceedings, after consideration of any reserves and rights to indemnification, ultimately will be resolved without materially affecting the consolidated financial position of the Company and its subsidiaries, or the financial position of its separate accounts or Principal Underwriter. However, given the large and indeterminate amounts sought in certain of these proceedings and the inherent difficulty in predicting the outcome of such legal proceedings, it is possible that an adverse outcome in certain matters could be material to the Company's operating results for any particular reporting period.

Contents of the Statement of Additional Information (SAI) for Lincoln National Variable Annuity Account C

Item
Special Terms
Services
Principal Underwriter
Purchase of Securities Being Offered
Annuity Payouts
Examples of Regular Income Payment Calculations
Determination of Accumulation and Annuity Unit Value
Capital Markets
Advertising & Ratings
Additional Services
Other Information
Financial Statements

For a free copy of the SAI complete the form below.

Statement of Additional Information Request Card
Individual Variable Annuity Contracts
Lincoln National Variable Annuity Account C

Please send me a free copy of the current Statement of Additional Information for Lincoln National Variable Annuity Account C.

(Please Print)

Name: ______________________________

Address: ______________________________

City ______________________________State ____________Zip ____________

Mail to: The Lincoln National Life Insurance Co., P.O. Box 2340, Fort Wayne, IN 46801-2340

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Appendix A — Condensed Financial Information

Accumulation Unit Values

The following information relates to accumulation unit values and accumulation units for funds in the periods ended December 31. It should be read along with the VAA's financial statement and notes which are included in the SAI.

	with EGMDB			without EGMDB		
	Accumulation unit value		Number of accumulation units	Accumulation unit value		Number of accumulation units
	Beginning of period	End of period		Beginning of period	End of period	
	(Accumulation unit value in dollars and Number of accumulation units in thousands)					
AllianceBernstein VPS Global Thematic Growth						
2002	0.565	0.324	812	0.568	0.327	82,385
2003	0.324	0.460	1,061	0.327	0.466	137,178
2004	0.460	0.478	611	0.466	0.484	93,705
2005	0.478	0.489	471	0.484	0.497	72,128
2006	0.489	0.523	343	0.497	0.533	58,716
2007	0.523	0.619	580	0.533	0.633	71,778
2008	0.619	0.321	440	0.633	0.329	57,781
2009	0.321	0.485	389	0.329	0.499	66,237
2010	0.485	0.568	200	0.499	0.586	51,409
2011	0.568	0.429	212	0.586	0.444	42,946
AllianceBernstein VPS Growth and Income						
2004	10.187	11.112	9	10.000	11.132	166
2005	11.112	11.473	12	11.132	11.528	468
2006	11.473	13.248	56	11.528	13.352	4,242
2007	13.248	13.712	39	13.352	13.861	3,691
2008	13.712	8.027	32	13.861	8.138	3,105
2009	8.027	9.535	23	8.138	9.697	2,807
2010	9.535	10.616	18	9.697	10.829	2,473
2011	10.616	11.115	15	10.829	11.372	2,247
American Century VP Inflat Protect						
2009	10.138	10.593	3	10.125	10.614	670
2010	10.593	11.017	7	10.614	11.072	1,395
2011	11.017	12.189	17	11.072	12.287	2,618
American Funds Global Growth						
2004	10.181	11.290	6	10.000	11.310	794
2005	11.290	12.712	12	11.310	12.773	1,971
2006	12.712	15.111	40	12.773	15.229	3,608
2007	15.111	17.130	52	15.229	17.316	5,103
2008	17.130	10.417	46	17.316	10.562	5,246
2009	10.417	14.633	43	10.562	14.881	5,218
2010	14.633	16.140	34	14.881	16.463	4,512
2011	16.140	14.515	30	16.463	14.850	4,035
American Funds Growth Fund						
2002	0.803	0.598	8,520	0.806	0.603	396,391
2003	0.598	0.808	10,194	0.603	0.817	542,957
2004	0.808	0.897	10,027	0.817	0.910	633,669
2005	0.897	1.029	7,982	0.910	1.047	656,827
2006	1.029	1.120	6,274	1.047	1.142	658,730
2007	1.120	1.242	5,037	1.142	1.270	622,788
2008	1.242	0.687	3,804	1.270	0.705	564,965
2009	0.687	0.945	3,520	0.705	0.973	530,354
2010	0.945	1.107	2,979	0.973	1.143	478,174
2011	1.107	1.046	2,660	1.143	1.083	424,743
American Funds Growth-Income						
2004	10.299	10.958	86	10.000	10.978	3,330
2005	10.958	11.447	107	10.978	11.502	6,499
2006	11.447	13.016	123	11.502	13.118	9,633
2007	13.016	13.496	123	13.118	13.643	11,875
2008	13.496	8.279	121	13.643	8.395	12,749
2009	8.279	10.725	114	8.395	10.907	13,052
2010	10.725	11.796	95	10.907	12.032	12,222
2011	11.796	11.431	87	12.032	11.694	10,821

