

The Lincoln Difference

Lincoln Financial Advisors



Why Work With Us?

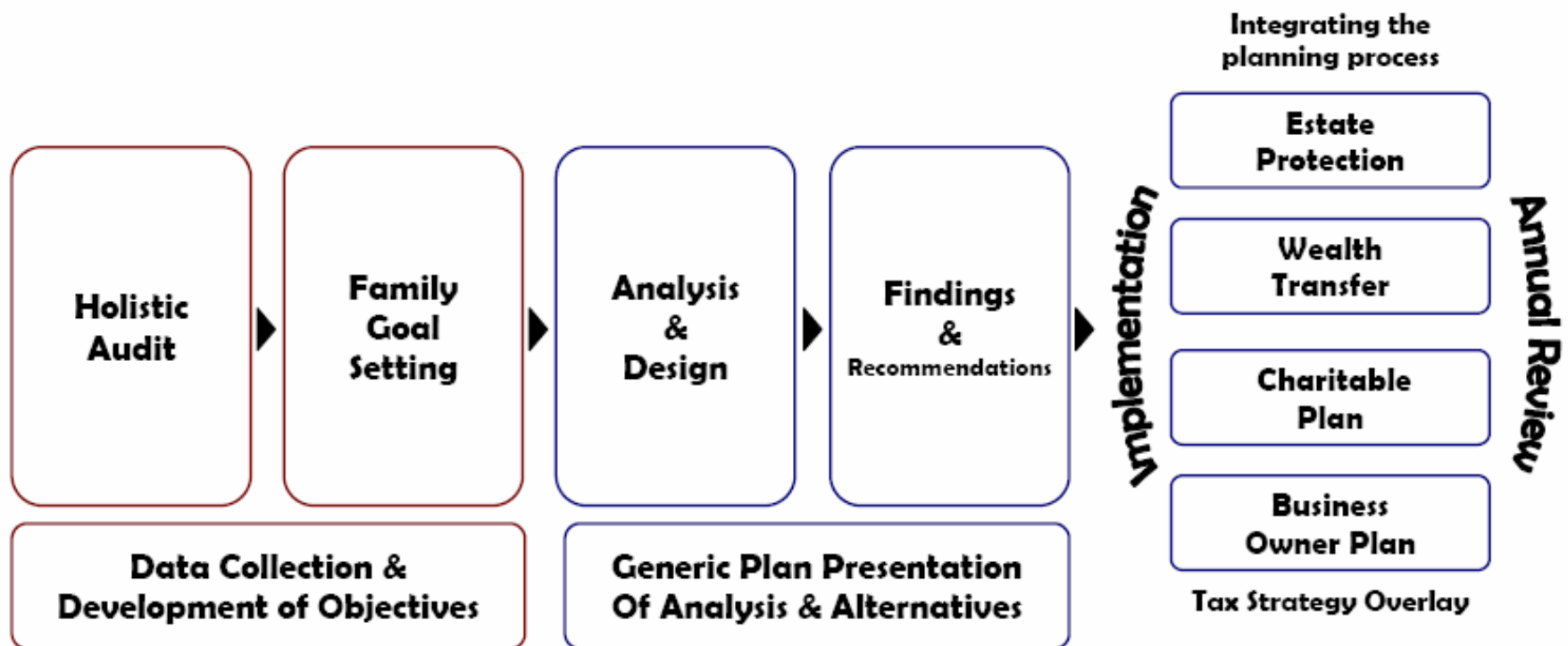


- **Lincoln Financial Advisors is an affiliate of Lincoln National Corporation (LNC)**
 - LNC is a Fortune 500 company with \$160 Billion in assets under management* and over 100 years of experience in finding clear solutions for our clients after a comprehensive financial evaluation and analysis.
 - Lincoln National Life Insurance Company was founded in 1905 in Fort Wayne, Indiana.
 - Lincoln Financial Advisors financial planners incorporate a finely tuned process that has been nationally recognized by the Financial Planning Association.

*As of December 31, 2011. For more information, including a copy of our most recent SEC reports containing our balance sheets, please visit www.LFG.com.

