

# Lincoln *LifeComp*® Undivided Interest plan

Shared life insurance solutions for business owners and key executives

## A valuable option when loans to executives are restricted

Executive benefits are vital in recruiting, keeping and rewarding top talent. When you position business owners to craft strategies with solutions that can also be cost-efficient, it's win-win – for your clients and your practice.

Lincoln Business Insurance Solutions delivers the *LifeComp*® Undivided Interest plan to help do just that. It's a specially designed plan where the business and participating employees own proportional cash value and death benefits, relative to their shares of the policy premium.

## *LifeComp*® Undivided Interest has so many benefits.

The Undivided Interest plan contemplates the full ownership by the employee at retirement. Unlike deferred compensations plans, it is not subject to Section 409(a) and operates at the employer's discretion.



### 1. It works for your clients' businesses

Unlike true deferred compensation, the Undivided Interest plan operates at the employer's discretion and is not subject to 409(a). Here are even more advantages:

- Creates an important reward and retention strategy for select employees
- The employer and key executive share the death benefit (preretirement only)



### 2. It works for business owners or key employees

- Provides pre- and post-retirement death benefit protection
- Gives employees the option to supplement their retirement income or maintain income tax-free death benefits for beneficiaries
- Delivers post-retirement options, including as part of an estate plan



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

- Provides flexible levels of control and access to policy cash values



### 4. It streamlines plan administration and reporting

Simplified, transparent plan management makes a difference. For a modest annual fee, here's what clients can expect:

- **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.
- **Reevaluations and reproposals** allow clients to track the plan's progress alongside their objectives and view corrective measures for any shortfalls.
- **Optional post-retirement services** help retired employees monitor their withdrawals and loans.

## 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®* Undivided Interest plan can benefit your clients' businesses. Contact your Lincoln representative today.

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

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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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