	with EGMDB			without EGMDB		
	Accumulation unit value		Number of accumulation units	Accumulation unit value		Number of accumulation units
	Beginning of period	End of period		Beginning of period	End of period	
	(Accumulation unit value in dollars and Number of accumulation units in thousands)					
American Funds International Fund						
2002	0.680	0.571	1,351	0.683	0.576	62,404
2003	0.571	0.761	1,507	0.576	0.769	91,313
2004	0.761	0.896	1,775	0.769	0.908	139,867
2005	0.896	1.074	1,918	0.908	1.092	179,882
2006	1.074	1.262	1,967	1.092	1.287	220,837
2007	1.262	1.495	1,795	1.287	1.529	238,601
2008	1.495	0.854	1,352	1.529	0.876	223,353
2009	0.854	1.206	1,317	0.876	1.241	209,306
2010	1.206	1.276	1,156	1.241	1.318	186,877
2011	1.276	1.084	1,008	1.318	1.122	164,828
Blackrock Global Allocation VI						
2009	10.013	11.614	3	10.212	11.637	510
2010	11.614	12.617	7	11.637	12.679	1,485
2011	12.617	12.019	5	12.679	12.114	1,868
Delaware VIP® Diversified Income Series						
2004	10.171	10.915	14	10.000	10.935	708
2005	10.915	10.726	39	10.935	10.778	1,942
2006	10.726	11.426	69	10.778	11.515	6,876
2007	11.426	12.139	95	11.515	12.270	9,933
2008	12.139	11.437	117	12.270	11.596	11,935
2009	11.437	14.333	120	11.596	14.576	11,477
2010	14.333	15.287	121	14.576	15.593	11,173
2011	15.287	16.054	112	15.593	16.425	10,251
Delaware VIP® High Yield Series						
2005	10.231	10.256	8	10.000	10.273	227
2006	10.256	11.384	18	10.273	11.437	1,374
2007	11.384	11.550	19	11.437	11.639	1,736
2008	11.550	8.645	15	11.639	8.738	1,662
2009	8.645	12.712	18	8.738	12.887	2,666
2010	12.712	14.470	23	12.887	14.713	2,531
2011	14.470	14.623	19	14.713	14.913	2,385
Delaware VIP® REIT Series						
2002	1.256	1.295	1,369	1.262	1.306	81,593
2003	1.295	1.714	1,458	1.306	1.732	90,085
2004	1.714	2.222	1,415	1.732	2.253	114,093
2005	2.222	2.351	1,045	2.253	2.391	96,353
2006	2.351	3.078	925	2.391	3.139	99,500
2007	3.078	2.614	527	3.139	2.675	62,993
2008	2.614	1.676	344	2.675	1.720	51,950
2009	1.676	2.040	241	1.720	2.099	44,329
2010	2.040	2.557	200	2.099	2.639	42,568
2011	2.557	2.800	176	2.639	2.899	39,547
Delaware VIP® Small Cap Value Series						
2002	1.021	0.950	2,038	1.023	0.955	99,645
2003	0.950	1.329	2,341	0.955	1.339	129,759
2004	1.329	1.589	2,051	1.339	1.606	155,427
2005	1.589	1.712	1,548	1.606	1.736	160,146
2006	1.712	1.958	1,274	1.736	1.991	158,784
2007	1.958	1.801	746	1.991	1.837	129,060
2008	1.801	1.243	495	1.837	1.272	109,689
2009	1.243	1.614	425	1.272	1.656	99,261
2010	1.614	2.102	401	1.656	2.163	94,797
2011	2.102	2.042	375	2.163	2.107	83,511

