

## **Form ADV- Part 2A**

**The Lincoln National Life Insurance Company  
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Fort Wayne, IN 46802**

**1-(260)-455-2000**

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This brochure provides information about the qualifications and business practices of The Lincoln National Life Insurance Company. If you have any questions about the contents of this brochure, please contact us at 1-(260)-455-2000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Lincoln National Life's investment advisors also is available on the SEC's website at [www.advisersinfo.sec.gov](http://www.advisersinfo.sec.gov).

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## **Advisory Business**

Lincoln National Life Insurance Company (“LNL”) is a wholly owned subsidiary of Lincoln National Corporation, a publicly held company. LNL provides supervisory investment advice to several non-registered insurance separate accounts (“clients”). LNL's responsibilities include, among other things, recommending sub-advisers and overseeing sub-advisers’ investment activities, broker selection, and trading practices to determine compliance with investment objectives, investment restrictions and applicable federal securities laws and regulations.

Advisory services provided will vary depending upon the investment objectives, strategies, and restrictions on certain securities or types of securities imposed by the clients. LNL does not participate in wrap fee programs.

As of December 31, 2010, LNL’s assets under management totaled \$3,097,355,275.

## **Fees and Compensation**

Investment advisory services are offered for a percentage of assets under management.

LNL charges investment management fees daily at an annual rate based on a percentage of the average daily net asset value attributed to each insurance product’s investment in the separate accounts. LNL or its clients may terminate advisory services without penalty.

The following table shows LNL's basic fee schedule:

<b>Separate Accounts</b>	<b>Fees</b>
SA #11, 12, 17, 20, 21, 23, 24, 28, 30, 32	Up to 0.75%
SA #14	Up to 0.60%
SA #22	Up to 0.98%

Accounts may incur ongoing costs, such as distribution and/or service (12b-1) fees, fund accounting expenses, custodial fees, brokerage and other transaction costs, administrative and other fund expenses. The accounts themselves do not charge transaction fees, such as sales charges (loads), redemption fees, or exchange fees although LNL, as the issuer of insurance contracts, may charge such fees. Refer to the Brokerage Practices section for additional information regarding brokerage costs.

LNL does not charge client fees in advance. LNL and its supervised persons do not accept compensation including commissions and markups for the sale of securities or other investment products.

## **Performance-Based Fees and Side-by-Side Management**

LNL does not accept performance based fees.

## **Types of Clients**

LNL provides investment advice to insurance company non-registered separate accounts.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

LNL oversees the investment strategies implemented by sub-advisers who manage its separate accounts. The primary risks of those accounts would vary depending on the investment objectives and strategies of each account. All accounts carry a certain amount of risk. Principal risks may include market risk, growth stock risk, credit risk, interest rate risk and foreign securities risk. Investing in securities involves risk of loss. Some of the accounts may engage in frequent trading which can result in increased brokerage and other transaction costs affecting investment performance.

## **Disciplinary Information**

There are no material legal or disciplinary events to report related to LNL's adviser or any management person of LNL's adviser.

## **Other Financial Industry Activities and Affiliations**

LNL is the issuer and administrator of products which offer separate account investment options. These investment options are advised by LNL. LNL has established selling agreements for the sale of these products with the following affiliated entities: Lincoln Financial Advisors (LFA), Lincoln Financial Distributors, and Lincoln Financial Securities (LFS), all registered broker-dealers. LNL does not believe that its arrangements with affiliates create any material conflict of interest. Any such arrangement is for the purpose of serving its clients.

Certain affiliated entities of LNL may maintain other business relationships with its sub-advisers. However, LNL does not believe any such business relationship would create a material conflict of interest for LNL and its clients.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

LNL has adopted a Code of Ethics ("Code") and procedures to comply with Rule 204A-1 under the Investment Advisors Act of 1940. The Code is designed to prevent directors, officers, and employees from engaging in fraudulent, manipulative, or deceptive conduct in connection with their personal trading. LNL's Code sets forth standards of conduct expected of its supervised persons and addresses conflicts of interest that may arise from personal trading by such individuals. Among other things, the Code requires supervised persons to provide quarterly reports of their personal securities transactions, including transactions for any account for which they are considered a beneficial owner. LNL will provide a copy of its Code of Ethics to any client or prospective client upon request.

