

LINCOLN NATIONAL CORP  
Form S-4/A  
February 09, 2006  
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As filed with the Securities and Exchange Commission on February 9, 2006.

Registration No. 333-130226

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

## LINCOLN NATIONAL CORPORATION

(Exact name of Registrant as specified in its Charter)

**Indiana**  
(State or other jurisdiction of  
incorporation or organization)

**6311**  
(Primary Standard Industrial  
Classification Code Number)

**35-1140070**  
(I.R.S. Employer  
Identification Number)

**Centre Square West Tower**

**1500 Market Street, Suite 3900**

**Philadelphia, PA 19102**

**(215) 448-1400**

(Address, including zip code, and telephone number, including  
area code, of Registrant's principal executive offices)

**Dennis L. Schoff, Esq.**

**Senior Vice President & General Counsel**

**Lincoln National Corporation**

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Centre Square West Tower

1500 Market Street, Suite 3900

Philadelphia, PA 19102

(215) 448-1400

(Name, address, including zip code, and telephone number, including  
area code, of agent for service)

*With copies to:*

Charles C. Cornelio, Esq.

James R. Dwyer, Esq.

E. William Bates, II, Esq.

Jefferson-Pilot Corporation

LeBoeuf, Lamb, Greene & MacRae LLP

King & Spalding LLP

100 North Greene Street

125 West 55th Street

1185 Avenue of the Americas

Greensboro, NC 27401

New York, NY 10019

New York, NY 10036

(336) 691-3000

(212) 424-8000

(212) 556-2100

**Approximate date of commencement of proposed sale to public:** As soon as practicable following the effective date of this Registration Statement and the date on which all other conditions to the merger described herein have been satisfied or waived and the merger has been consummated.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**TO THE SHAREHOLDERS OF  
LINCOLN NATIONAL CORPORATION AND JEFFERSON-PILOT CORPORATION**

**A MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT**

The boards of directors of Lincoln National Corporation, which is referred to as LNC, and Jefferson-Pilot Corporation, which is referred to as Jefferson-Pilot, have each unanimously approved a business combination of the two companies. Pursuant to the Agreement and Plan of Merger, dated as of October 9, 2005, as amended, by and among LNC, Lincoln JP Holdings, L.P., a wholly owned subsidiary of LNC formed for the purpose of completing the merger, which is referred to as Merger Sub, Quartz Corporation, a wholly owned subsidiary of LNC, and Jefferson-Pilot, Jefferson-Pilot will merge into Merger Sub.

If the merger is completed, Jefferson-Pilot shareholders will have the right to receive, subject to proration and adjustment (as provided in the merger agreement), 1.0906 shares of LNC common stock, no par value per share (and associated common share purchase right), or \$55.96 in cash, in exchange for each share of Jefferson-Pilot common stock, par value \$1.25 per share, that they hold. In exchange for their shares of Jefferson-Pilot common stock, Jefferson-Pilot shareholders may elect to receive cash, shares of LNC common stock or a combination of cash for some of their shares and LNC common stock for other of their shares. Regardless of a Jefferson-Pilot shareholder's choice, however, elections will be limited by the requirement that the total amount of cash to be exchanged for Jefferson-Pilot common stock must equal \$1.8 billion. Accordingly, elections to receive cash or LNC common stock may be scaled up or down pro rata depending on whether cash is under- or over-subscribed. The United States federal income tax consequences of the merger to Jefferson-Pilot shareholders will depend, among other things, on whether they receive cash, stock or a combination of cash and stock in exchange for their shares of Jefferson-Pilot common stock.

Upon completion of the merger, we estimate that Jefferson-Pilot's former shareholders will own approximately 39% and LNC shareholders will own approximately 61% of the then outstanding shares of LNC common stock. Based upon the outstanding shares of Jefferson-Pilot common stock on February 3, 2006, LNC will be obligated to issue approximately 111,739,539 million shares of LNC common stock in the merger. In addition, LNC may issue up to approximately 11.1 million shares pursuant to Jefferson-Pilot options that will be converted into LNC options upon the completion of the merger. LNC's shareholders, including holders of its \$3.00 Cumulative Convertible Preferred Stock, Series A, which is referred to as the LNC Series A preferred stock, will continue to own their existing shares, which will not be affected by the merger.

Shares of LNC common stock are listed on the New York Stock Exchange, which is referred to as the NYSE, the Chicago Stock Exchange and the Pacific Stock Exchange under the trading symbol LNC. Upon completion of the merger, Jefferson-Pilot common stock, which is listed on the NYSE and the Chicago Stock Exchange under the trading symbol JP, will be delisted.