	with EGMDB			without EGMDB		
	Accumulation unit value		Number of accumulation units	Accumulation unit value		Number of accumulation units
	Beginning of period	End of period		Beginning of period	End of period	
	(Accumulation unit value in dollars and Number of accumulation units in thousands)					
Delaware VIP® Smid Cap Growth Series(3)						
2002	1.761	1.391	3,493	1.784	1.414	193,594
2003	1.391	1.855	3,205	1.414	1.892	190,440
2004	1.855	2.062	2,665	1.892	2.109	173,032
2005	2.062	2.155	1,991	2.109	2.210	143,466
2006	2.155	2.288	1,559	2.210	2.355	123,205
2007	2.288	2.502	1,087	2.355	2.582	103,798
2008	2.502	1.315	783	2.582	1.361	89,730
2009	1.315	2.009	638	1.361	2.085	83,295
2010	2.396	2.718	522	2.493	2.830	78,019
2011	2.718	2.901	465	2.830	3.030	72,811
Delaware VIP® Value Series						
2002	1.601	1.285	1,981	1.622	1.306	65,576
2003	1.285	1.627	1,705	1.306	1.659	71,300
2004	1.627	1.846	1,446	1.659	1.888	72,666
2005	1.846	1.932	1,255	1.888	1.982	77,860
2006	1.932	2.366	1,041	1.982	2.435	85,884
2007	2.366	2.272	888	2.435	2.345	79,751
2008	2.272	1.493	724	2.345	1.546	65,424
2009	1.493	1.739	571	1.546	1.806	57,223
2010	1.739	1.986	479	1.806	2.068	51,661
2011	1.986	2.148	465	2.068	2.244	49,767
DWS VIP Alternative Asset Allocation Plus						
2009	N/A	N/A	N/A	10.004	11.547	52
2010	N/A	N/A	N/A	11.547	12.857	163
2011	N/A	N/A	N/A	12.857	12.364	249
DWS VIP Equity 500 Index						
2002	0.845	0.648	2,272	0.851	0.654	134,274
2003	0.648	0.820	3,158	0.654	0.830	162,353
2004	0.820	0.895	3,191	0.830	0.909	156,804
2005	0.895	0.925	1,496	0.909	0.942	146,112
2006	0.925	1.054	2,108	0.942	1.078	249,200
2007	1.054	1.096	1,640	1.078	1.123	222,719
2008	1.096	0.680	1,184	1.123	0.699	196,677
2009	0.680	0.848	875	0.699	0.874	180,745
2010	0.848	0.960	705	0.874	0.993	163,013
2011	0.960	0.965	635	0.993	1.001	149,607
DWS VIP Small Cap Index						
2002	1.112	0.871	760	1.119	0.880	21,806
2003	0.871	1.259	1,086	0.880	1.276	46,495
2004	1.259	1.464	653	1.276	1.487	44,813
2005	1.464	1.506	472	1.487	1.535	37,029
2006	1.506	1.747	394	1.535	1.786	38,624
2007	1.747	1.692	311	1.786	1.735	32,347
2008	1.692	1.100	173	1.735	1.131	28,309
2009	1.100	1.374	121	1.131	1.418	25,536
2010	1.374	1.714	119	1.418	1.774	23,688
2011	1.714	1.618	102	1.774	1.679	20,763
Fidelity® VIP Contrafund® Portfolio						
2002	0.911	0.815	2,110	0.918	0.823	79,402
2003	0.815	1.032	2,010	0.823	1.046	94,602
2004	1.032	1.175	2,258	1.046	1.194	111,623
2005	1.175	1.355	2,245	1.194	1.381	146,314
2006	1.355	1.493	1,978	1.381	1.526	158,487
2007	1.493	1.732	1,660	1.526	1.776	160,866
2008	1.732	0.981	1,394	1.776	1.009	156,588
2009	0.981	1.313	1,321	1.009	1.355	144,679
2010	1.313	1.518	1,188	1.355	1.571	130,869
2011	1.518	1.459	1,045	1.571	1.514	119,451