LNL is a part of a large insurance enterprise with several affiliates that have substantial securities portfolios. From time to time, LNL or its sub-advisers may execute securities transactions, on behalf of clients, whose securities may also be held by the insurance enterprise. LNL or its affiliates may invest seed capital in accounts they also recommend to clients. LNL makes securities recommendations to clients consistent with its fiduciary duty without regard to any other financial interests.

Directors, officers, and employees of LNL may also invest in separate accounts offered through variable life, annuity, or other contracts issued by Lincoln companies.

## **Brokerage Practices**

LNL has ultimate authority to select broker-dealers through which securities are to be purchased and sold. LNL delegates to sub-advisers the day-to-day responsibility for selecting broker-dealers through which securities are to be purchased and sold on behalf of clients, subject to LNL's overall monitoring and supervision. In the selection of broker-dealers, sub-advisors seek to obtain most favorable price and execution. In seeking to obtain most favorable price and execution, sub-advisors consider factors they deem relevant including, but not limited to: price; the size of the transaction, the nature of the market for the security; the amount of commission, the reputation, experience and financial stability of the broker-dealer; promptness and reliability of execution; and the timing of the transaction taking into account market prices and trends.

The sub-adviser may, from time to time, cause higher brokerage commissions to be paid to brokers or dealers which provide research services (soft dollars) when the sub-adviser determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided. LNL does not directly engage in soft dollar arrangements or receive any soft dollar benefits.

LNL does not receive client referrals from broker-dealers or third parties.

On occasions when the sub-adviser to an account deems the purchase or sale of a security to be in the best interest of the account as well as its other clients, the sub-adviser, to the extent permitted by applicable laws and regulations, may aggregate such securities to be sold or purchased for the fund with those to be sold or purchased for its other clients in order to obtain best execution and lower brokerage commissions, if any. In such an event, allocation of the securities so purchased or sold, as well as the expenses incurred in the transaction, will be made in the manner deemed to be most equitable to all such clients, including the applicable separate accounts.

### **Review of Accounts**

LNL's compliance staff monitors client accounts daily to determine compliance with each account's investment objectives, restrictions and applicable laws and regulations subject to the oversight of its adviser's Chief Compliance Officer. Certain senior officers of the adviser and LNL also regularly review the portfolios for adherence to investment objectives and policies, performance attribution, portfolio composition, trading activity and use of derivative securities. Quarterly reports to clients address assets, cash flows, performance results, portfolio characteristics and derivatives exposure.

### **Client Referrals and Other Compensation**

LNL does not receive any economic benefit for providing investment advice to its advisory clients other than investment management fees paid by its clients. As the issuer of insurance products which offer separate account investment options, LNL may receive insurance related fees and compensation from the separate accounts through other non-advisory businesses. LNL and its related persons does not have any arrangement, oral or in writing, to directly or indirectly compensate any person for client referrals

### **Custody**

LNL does not have custody of any client's cash, bank accounts or securities.

### **Investment Discretion**

LNL exercises its investment discretion on behalf of its clients in accordance with the investment guidelines and restrictions agreed to with such clients.

### **Voting Client Securities**

LNL designates the responsibility for voting any proxies related to portfolio securities held by the account in accordance with the sub-advisers' proxy voting policies and procedures and in a manner in which the sub-adviser believes to be in the best interest of the separate accounts.

### **Financial Information**

LNL is exempt from the requirement to provide a balance sheet for the most recent fiscal year as it does not have custody of clients' funds or securities and does not require prepayment of more than \$1,200 in fees per client and six or more months in advance.

LNL has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

LNL has not been the subject of a bankruptcy petition at any time during the past ten years.