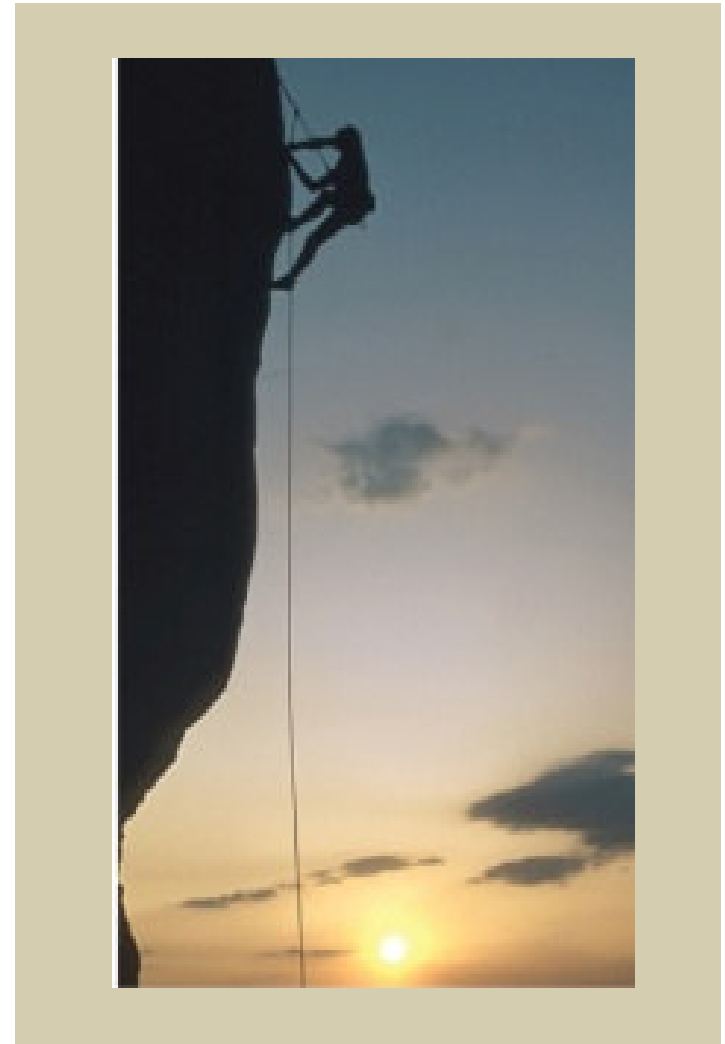
The Financial Planning Process

- Fully integrated total wealth preservation framework
- Personalized approach leads to solutions
- National recognition by the Financial Planning Association (FPA®)



The Lincoln Difference: The Financial Planning Process

- **Step 1:** We conduct a holistic audit of the client's current estate, financial, executive benefit programs, and business owner situation (if applicable) and develop a comprehensive financial model to determine the potential impact of alternative strategies. The current situation is compared to where the client wants to be.
- **Step 2:** An in-depth analysis is provided to identify gaps and opportunities between the clients' current financial position and their objectives. We then offer alternative strategies and solutions to help them toward their goals
- **Step 3:** The final step of our process is implementation. When executing the clients' plan, we ensure each component is coordinated and integrated with the overall plan, in all financial planning areas.



The Lincoln Difference: Executive Benefits



- **Corporate plan document analysis for triggering events of death, disability, retirement, layoff, change of ownership.**
- **Employee Stock Option risk, opportunity and income taxation strategies. Analysis of exercise methods.**
- **Restricted stock, long term incentive plan analysis.**
- **Retirement and deferred compensation plan elections.**
- **Concentrated wealth protection strategies with insider restrictions and corporate requirements.**
- **Coordination of asset location in qualified and non-qualified accounts.**
- **Retirement plan lump sum and annuity elections.**
- **Net Unrealized Appreciation Planning.**
- **Retirement distribution strategies, consolidation, and wealth management.**