	with EGMDB			without EGMDB		
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	Beginning of period	End of period		Beginning of period	End of period	
	(Accumulation unit value in dollars and Number of accumulation units in thousands)					
Fidelity® VIP Growth Portfolio						
2002	0.847	0.583	2,307	0.852	0.589	132,663
2003	0.583	0.764	2,143	0.589	0.774	131,258
2004	0.764	0.779	1,666	0.774	0.792	115,287
2005	0.779	0.813	1,276	0.792	0.828	93,377
2006	0.813	0.856	770	0.828	0.875	78,415
2007	0.856	1.072	835	0.875	1.099	99,050
2008	1.072	0.558	555	1.099	0.574	85,210
2009	0.558	0.706	357	0.574	0.729	73,851
2010	0.706	0.865	284	0.729	0.895	68,635
2011	0.865	0.855	253	0.895	0.887	63,281
LVIP Baron Growth Opportunities**						
2002	1.284	1.088	1,512	1.293	1.099	67,309
2003	1.088	1.396	1,009	1.099	1.414	70,234
2004	1.396	1.731	1,184	1.414	1.759	100,927
2005	1.731	1.766	869	1.759	1.800	94,277
2006	1.766	2.014	638	1.800	2.059	84,192
2007	2.014	2.056	439	2.059	2.108	76,738
2008	2.056	1.235	320	2.108	1.270	66,481
2009	1.235	1.686	235	1.270	1.739	62,604
2010	1.686	2.103	191	1.739	2.176	56,237
2011	2.103	2.160	178	2.176	2.241	51,044
LVIP Cohen & Steers Global Real Estate						
2007	9.561	8.250	5	10.000	8.265	369
2008	8.250	4.720	8	8.265	4.743	634
2009	4.720	6.421	4	4.743	6.472	887
2010	6.421	7.478	7	6.472	7.559	1,037
2011	7.478	6.741	8	7.559	6.835	1,075
LVIP Delaware Bond						
2002	5.631	6.123	1,454	5.708	6.225	71,278
2003	6.123	6.484	964	6.225	6.612	61,410
2004	6.484	6.740	760	6.612	6.893	53,875
2005	6.740	6.828	597	6.893	7.005	50,814
2006	6.828	7.057	492	7.005	7.262	46,791
2007	7.057	7.345	435	7.262	7.581	45,930
2008	7.345	7.038	337	7.581	7.286	43,173
2009	7.038	8.260	303	7.286	8.576	38,003
2010	8.260	8.846	269	8.576	9.212	34,852
2011	8.846	9.398	227	9.212	9.817	31,351
LVIP Delaware Diversified Floating Rate						
2011	9.769	9.746	1*	9.998	9.764	46
LVIP Delaware Foundation Aggressive Allocation(1)						
2002	2.841	2.468	1,036	2.880	2.509	91,800
2003	2.468	2.933	816	2.509	2.991	81,988
2004	2.933	3.287	630	2.991	3.362	73,041
2005	3.287	3.465	550	3.362	3.555	65,702
2006	3.465	3.917	480	3.555	4.030	58,923
2007	3.917	4.112	417	4.030	4.244	52,749
2008	4.112	2.711	360	4.244	2.806	45,449
2009	2.711	3.532	266	2.806	3.667	38,853
2010	3.532	3.921	216	3.667	4.083	33,998
2011	3.921	3.792	205	4.083	3.961	29,982