**Your vote is very important.** We cannot complete the merger unless the holders of Jefferson-Pilot common stock approve the merger agreement and the plan of merger contained therein and the holders of LNC common stock and LNC Series A preferred stock, voting together as a single class, approve the issuance of LNC common stock in connection with the merger. The completion of the merger is also subject to the satisfaction or waiver of several other conditions to the merger, including receiving approval from regulatory agencies. We are each holding a special meeting of shareholders in order to vote on these proposals. The places, dates and times of the special meetings are as follows:

**For LNC shareholders:**  
March 20, 2006

10:00 a.m., local time  
Second Floor Auditorium

**For Jefferson-Pilot shareholders:**  
March 20, 2006

10:00 a.m., local time  
Fourth Floor, Jefferson-Pilot Building

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Two Commerce Square

100 North Greene Street

2001 Market Street

Greensboro, North Carolina

Philadelphia, Pennsylvania

Whether or not you plan to attend your company's special meeting, please take the time to vote by following the instructions on your proxy/voting instruction card(s).

**We urge you to read this joint proxy statement/prospectus, and the documents incorporated by reference into this joint proxy statement/prospectus, carefully and in their entirety. In particular, see Risk Factors beginning on page 25.**

We are very excited about the opportunities the proposed merger brings to both LNC and Jefferson-Pilot shareholders, and we thank you for your consideration and continued support.

Jon A. Boscia  
Chairman and Chief Executive Officer  
Lincoln National Corporation

David A. Stonecipher  
Chairman of the Board  
Jefferson-Pilot Corporation

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger or the securities to be issued in the merger, or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated February 9, 2006, and is first being mailed to shareholders on or about February 14, 2006.

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**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business and financial information about LNC and Jefferson-Pilot from documents that are not included in or delivered with this document. This information is available for you to review at the Securities and Exchange Commission's public reference room located at 100 F Street, N.E., Room 1580, Washington, DC 20549, and through the SEC's website, www.sec.gov. You can also obtain those documents incorporated by reference into this joint proxy statement/prospectus, without charge, by requesting them in writing or by telephone or email from the appropriate company at the following addresses, telephone numbers and email addresses or obtaining them from each company's website listed below:

**Lincoln National Corporation**

Centre Square West Tower  
1500 Market Street, Suite 3900  
Philadelphia, PA 19102  
Attention: Shareholder Services  
(800) 237-2920  
shareholderservices@lfg.com  
www.lfg.com

**Jefferson-Pilot Corporation**

100 North Greene Street  
Greensboro, NC 27401  
Attention: Investor Relations  
(336) 691-3379  
investor.relations@jpfinancial.com  
www.jpfinancial.com

Information contained on the LNC and Jefferson-Pilot websites is expressly not incorporated by reference into this joint proxy statement/prospectus.

You can also obtain documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from Georgeson Shareholder Communications, Inc., the proxy solicitor for both LNC and Jefferson-Pilot, at the following address and telephone numbers:

17 State Street  
New York, NY 10004  
(212) 440-9800 (collect)

**LNC shareholders:**

(888) 666-2572 (toll free)

**Jefferson-Pilot shareholders:**

(888) 877-5366 (toll free)

**If you would like to request documents, you must do so by March 13, 2006, so that you may receive them before the special meetings.**

See [Where You Can Find More Information](#) beginning on page 146.

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**1500 MARKET STREET, SUITE 3900  
CENTRE SQUARE WEST  
PHILADELPHIA, PENNSYLVANIA 19102**

February 9, 2006

**NOTICE OF  
SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MARCH 20, 2006**

To the Shareholders of Lincoln National Corporation:

A special meeting of Lincoln National Corporation shareholders will be held on March 20, 2006 at the offices of Delaware Investments, Inc., Second Floor Auditorium, Two Commerce Square, 2001 Market Street, Philadelphia, Pennsylvania, at 10:00 a.m., local time, unless adjourned to a later date. The special meeting is being held for the following purposes:

1. To consider and vote upon a proposal to issue shares of Lincoln National Corporation common stock pursuant to the Agreement and Plan of Merger, dated as of October 9, 2005, as amended, by and among Lincoln National Corporation (which is referred to as LNC), Lincoln JP Holdings, L.P., a wholly owned subsidiary of LNC, Quartz Corporation, a wholly owned subsidiary of LNC, and Jefferson-Pilot Corporation. A composite copy of the merger agreement is attached to the accompanying joint proxy statement/prospectus as Annex A.
2. To approve adjournments of the LNC special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the above proposal.
3. To consider and take action upon any other business that may properly come before the special meeting or any reconvened meeting following an adjournment of the special meeting.

These items are described in the accompanying joint proxy statement/prospectus and we urge you to read it carefully. Only shareholders who owned shares of LNC common stock or LNC Series A preferred stock at the close of business on February 3, 2006, the record date for the special meeting, are entitled to notice of, and to vote at, the special meeting and any adjournment of it.

