

Lincoln *LifeComp*[®] Business Owned plans

Business-owned life insurance with shared employee coverage

Life insurance that balances protection with flexibility

Executive benefits play a vital role in reward, recruitment and retention strategies. Properly applied, they can also deliver valuable protection for a business – a smart move for owner clients and your practice.

That's why Lincoln Business Insurance Solutions offers *LifeComp*[®] Business Owned plans, giving businesses flexibility to protect their company from the loss of a key employee or use the plan to reward top talent.

LifeComp[®] Business Owned plans have so many benefits

The Business Owned Plans allow a company to cover an owner or key executive with the option to endorse a portion of the death benefit to the employee.



1. It works for your clients' businesses

- Protects the business from the loss of a key executive
- Provides liquidity to pay business debt if the owner dies
- Purchases a deceased shareholder's stock



2. It works for key employees

If your client chooses:

- Allows for a portion of the death benefit to be paid, or endorsed, to the executive during their working years
- Delivers a survivor benefit for a deceased executive
- Transfers to the executive at retirement



3. It offers plan design options to fit clients' needs

- Designates the policy's cash value as a business asset while the business pays premiums
- Pays income tax-free death proceeds to the business if the insured dies while the policy is in place



4. It streamlines plan administration and reporting

Simplified, transparent plan management makes a difference.

- **Accounting reports** provide visibility into exact debits and credits, helping coordinate any employee buyout of the business stake in the policy and the proper entries for ongoing split-dollar loan interest.
- **Year-end reports** show precise balances for the company's fiscal or calendar tax year.
- **Optional post-retirement services** help retired employees monitor their withdrawals and loans.

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

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Administration made easy with Lincoln LifeComp®

Get unique life insurance plan designs and comprehensive plan documentation and administration.

LifeComp® business insurance solutions help protect businesses and retain and reward key employees by balancing the benefits those employees want and the control employers need.



Learn how the **LifeComp® Business Owned plans** can benefit your clients. Contact your Lincoln representative today.

For federal income tax purposes, life insurance death benefits generally pay income tax-free to beneficiaries pursuant to IRC Sec. 101(a)(1). In certain situations, however, life insurance death benefits may be partially or wholly taxable. Situations include, but are not limited to: the transfer of a life insurance policy for valuable consideration unless the transfer qualifies for an exception under IRC Sec. 101(a)(2) (the transfer-for-value rule), arrangements that lack an insurable interest based on state law, and an employer-owned policy unless the policy qualifies for an exception under IRC Sec. 101(j).

Important note: Nonqualified plans operate in a clearly defined but complex regulatory environment. Professional plan administration is critical. Lincoln Financial Group offers plan administration for certain forms of executive bonus plans, loan regime split-dollar plans, undivided interest plans, and endorsement split-dollar plans through the Lincoln *LifeComp®* platform. Lincoln Financial Group maintains relationships with several third party administrators for elective deferral plans and supplemental executive retirement plans. These third party administrators are not affiliated with Lincoln Financial Group.

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These Lincoln LifeComp® Business Owned plans are offered only by specially trained representatives of Lincoln.

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

Products available may include market risk including possible loss of principal. Products, riders and features are subject to state availability. Limitations and exclusions may apply. Check state availability.

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Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

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