	with EGMDB			without EGMDB		
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	Beginning of period	End of period		Beginning of period	End of period	
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LVIP Delaware Foundation Conservative Allocation(2)						
2002	5.262	4.620	1,032	5.334	4.697	107,493
2003	4.620	5.604	980	4.697	5.715	99,427
2004	5.604	6.085	800	5.715	6.224	89,543
2005	6.085	6.278	673	6.224	6.441	80,441
2006	6.278	6.852	525	6.441	7.051	70,268
2007	6.852	7.073	438	7.051	7.300	61,096
2008	7.073	5.100	309	7.300	5.279	51,681
2009	5.100	6.184	291	5.279	6.420	45,372
2010	6.184	6.740	251	6.420	7.019	40,278
2011	6.740	6.802	202	7.019	7.105	35,892
LVIP Delaware Foundation Moderate Allocation						
2009	N/A	N/A	N/A	10.159	11.800	39
2010	N/A	N/A	N/A	11.800	12.968	88
2011	13.450	12.775	4	12.968	12.874	177
LVIP Delaware Growth and Income						
2002	10.378	7.985	1,426	10.520	8.118	220,520
2003	7.985	10.224	1,304	8.118	10.426	203,918
2004	10.224	11.301	1,119	10.426	11.560	183,474
2005	11.301	11.773	877	11.560	12.079	161,599
2006	11.773	13.058	673	12.079	13.437	138,884
2007	13.058	13.678	533	13.437	14.117	120,694
2008	13.678	8.671	419	14.117	8.977	103,063
2009	8.671	10.672	354	8.977	11.081	92,891
2010	10.672	11.896	289	11.081	12.389	78,825
2011	11.896	11.883	243	12.389	12.413	69,911
LVIP Delaware Social Awareness						
2002	5.384	4.139	2,612	5.458	4.208	186,476
2003	4.139	5.387	2,312	4.208	5.494	176,186
2004	5.387	5.993	1,931	5.494	6.130	161,833
2005	5.993	6.627	1,548	6.130	6.799	146,462
2006	6.627	7.346	1,149	6.799	7.559	130,461
2007	7.346	7.466	868	7.559	7.706	112,129
2008	7.466	4.834	696	7.706	5.004	95,906
2009	4.834	6.203	603	5.004	6.440	84,422
2010	6.203	6.831	525	6.440	7.114	74,128
2011	6.831	6.785	462	7.114	7.088	65,963
LVIP Delaware Special Opportunities						
2002	9.451	8.235	433	9.580	8.373	47,787
2003	8.235	10.892	372	8.373	11.107	44,846
2004	10.892	13.199	358	11.107	13.500	44,382
2005	13.199	15.066	343	13.500	15.456	45,366
2006	15.066	17.259	280	15.456	17.759	41,456
2007	17.259	17.684	201	17.759	18.251	35,897
2008	17.684	11.061	139	18.251	11.450	30,209
2009	11.061	14.241	118	11.450	14.786	26,915
2010	14.241	18.364	98	14.786	19.124	24,724
2011	18.364	17.183	87	19.124	17.949	21,921
LVIP Global Income						
2009	N/A	N/A	N/A	10.064	10.779	202
2010	10.700	11.584	2	10.779	11.704	452
2011	11.584	11.559	4	11.704	11.714	659