**LNC's board of directors has unanimously approved the merger agreement, as amended, has approved the transactions contemplated by the merger agreement and has determined that the merger is in the best interests of LNC and its shareholders. LNC's board of directors recommends that you vote FOR the issuance of LNC common stock pursuant to the merger agreement.**

Under Indiana law, dissenters' rights will not be available to LNC shareholders in connection with the merger.

**Your vote is very important.** To ensure that your shares of LNC common stock or LNC Series A preferred stock are represented at the special meeting, please complete, date, sign and return the enclosed proxy/voting instruction card(s) and mail it/them promptly in the envelope provided, or vote your shares by telephone or over the Internet as described in the accompanying joint proxy statement/prospectus. Completing a proxy now will not prevent you from being able to vote at the special meeting by attending in person and casting a vote but will help to secure a quorum and avoid added solicitation costs. You may revoke your proxy at any time before it is voted. Any executed but unmarked proxy/voting instruction card(s) will be voted **FOR** the issuance of LNC common stock and **FOR** the other proposals properly brought before the special meeting.



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All LNC shareholders are cordially invited to attend this special meeting, although only those shareholders of record at the close of business on February 3, 2006 will be entitled to receive notice of, and to vote at, the LNC special meeting or any adjournment thereof. Your attention is directed to the joint proxy statement/prospectus accompanying this notice for a more complete statement regarding the matters proposed to be acted upon at the meeting.

You will need an admission ticket or proof of ownership of LNC common stock or LNC Series A preferred stock and a photo I.D. to enter the meeting. If you are a shareholder of record, you will find an admission ticket attached to the enclosed proxy form. If your shares are held in the name of a broker, bank or other holder of record, your admission ticket is the left side of your proxy form. If you do not bring your admission ticket, you will need proof of ownership to be admitted to the meeting and you will be admitted only if we can verify that you are an LNC shareholder. Your recent brokerage statement or letter from your bank or broker is an example of proof of ownership.

Our shareholders may revoke their proxy in the manner described in the accompanying joint proxy statement/prospectus before it has been voted at the special meeting.

**Your vote is very important. Whether or not you plan to be present at the special meeting, please complete, sign, date and return the enclosed proxy/voting instruction card(s) or vote by telephone or Internet as provided on the proxy/voting instruction card(s).**

For the Board of Directors,

C. Suzanne Womack

Secretary

February 9, 2006

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**Jefferson-Pilot Corporation**

100 North Greene Street

Greensboro, North Carolina 27401

February 9, 2006

**NOTICE OF  
SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MARCH 20, 2006**

To the Shareholders of Jefferson-Pilot Corporation:

A special meeting of Jefferson-Pilot Corporation shareholders will be held on March 20, 2006 at Jefferson-Pilot's offices, Fourth Floor, Jefferson-Pilot Building, 100 North Greene Street, Greensboro, North Carolina, at 10:00 a.m., local time, unless adjourned to a later date. The special meeting is being held for the following purposes:

1. To consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of October 9, 2005, as amended, by and among Lincoln National Corporation (which is referred to as LNC), Lincoln JP Holdings, L.P., a wholly owned subsidiary of LNC (which is referred to as Merger Sub), Quartz Corporation, a wholly owned subsidiary of LNC, and Jefferson-Pilot, and the plan of merger contained therein, pursuant to which (i) Jefferson-Pilot will merge into Merger Sub and (ii) each outstanding share of Jefferson-Pilot common stock will be converted into the right to receive 1.0906 shares of LNC common stock or \$55.96 in cash (which will be at each shareholder's election, but subject to proration and certain other restrictions contained in the merger agreement). A composite copy of the merger agreement is attached to the accompanying joint proxy statement/prospectus as Annex A.
2. To approve adjournments of the Jefferson-Pilot special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the above proposal.
3. To consider and take action upon any other business that may properly come before the special meeting or any reconvened meeting following an adjournment of the special meeting.

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These items are described in the accompanying joint proxy statement/prospectus, and we urge you to read it carefully. Only shareholders who owned shares of Jefferson-Pilot common stock at the close of business on February 3, 2006, the record date for the special meeting, are entitled to notice of, and to vote at, the special meeting and any adjournment of it.

**Jefferson-Pilot's board of directors has unanimously adopted the merger agreement, as amended, and the plan of merger contained therein and has determined that the transactions contemplated by the merger agreement are advisable and in the best interests of Jefferson-Pilot and its shareholders. Jefferson-Pilot's board of directors recommends that you vote FOR the approval of the merger agreement and the plan of merger contained therein.**

Under North Carolina law, dissenters' rights will not be available to Jefferson-Pilot shareholders in connection with the merger.