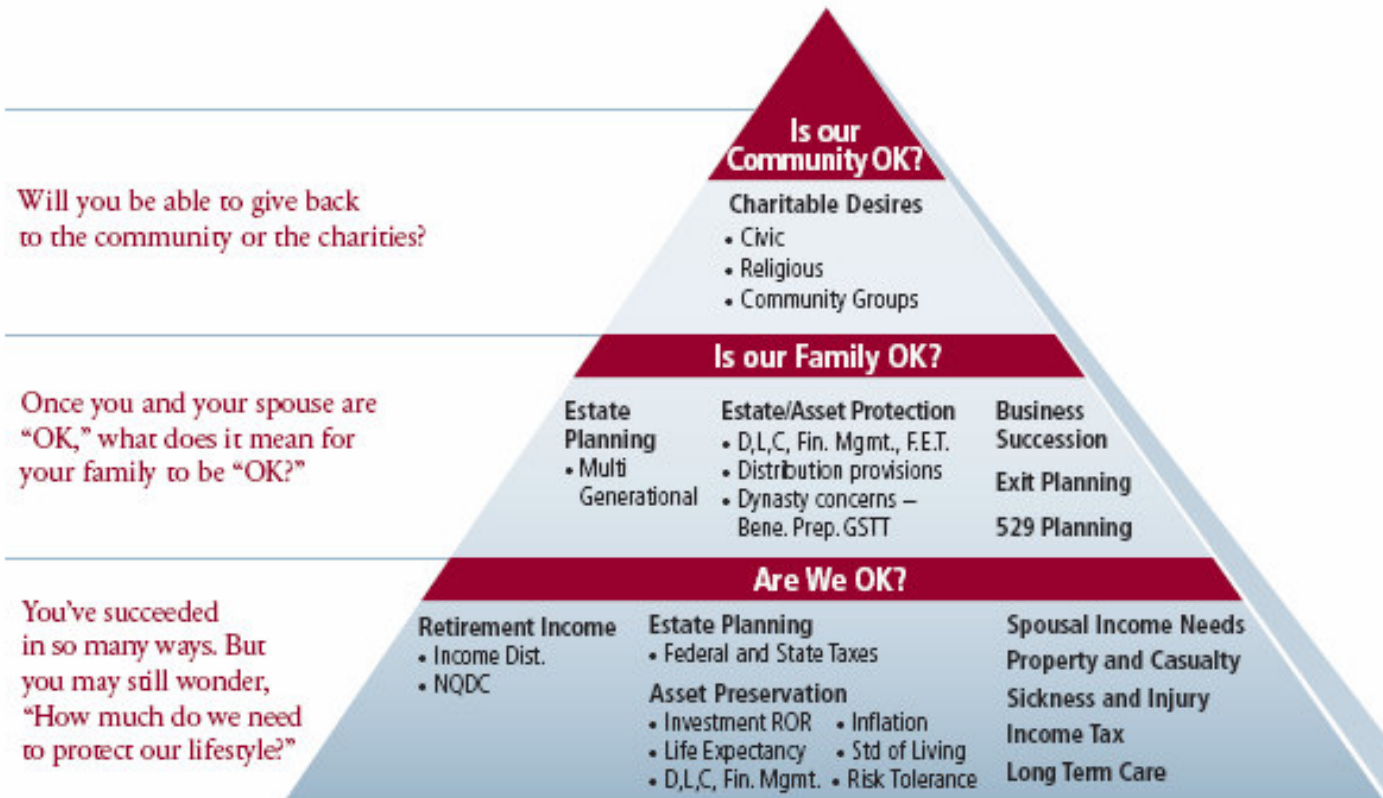
The Lincoln Difference: Estate / Asset Protection Strategies



- Will and trust design strategies.
- Property ownership alternatives.
- Estate tax reduction techniques.
- Life insurance analysis.
- Qualified plan distribution.
- Family gifting strategies.
- Generational transfer.
- Charitable planning.

The Sagemark Difference: Are we OK?

Family Legacy Pyramid

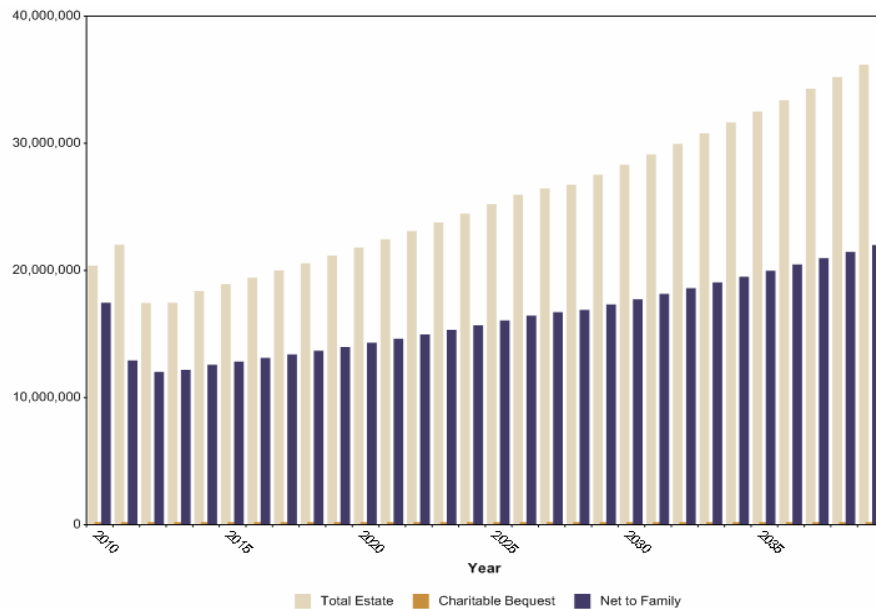


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It is not our position to offer legal or tax advice.

The Lincoln Difference: Financial Modeling

Financial Condition Model (proprietary)

- Captures client's specific financial needs and objectives.
- Estimates annual cash flows, income taxes, and estate taxes.
- Estimates asset growth over the client's lifetime.
- Projects long-term financial factors such as estate distribution, etc.
- Illustrates economic impact analysis of tax reduction strategies.