	with EGMDB			without EGMDB		
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LVIP Janus Capital Appreciation						
2002	2.235	1.611	4,979	2.265	1.638	380,626
2003	1.611	2.107	4,192	1.638	2.148	343,799
2004	2.107	2.189	3,268	2.148	2.239	272,616
2005	2.189	2.252	2,410	2.239	2.310	217,603
2006	2.252	2.437	1,793	2.310	2.508	178,507
2007	2.437	2.897	1,417	2.508	2.990	153,437
2008	2.897	1.692	1,185	2.990	1.752	134,987
2009	1.692	2.314	928	1.752	2.402	121,757
2010	2.314	2.543	751	2.402	2.648	109,239
2011	2.543	2.368	657	2.648	2.473	96,709
LVIP Mondrian International Value						
2002	1.793	1.579	1,479	1.817	1.605	151,948
2003	1.579	2.207	1,285	1.605	2.251	144,520
2004	2.207	2.635	1,103	2.251	2.695	139,273
2005	2.635	2.927	1,000	2.695	3.003	137,848
2006	2.927	3.756	1,003	3.003	3.865	144,546
2007	3.756	4.134	863	3.865	4.266	131,929
2008	4.134	2.585	660	4.266	2.675	110,647
2009	2.585	3.093	542	2.675	3.211	96,394
2010	3.093	3.128	355	3.211	3.257	83,941
2011	3.128	2.957	314	3.257	3.089	74,566
LVIP Money Market Fund						
2002	2.784	2.787	1,102	2.823	2.834	52,868
2003	2.787	2.770	580	2.834	2.825	33,314
2004	2.770	2.758	281	2.825	2.821	27,230
2005	2.758	2.798	247	2.821	2.871	27,083
2006	2.798	2.891	254	2.871	2.975	29,490
2007	2.891	2.996	246	2.975	3.092	36,396
2008	2.996	3.026	363	3.092	3.133	54,054
2009	3.026	2.996	219	3.133	3.111	37,520
2010	2.996	2.959	196	3.111	3.081	27,472
2011	2.959	2.921	173	3.081	3.052	23,481
LVIP Protected Profile 2010						
2007	N/A	N/A	N/A	9.998	10.493	115
2008	N/A	N/A	N/A	10.493	7.904	336
2009	N/A	N/A	N/A	7.904	9.735	419
2010	N/A	N/A	N/A	9.735	10.743	436
2011	N/A	N/A	N/A	10.743	10.769	387
LVIP Protected Profile 2020						
2007	N/A	N/A	N/A	10.001	10.337	137
2008	N/A	N/A	N/A	10.337	7.482	654
2009	N/A	N/A	N/A	7.482	9.308	876
2010	N/A	N/A	N/A	9.308	10.324	1,035
2011	N/A	N/A	N/A	10.324	10.241	1,055
LVIP Protected Profile 2030						
2007	N/A	N/A	N/A	10.045	10.444	58
2008	N/A	N/A	N/A	10.444	7.157	282
2009	N/A	N/A	N/A	7.157	9.066	370
2010	N/A	N/A	N/A	9.066	10.102	456
2011	N/A	N/A	N/A	10.102	9.945	543
LVIP Protected Profile 2040						
2007	N/A	N/A	N/A	10.072	10.269	23
2008	N/A	N/A	N/A	10.269	6.553	70
2009	N/A	N/A	N/A	6.553	8.495	138
2010	N/A	N/A	N/A	8.495	9.560	191
2011	N/A	N/A	N/A	9.560	9.326	210
LVIP Protected Profile 2050						
2011	N/A	N/A	N/A	9.867	9.212	3

	with EGMDB			without EGMDB		
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LVIP Protected Profile Conservative						
2005	N/A	N/A	N/A	9.994	10.304	171
2006	10.233	11.102	6	10.304	11.154	582
2007	11.102	11.810	6	11.154	11.902	1,619
2008	11.810	9.508	12	11.902	9.610	1,998
2009	9.508	11.717	8	9.610	11.879	2,013
2010	11.717	12.780	8	11.879	12.995	1,914
2011	12.780	13.079	8	12.995	13.339	1,732
LVIP Protected Profile Growth						
2005	10.140	10.683	3	9.989	10.701	700
2006	10.683	12.035	1*	10.701	12.092	1,789
2007	12.035	13.044	11	12.092	13.146	2,654
2008	13.044	8.573	4	13.146	8.666	2,808
2009	8.573	10.918	7	8.666	11.070	2,630
2010	10.918	12.148	7	11.070	12.353	2,512
2011	12.148	11.990	6	12.353	12.230	2,383
LVIP Protected Profile Moderate						
2005	10.060	10.506	7	10.005	10.524	576
2006	10.506	11.618	73	10.524	11.673	1,685
2007	11.618	12.531	61	11.673	12.628	2,910
2008	12.531	9.077	37	12.628	9.174	3,375
2009	9.077	11.471	28	9.174	11.630	3,387
2010	11.471	12.677	22	11.630	12.891	3,392
2011	12.677	12.659	18	12.891	12.911	3,134
LVIP SSgA Bond Index						
2009	10.318	10.292	1*	10.018	10.310	190
2010	10.292	10.767	2	10.310	10.817	392
2011	10.767	11.414	7	10.817	11.501	664
LVIP SSgA Emerging Markets 100						
2009	10.458	14.238	3	10.487	14.264	1,219
2010	14.238	17.957	8	14.264	18.042	1,664
2011	17.957	15.077	7	18.042	15.194	1,504
LVIP SSgA Global Tactical Allocation(4)						
2005	10.249	10.920	4	10.000	10.939	343
2006	10.920	12.562	1*	10.939	12.622	770
2007	12.562	13.766	2	12.622	13.872	1,066
2008	13.766	8.090	2	13.872	8.177	1,181
2009	8.090	10.445	5	8.177	10.589	1,199
2010	10.445	11.210	5	10.589	11.399	1,111
2011	11.210	11.090	3	11.399	11.311	956
LVIP SSgA International Index						
2009	11.763	12.438	1*	9.989	12.461	60
2010	12.438	13.142	2	12.461	13.207	105
2011	13.142	11.366	1*	13.207	11.456	94
LVIP SSgA S&P 500 Index						
2007	9.683	9.649	1*	10.000	9.667	255
2008	9.649	5.982	5	9.667	6.011	828
2009	5.982	7.446	11	6.011	7.504	1,174
2010	7.446	8.432	13	7.504	8.524	1,206
2011	8.432	8.477	2	8.524	8.595	1,185
LVIP SSgA Small-Cap Index						
2007	9.939	9.178	4	10.000	9.195	293
2008	9.178	5.982	3	9.195	6.011	395
2009	5.982	7.441	4	6.011	7.499	505
2010	7.441	9.268	8	7.499	9.369	719
2011	9.268	8.730	6	9.369	8.852	595