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**Your vote is very important.** To ensure that your shares of Jefferson-Pilot common stock are represented at the special meeting, please complete, date, sign and return the enclosed proxy/voting instruction card(s) and mail it/them promptly in the envelope provided, or vote your shares by telephone or over the Internet as described in the accompanying joint proxy statement/prospectus. Completing a proxy now will not prevent you from being able to vote at the special meeting by attending in person and casting a vote but will help to secure a quorum and avoid additional solicitation costs. However, if you do not return or submit the proxy or vote in person at the special meeting, the effect will be the same as a vote against the proposal to approve the merger agreement and the plan of merger contained therein. You may revoke your proxy at any time before it is voted. Any executed but unmarked proxy/voting instruction card(s) will be voted **FOR** approval of the merger agreement and the plan of merger contained therein and **FOR** the other proposals properly brought before the special meeting.

All Jefferson-Pilot shareholders are cordially invited to attend this special meeting, although only those shareholders of record at the close of business on February 3, 2006 will be entitled to receive notice of, and to vote at, the Jefferson-Pilot special meeting or any adjournment thereof. Your attention is directed to the joint proxy statement/prospectus accompanying this notice for a more complete statement regarding the matters proposed to be acted upon at the meeting.

**Your vote is very important. Whether or not you plan to be present at the special meeting, please complete, sign, date and return the enclosed proxy/voting instruction card(s) or vote by telephone or Internet as provided on the proxy/voting instruction card(s).**

For the Board of Directors,

Robert A. Reed

Vice President and Secretary

February 9, 2006

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Annex A	Composite copy of Agreement and Plan of Merger, dated as of October 9, 2005, as amended as of January 26, 2006, among Lincoln National Corporation, Quartz Corporation, Lincoln JP Holdings, L.P. and Jefferson-Pilot Corporation
Annex B	Amended and Restated Bylaws of Lincoln National Corporation
Annex C	Opinion of Goldman, Sachs & Co.
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Annex F	Opinion of Morgan Stanley & Co. Incorporated



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**QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETINGS AND THE MERGER**

*The following questions and answers briefly address some commonly asked questions about the special meetings and the merger. They do not include all the information that may be important to you. LNC and Jefferson-Pilot urge you to read carefully this entire joint proxy statement/prospectus, including the annexes and the other documents referenced in this joint proxy statement/prospectus. Page references are included in certain parts of this summary to direct you to a more detailed description of topics presented elsewhere in this joint proxy statement/prospectus.*

**Q: Why am I receiving this joint proxy statement/prospectus?**

A: LNC and Jefferson-Pilot have agreed to enter into a merger transaction whereby Jefferson-Pilot would be merged into a subsidiary of LNC with Jefferson-Pilot shareholders receiving cash and/or shares of LNC common stock in exchange for their shares in connection with the merger. The terms of the merger are set forth in a merger agreement, as amended, which is referred to as the merger agreement (any reference to the merger agreement also refers to the plan of merger contained therein), that is described in this joint proxy statement/prospectus. A composite copy of the merger agreement is attached to this joint proxy statement/prospectus as Annex A.

To complete the merger, LNC shareholders must vote to approve the issuance of shares of LNC common stock in the merger and Jefferson-Pilot shareholders must vote to approve the merger agreement and the plan of merger contained therein. LNC and Jefferson-Pilot will hold separate special meetings of their respective shareholders to obtain these approvals.

This joint proxy statement/prospectus, which you should read carefully, contains important information about the merger, the merger agreement and the special meetings of the shareholders. The enclosed voting materials allow you to vote your shares without attending your company's special meeting.

Your vote is very important. We encourage you to vote as soon as possible.

**Q: How do I vote?**

A: You may vote before your special meeting in one of the following ways:

use the toll-free number shown on your proxy/voting instruction card(s);

visit the website shown on your proxy/voting instruction card(s) to vote via the Internet; or

complete, sign, date and return the enclosed proxy/voting instruction card(s) in the enclosed postage-paid envelope.

**Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?**

A: No. Your broker does not have authority to vote on the proposals in connection with the merger without instruction from you. Your broker will vote your shares held by it in street name only if you provide instructions to it on how to vote with respect to these matters. You should follow the directions your broker provides.

**Q: What if I do not vote my shares on the matters relating to the merger?**

A: If you are an LNC shareholder and you fail to respond with a vote or instruct your broker how to vote, which is referred to as a broker non-vote, on the proposal to issue LNC common stock in connection with the merger, your vote will not be counted towards determining whether the required more-than-50% of the shares entitled to be cast on the proposal to issue LNC common stock in connection with the merger have been cast, and will not be counted for purposes of determining whether a majority of the votes actually cast on the proposal have been voted in favor of the proposal. If the required more-than-50% of the shares

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entitled to vote have voted, a non-vote will have no effect. If you respond and abstain from voting, your proxy will have the same effect as a vote against the proposal. If you respond but do not indicate how you want to vote on the proposal, your proxy will be counted as a vote in favor of the proposal.

