



To: Distribution Partners
From: Angie Roller, Producer Solutions
Date: 12/19/2014
Re: Advance Notice: Third Party Electronic Funds Transfer (EFT) Compensation Payments

Effective January 1, 2015, Lincoln Financial Group will only pay compensation to licensed entities and individuals. While Lincoln has previously allowed compensation and override commissions to be paid via EFT to some unlicensed entities, a recent review of state regulations and internal business practices has led to a change in this policy.

Therefore, we will not be able to pay compensation via EFT to an entity that is not licensed and appointed with Lincoln National Life Insurance Company and/or Lincoln Life & Annuity Company of New York.

Going forward any completed EFT form that indicates payment to an individual or corporation that is not licensed or appointed with Lincoln will not be processed. A letter will be generated to the requestor indicating Lincoln does not pay commissions to unlicensed entities.

These types of requests are infrequent and are isolated to a small number of MGAs. Partner Solutions will be partnering with LFD RM to communicate with those firms that have previously requested EFT for unlicensed entities. Those firms include two agencies within First Summit Financial, Ash Brokerage and four agencies within AIN.

Please also find attached a FAQ that should answer any questions you may receive. If you have any additional questions, please feel free to contact me at 260-455-7227 or Angela.Roller@lfg.com.

Thank you.