	with EGMDB			without EGMDB		
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LVIP T. Rowe Price Structured Mid-Cap Growth						
2002	1.387	0.955	1,471	1.406	0.971	180,725
2003	0.955	1.250	1,226	0.971	1.275	174,149
2004	1.250	1.403	1,006	1.275	1.435	152,949
2005	1.403	1.521	769	1.435	1.560	133,528
2006	1.521	1.640	550	1.560	1.688	115,691
2007	1.640	1.839	434	1.688	1.898	102,033
2008	1.839	1.039	338	1.898	1.075	91,652
2009	1.039	1.500	383	1.075	1.558	90,051
2010	1.500	1.901	282	1.558	1.980	83,044
2011	1.901	1.804	246	1.980	1.884	74,640
LVIP Vanguard Domestic Equity ETF						
2011	9.299	9.367	1*	9.982	9.385	54
LVIP Vanguard International Equity ETF						
2011	N/A	N/A	N/A	10.022	8.374	55
LVIP Wells Fargo Intrinsic Value Fund						
2002	2.502	2.082	4,663	2.536	2.117	270,819
2003	2.082	2.720	4,411	2.117	2.774	272,157
2004	2.720	2.947	3,763	2.774	3.014	255,601
2005	2.947	3.040	2,816	3.014	3.119	226,731
2006	3.040	3.339	2,057	3.119	3.435	197,098
2007	3.339	3.439	1,600	3.435	3.549	163,389
2008	3.439	2.094	1,115	3.549	2.167	136,787
2009	2.094	2.548	962	2.167	2.646	119,624
2010	2.548	2.966	749	2.646	3.089	106,423
2011	2.966	2.852	651	3.089	2.979	94,872
MFS® VIT Utilities Series						
2002	0.785	0.599	235	0.786	0.601	8,174
2003	0.599	0.803	545	0.601	0.809	29,962
2004	0.803	1.032	948	0.809	1.043	58,964
2005	1.032	1.190	1,254	1.043	1.207	111,004
2006	1.190	1.542	1,113	1.207	1.568	117,411
2007	1.542	1.946	1,265	1.568	1.985	159,091
2008	1.946	1.198	1,069	1.985	1.225	129,627
2009	1.198	1.575	778	1.225	1.616	111,551
2010	1.575	1.769	554	1.616	1.821	93,000
2011	1.769	1.865	517	1.821	1.925	84,484
Neuberger Berman AMT Mid-Cap Growth Portfolio						
2002	0.994	0.693	1,367	1.001	0.700	118,904
2003	0.693	0.876	1,162	0.700	0.888	115,287
2004	0.876	1.006	1,005	0.888	1.022	108,317
2005	1.006	1.129	837	1.022	1.151	100,912
2006	1.129	1.278	714	1.151	1.307	96,772
2007	1.278	1.546	770	1.307	1.585	115,377
2008	1.546	0.864	555	1.585	0.889	97,576
2009	0.864	1.123	390	0.889	1.158	85,655
2010	1.123	1.431	328	1.158	1.480	78,477
2011	1.431	1.419	311	1.480	1.472	68,120
PIMCO Total Return						
2011	10.010	10.008	6	10.000	10.027	504