If you are a Jefferson-Pilot shareholder and you fail to respond with a vote or instruct your broker how to vote on the merger proposal, it will have the same effect as a vote against the proposal. If you respond and abstain from voting, your proxy will have the same effect as a vote against the proposal. If you respond but do not indicate how you want to vote on the proposal, your proxy will be counted as a vote in favor of the proposal.

**Q. What if I participate in LNC's Employees Savings and Profit Sharing Plan or The Lincoln National Life Insurance Company Agents Savings and Profit Sharing Plan or LNC's Dividend Reinvestment Plan?**

A: If you participate in LNC's Employees Savings and Profit Sharing Plan or The Lincoln National Life Insurance Company Agents Savings and Profit Sharing Plan, your proxy/voting instruction card(s) will include the LNC common stock allocated to your accounts in that plan. To vote your shares in that plan, you must return your proxy/voting instruction card(s) or submit your voting instructions to the trustees of your plan by telephone or over the Internet as instructed on your proxy/voting instruction card(s) by 11:59 p.m. (E.S.T.) on March 17, 2006. If you participate in one of these plans and do not return your proxy/voting instruction card(s) or submit your voting instructions by telephone or over the Internet by 11:59 p.m. (E.S.T.) on March 17, 2006, the trustees of your plan will vote the shares in your account in the same proportion as they vote the shares for which they receive voting instructions from the other plan participants.

If you participate in LNC's Dividend Reinvestment Plan, your proxy/voting instruction card(s) will also include the LNC common stock allocated to your accounts in that plan. To vote your shares in that plan, you must return your proxy/voting instruction card(s) or submit your voting instructions by telephone or over the Internet as instructed on your proxy/voting instruction card(s).

**Q. What if I participate in Jefferson-Pilot's Dividend Reinvestment Plan, 401(k)/TeamShare Plan or Agents Retirement Plan?**

A: If you participate in Jefferson-Pilot's 401(k)/TeamShare Plan or Agents Retirement Plan, your proxy/voting instruction card(s) will include the Jefferson-Pilot common stock allocated to your accounts in that plan. To vote your shares in that plan, you must return your proxy/voting instruction card(s) or submit your voting instructions to the trustees of your plan by telephone or over the Internet as instructed on your proxy/voting instruction card(s) by 11:59 p.m. (E.S.T.) on March 17, 2006. If you participate in one of these plans and do not return your proxy/voting instruction card(s) or submit your voting instructions by telephone or over the Internet as instructed on your proxy/voting instruction card(s) by 11:59 p.m. (E.S.T.) on March 17, 2006, the trustees of your plan will vote the shares in your account in the same proportion as they vote the shares for which they receive voting instructions from the other plan participants.

If you participate in Jefferson-Pilot's Dividend Reinvestment Plan, your proxy/voting instruction card(s) will also include the Jefferson-Pilot common stock allocated to your accounts in that plan. To vote your shares in that plan, you must return your proxy/voting instruction card(s) or submit your voting instructions by telephone or over the Internet as instructed on your proxy/voting instruction card(s).

**Q. When is the merger expected to be completed?**

A: If the shareholders of LNC and Jefferson-Pilot both give their approval in connection with the merger, we expect to complete the merger as soon as practicable after the satisfaction of the other conditions to the merger, including the receipt of required regulatory approvals. There may be a substantial period of time between the approval of the proposals by shareholders at the LNC and Jefferson-Pilot special meetings and the effectiveness of the merger. We currently anticipate that the merger will be completed at the beginning of the second quarter of 2006.



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**Q: What are the tax consequences of the merger to me?**

A: The tax consequences of the merger to Jefferson-Pilot shareholders will depend upon the merger consideration that you receive in the merger. The tax consequences of the merger are complex and you are urged to consult with your tax advisor. You should also carefully read the more thorough tax discussion contained in the section entitled "Material United States Federal Income Tax Considerations" beginning on page 93.

**Q: Who can answer questions about the merger?**

A: If you have any questions about the merger or your special meeting, need assistance in voting your shares, or need additional copies of this joint proxy statement/prospectus or the enclosed proxy/voting instruction card(s):

Both LNC and Jefferson-Pilot shareholders should contact:

Georgeson Shareholder Communications, Inc.