Financial Condition Model

Main Report

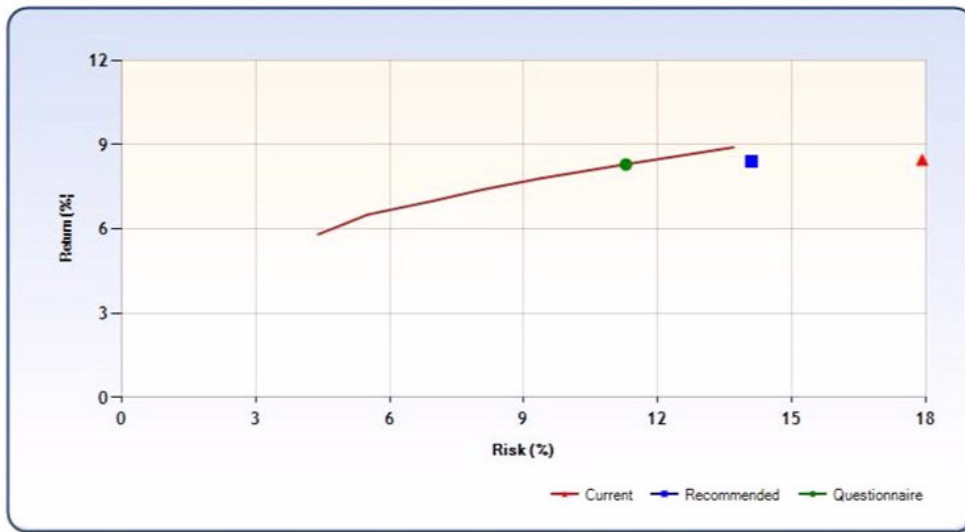
The Sample Family
Revised Situation

Report created on December 7, 2010

Bob / Sue's Age Year Ending	66/59 2010	67/60 2011	68/61 2012	69/62 2013	70/63 2014
Assets					
Discretionary Account	0	26,757	53,407	80,747	108,821
Cash and Equivalents	127,858	129,236	130,636	132,057	133,500
Investments - Revised	642,827	643,112	643,402	643,696	643,995
Qualified Plan Assets	1,301,590	1,321,877	1,340,141	1,356,092	1,392,808
Net Investable Assets	2,072,275	2,120,982	2,167,586	2,212,592	2,279,124
Net Personal Use Assets	150,000	150,000	150,000	150,000	150,000
Net Business Use Assets	0	0	0	0	0
Net Real Estate Assets	309,000	318,270	327,818	337,653	347,783
Net Assets	2,531,275	2,589,252	2,645,404	2,700,245	2,776,907
Annual Income Sources					
Earned Income	0	0	0	0	0
Investment Income	41,336	41,349	41,363	41,377	41,392
Qualified Plan/IRA/Annuity Income	52,992	59,225	62,346	65,618	47,062
Pension Annuity Benefit	0	0	0	0	0
Social Security Benefit	20,000	20,400	20,808	21,224	21,649
Cash Flow Adjustments	0	0	0	0	0
Total Income Sources	114,328	120,974	124,517	128,219	110,103

The Lincoln Difference: Investment Analysis

- **Comprehensive portfolio analysis of all assets regardless of location.**
- **Risk / Return analysis to optimize return for level of estimated risk.**
- **Personalized portfolio strategies in line with personal risk tolerance.**
- **Probability simulation (Monte Carlo) for probability of meeting retirement and lifetime objectives.**



The Lincoln Difference: Business Owner Planning



- **Business succession planning**
 - Identify next generation of management
 - Decide when and how to transfer business
 - Minimize the impact of taxes
- **Executive compensation planning**
 - Strategize to attract, retain and reward the top talent
 - Custom-design executive compensation package

The Lincoln Difference: Service, First, Last & Always

As a company, we believe in providing our clients with clarity and solutions that help meet their needs. We believe that long term relationships are more important than short term gains, and will never sacrifice the former for the later.

Conviction in what we do, the courage to get our clients to take action; competency based on continuing education and training; bringing national resources together on a team that will benefit each client; and communication that builds understanding and trust – these are the key qualities of our firms' philosophy of "Serve First, Last and Always(SM)".

These are the commitments we make to each of our clients.



Disclosures



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- California. Insurance offered through Lincoln Marketing and Insurance Agency, LLC and Lincoln Associates Insurance Agency, Inc. and other fine companies.**
- It is not our position to offer legal or tax advice. Please seek the advice of a professional advisor prior to making a tax-related and / or insurance decision.
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