*All numbers less than 500 were rounded up to one.

**Effective June 5, 2007, the Baron Capital Asset Fund, a series of Baron Capital Funds Trust, was reorganized into the LVIP Baron Growth Opportunities Fund, a series of Lincoln Variable Insurance Products Trust. The values in the table for periods prior to the date of the reorganization reflect investments in the Baron Capital Asset Fund.

(1) Effective June 15, 2009, the LVIP UBS Global Asset Allocation Fund was reorganized into the LVIP Delaware Foundation Aggressive Allocation Fund. The values in the table for periods prior to the date of the reorganization reflect investments in the LVIP UBS Global Asset Allocation Fund.

(2) Effective June 15, 2009, the LVIP Delaware Managed Fund was reorganized into the LVIP Delaware Foundation Conservative Allocation Fund. The values in the table for periods prior to the date of the reorganization reflect investments in the LVIP Delaware Managed Fund.

(3) Effective October 9, 2010, the Delaware VIP® Trend Series was reorganized into the Delaware VIP® Smid Cap Growth Series. The values in the table for periods prior to the date of the reorganization reflect investments in the Delaware VIP® Trend Series.

(4) Effective July 30, 2010, the LVIP Wilshire Aggressive Profile Fund was restructured into the LVIP SSgA Global Tactical Allocation Fund. The values in the table for periods prior to the date of the restructuring reflect investments in the LVIP Wilshire Aggressive Profile Fund.

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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. 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 keep 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 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 others when we believe in good faith that the law requires disclosure. 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.

Questions about your personal information should be directed to:

Lincoln Financial Group
Attn: Enterprise Services Compliance-Privacy, 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 Financial Investment Services Corporation
Lincoln Investment Advisors Corporation
Lincoln Life & Annuity Company of New York
Lincoln Variable Insurance Products Trust
The Lincoln National Life Insurance Company

ADDITIONAL PRIVACY INFORMATION FOR INSURANCE PRODUCT CUSTOMERS

CONFIDENTIALITY OF MEDICAL INFORMATION

We understand that you may be especially concerned about the privacy of your medical information. We do not sell or rent your medical information to anyone; nor do we share it with others for marketing purposes. We only use and share your medical information for the purpose of underwriting insurance, administering your policy or claim and other purposes permitted by law, such as disclosure to regulatory authorities or in response to a legal proceeding.

MAKING SURE MEDICAL INFORMATION IS ACCURATE

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 believe that any of our records are not correct, you may write and tell us of any changes you believe should be made. We will respond to your request within 30 business days. 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. 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.

Questions about your personal medical information should be directed to:

Lincoln Financial Group
Attn: Medical Underwriting
P.O. Box 21008
Greensboro, NC 27420-1008

The CONFIDENTIALITY OF MEDICAL INFORMATION and MAKING SURE INFORMATION IS ACCURATE sections of this Notice apply to the following Lincoln Financial Group companies:

First Penn-Pacific Life Insurance Company
Lincoln Life & Annuity Company of New York
The Lincoln National Life Insurance Company

Lincoln Financial Group
Customer Service Center
1300 South Clinton Street
Fort Wayne, IN 46802

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Affiliates are separately responsible for their own financial and contractual obligations.

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Important
Part 1 – Product Prospectus enclosed
Part 2 – Funds Prospectus under separate cover
Both prospectuses must be presented. Please read them carefully.

Multi-Fund® Individual Account C variable annuities (forms 18829, 18831, 25582 and state variations) are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., Radnor, PA, a broker/dealer.