17 State Street

New York, New York 10004

(212) 440-9800 (collect)

LNC shareholders:

(888) 666-2572 (toll free)

Jefferson-Pilot shareholders:

(888) 877-5366 (toll free)

**Q: What should I do now?**

A: You should read this joint proxy statement/prospectus carefully, including the annexes. If you own common stock in your own name, return your completed, signed and dated proxy/voting instruction card(s) by mail in the enclosed postage-paid envelope or vote by telephone or over the Internet as soon as possible so that your shares will be represented and voted at your special meeting. If your shares are held in "street name" through a broker, bank or other nominee, please follow the voting instructions provided by your broker, bank or other nominee.

**Q: Should I send in my Jefferson-Pilot stock certificates with my proxy/voting instruction card(s)?**

A: No. **Please DO NOT send your Jefferson-Pilot stock certificates with your proxy/voting instruction card(s).** If you are a Jefferson-Pilot shareholder, you will have a separate opportunity to elect your preference as to receiving cash and/or LNC common stock pursuant to the merger agreement. The process for making this election is described in this joint proxy statement/prospectus and the form of election. The form of election will be separately mailed to Jefferson-Pilot shareholders at least 20 business days before the election deadline. You should carefully review and follow the instructions set forth in the form of election together with this joint proxy statement/prospectus.

**Q: When must I elect whether I would prefer to receive cash and/or LNC common stock as merger consideration?**

- A. If you are a Jefferson-Pilot shareholder and wish to elect your preference to receive cash, LNC common stock or cash for some of your shares and LNC common stock for other of your shares, the election deadline is March 28, 2006, unless we extend it. After the form of election has been mailed, we will announce any extension to the election deadline by joint press release. The exchange agent must receive your form of election on or before the election deadline. If your shares are held in street name, your broker, bank or other nominee may have an earlier deadline.

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**Q: If I am going to attend my special meeting, should I return my proxy/voting instruction card(s)?**

A: Yes. Returning your signed and dated proxy/voting instruction card(s) or voting by telephone or over the Internet ensures that your shares will be represented and voted at your special meeting. See *The LNC Special Meeting How to Vote* beginning on page 36 and *The Jefferson-Pilot Special Meeting How to Vote* beginning on page 40.

**Q: What does it mean if I receive multiple proxy/voting instruction card(s)?**

A: Your shares may be registered in more than one account, such as a brokerage account and a 401(k) account. It is important that you complete, sign, date and return each proxy/voting instruction card you receive, or, if available, vote using the telephone or the Internet as described in the instructions included with your proxy/voting instruction card(s).

**Q: Can I change my vote after I deliver my proxy?**

A: Yes. You may change your vote at any time before the vote takes place at your special meeting. To change your vote, you may submit a new proxy/voting instruction card(s) by mail or submit a new proxy by telephone or over the Internet. An LNC shareholder of record may also send a signed written notice to LNC's Corporate Secretary stating that he/she would like to revoke his/her proxy and a Jefferson-Pilot shareholder of record may send a signed written notice to Jefferson-Pilot's Corporate Secretary stating that he/she would like to revoke his/her proxy. If your shares are held in a street name account, you must contact your broker, bank or other nominee to change your vote.

You may also change your vote by attending your special meeting and voting in person. However, if you elect to vote in person at the special meeting and your shares are held by a broker, bank or other nominee, you must bring to the meeting a legal proxy from the broker, bank or other nominee authorizing you to vote the shares.

**Q: Where can I find more information about LNC and Jefferson-Pilot?**

A: You can find more information about LNC and Jefferson-Pilot from various sources described under *Where You Can Find More Information* beginning on page 146.

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**SUMMARY**

*This summary highlights selected information contained in this joint proxy statement/prospectus and may not include all the information that is important to you. To understand fully the proposed merger, and for a more detailed description of the terms and conditions of the merger and certain other matters being considered at your special meeting, you should read this entire joint proxy statement/prospectus and the documents to which we have referred you. See *Where You Can Find More Information* beginning on page 146. We have included page references parenthetically in this summary to direct you to a more detailed description of each topic presented in this summary.*

**Information about LNC (beginning on page 111)**

LNC, an Indiana corporation, is a holding company that operates multiple insurance and investment management businesses through its subsidiaries. Through its business segments, LNC sells a wide range of wealth protection and accumulation products. These products include fixed annuities, variable annuities, universal life insurance, variable universal life insurance, term life insurance, other individual insurance coverages, retail mutual funds, 529 college savings plans and managed accounts. LNC is headquartered in Philadelphia, Pennsylvania. At September 30, 2005, LNC had consolidated assets of \$122.1 billion and consolidated shareholders' equity of \$6.3 billion.

Lincoln National Corporation  
Centre Square West Tower  
1500 Market Street, Suite 3900  
Philadelphia, PA 19102  
[www.lfg.com](http://www.lfg.com)

**Information about Jefferson-Pilot (beginning on page 113)**

Jefferson-Pilot, a North Carolina corporation, is a financial services and broadcasting holding company. Through its subsidiaries, Jefferson-Pilot provides products and services in four major businesses: (1) life insurance, (2) annuities and investment products, (3) group life, disability and dental insurance, and (4) broadcasting and sports programming production. Jefferson-Pilot is headquartered in Greensboro, North Carolina. At September 30, 2005, Jefferson-Pilot had consolidated assets of \$35.8 billion and consolidated shareholders' equity of \$3.8 billion.

Jefferson-Pilot Corporation  
100 North Greene Street  
Greensboro, NC 27401  
[www.jpfinancial.com](http://www.jpfinancial.com)



**Information about Merger Sub**

Merger Sub is a wholly owned subsidiary of LNC, which was formed exclusively for the purpose of completing the merger. Merger Sub is an Indiana limited partnership whose general partner is an Indiana limited liability company wholly owned by LNC. LNC is the sole limited partner of Merger Sub.

**The Merger (beginning on page 43)**

*General*

The boards of directors of LNC and Jefferson-Pilot have each unanimously approved the merger agreement and the transactions contemplated by the merger agreement, including the merger, and determined that the merger agreement is in the best interests of their respective companies and shareholders. The LNC board of

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directors unanimously recommends that the LNC shareholders vote **FOR** the proposal to issue shares of LNC common stock in connection with the merger at the LNC special meeting. The Jefferson-Pilot board of directors has unanimously adopted the merger agreement and the plan of merger contained therein and recommends that the Jefferson-Pilot shareholders vote **FOR** approval of the merger agreement and the plan of merger contained therein at the Jefferson-Pilot special meeting.

Upon completion of the merger, the separate corporate existence of Jefferson-Pilot will cease and Merger Sub will continue as the surviving entity and a wholly owned subsidiary of LNC.

The boards of directors of LNC and Jefferson-Pilot both believe that the merger will provide strategic and financial benefits to their respective shareholders by creating one of the largest life insurance companies in the United States. Both boards of directors believe that the merger will be in the best interests of their respective companies and shareholders. To review the reasons for the merger in greater detail, see *The Merger LNC's Reasons for the Merger and Recommendation of LNC's Board of Directors* beginning on page 50 and *The Merger Jefferson-Pilot's Reasons for the Merger and Recommendation of Jefferson-Pilot's Board of Directors* beginning on page 53.

*We urge you to carefully read the entire merger agreement, a composite copy of which is attached to this joint proxy statement/prospectus as Annex A, because it sets forth the terms of and is the principal legal document governing the merger.*

### ***Required Votes to Effect the Merger***

The issuance of shares of LNC common stock in connection with the merger requires the approval of a majority of the votes cast on the proposal by the holders of LNC common stock and LNC Series A preferred stock, voting together as a single class, provided that the total votes cast on the proposal represent more than 50% of all securities entitled to vote on the proposal. See *The LNC Special Meeting Quorum and Voting Rights* beginning on page 33.

Holders of a majority of the outstanding shares of Jefferson-Pilot common stock entitled to vote at the Jefferson-Pilot special meeting must approve the merger agreement and the plan of merger contained therein. See *The Jefferson-Pilot Special Meeting Quorum and Voting Rights* beginning on page 38.

### ***Merger Consideration***

Upon completion of the merger, holders of Jefferson-Pilot common stock will be entitled to receive, depending upon their election and subject to proration and adjustment, for each share of Jefferson-Pilot common stock either:

\$55.96 in cash, without interest, or

1.0906 shares of LNC common stock.

In exchange for their shares of Jefferson-Pilot common stock, Jefferson-Pilot shareholders may elect to receive cash, shares of LNC common stock or a combination of cash for some of their shares and LNC common stock for other of their shares. Regardless of a Jefferson-Pilot shareholder's choice, however, elections will be limited by the requirement that the total amount of cash to be exchanged for Jefferson-Pilot common stock must equal \$1.8 billion. Accordingly, elections to receive cash or LNC common stock may be scaled up or down pro rata depending on whether cash is under- or over-subscribed.

For more details on the merger consideration, see "The Merger Agreement - Elections" beginning on page 99. The stock and cash consideration that LNC will pay to Jefferson-Pilot shareholders is referred to as the

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merger consideration. The exchange ratio is fixed and neither LNC nor Jefferson-Pilot has the right to terminate the merger agreement based solely on changes in either party's stock price. The market value of LNC common stock that Jefferson-Pilot shareholders receive in the merger may fluctuate significantly from its current value.

LNC expects to fund the cash portion of the merger consideration from the issuance of long-term debt, preferred stock or other securities, including stock purchase units, or a combination of these. In addition, in the event that permanent financing cannot be completed before the effective time of the merger, LNC expects to put bridge financing in place.

***Jefferson-Pilot shareholders will receive cash and/or LNC common stock based upon their elections, but subject to adjustment and proration. Regardless of the election made by the Jefferson-Pilot shareholders, Jefferson-Pilot shareholders may receive a mix of cash and LNC common stock.***

Since the amount of cash exchanged for Jefferson-Pilot common stock, in the aggregate, must equal \$1.8 billion, the total number of shares of Jefferson-Pilot common stock that will be exchanged for cash will total 32,165,832 shares (which is calculated by dividing \$1.8 billion total cash by the cash exchange ratio of \$55.96 cash per share).

***Cash Election.*** If you are a Jefferson-Pilot shareholder and you elect to receive cash in exchange for your shares and the aggregate amount of cash elected by all Jefferson-Pilot shareholders is more than \$1.8 billion, you will receive some of your merger consideration in the form of LNC common stock pro rata with other Jefferson-Pilot shareholders that chose to receive cash, based on each holder's respective number of cash election shares.

***Stock Election.*** If you are a Jefferson-Pilot shareholder and you elect to receive LNC common stock in exchange for your shares and the aggregate amount of cash elected or deemed elected by all Jefferson-Pilot shareholders is less than \$1.8 billion, you will receive some of your merger consideration in the form of cash pro rata with other Jefferson-Pilot shareholders that chose to receive LNC common stock, based on each holder's respective number of stock election shares.

The merger agreement describes the procedures to be followed in the event that Jefferson-Pilot shareholders elect to receive more or less than \$1.8 billion of cash, in the aggregate, in exchange for their shares. See "The Merger Agreement Elections" beginning on page 99.

### ***Election of cash and/or stock by Jefferson-Pilot shareholders***

If you are a Jefferson-Pilot shareholder of record and you wish to elect the type of merger consideration you prefer to receive in the merger, you should carefully review and follow the instructions set forth in the form(s) of election. These instructions require that you deliver your stock certificate(s), if any, together with a properly completed and signed form of election, to the exchange agent Mellon Investor Services LLC. If your Jefferson-Pilot common stock is held in street name through a broker, bank or other nominee, you should follow the instructions from your broker, bank or other nominee on how to make your cash/stock election.

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If you hold shares in any form other than in registered form, for example in street name, or through the Jefferson-Pilot Dividend Reinvestment Plan, 401(k)/TeamShare Plan or Agents Retirement Plan, you will receive multiple forms of election. Please read the instructions, complete each form of election and return each form of election to the exchange agent by the election deadline, unless an earlier election deadline is stated in the form of election.

The form(s) of election will be separately mailed to Jefferson-Pilot shareholders at least 20 business days before the election deadline. Jefferson-Pilot shareholders must deliver their form(s) of election and stock certificate(s), if any, to the exchange agent by the election deadline.

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The election deadline for the cash/stock election is March 28, 2006. However, if LNC and Jefferson-Pilot reasonably agree that the completion of the merger will not occur before April 4, 2006, then the election deadline may be extended to another date, which is referred to as an extended election deadline, that LNC and Jefferson-Pilot reasonably agree is the fourth business day before the expected completion of the merger. If an extended election deadline is determined after the forms of election have been mailed, we will announce any extended election deadline in a joint press release. You can change or revoke your election at any time on or before the election deadline. To change your election, you must submit a new properly completed form of election to the exchange agent. The exchange agent must receive this new form on or before the election deadline. You may revoke your election and receive your shares back by providing the exchange agent with a notice of revocation. If your Jefferson-Pilot common stock is held in street name through a broker, bank or other nominee, your broker, bank or other nominee may have a deadline to make your original election of cash, stock or both or to change or revoke your election that is earlier than the election deadline.

### ***Failure by Jefferson-Pilot shareholders to make a cash/stock election***

Jefferson-Pilot shareholders who fail to submit a properly completed form of election and their stock certificate(s), if any, on or before the election deadline will have no choice regarding the form of merger consideration that they will receive. The merger consideration that a Jefferson-Pilot shareholder will receive will be based on the allocation procedures in the merger agreement, and Jefferson-Pilot shareholders could receive cash, LNC common stock or a combination of cash and LNC common stock. The exact allocation will depend in part on what other Jefferson-Pilot shareholders elect.

Jefferson-Pilot shareholders of record who do not submit a properly completed form of election and their stock certificate(s) will receive a letter of transmittal from the exchange agent explaining how to exchange their Jefferson-Pilot stock certificates for the shares of LNC common stock and/or cash that they are entitled to receive in the merger. A Jefferson-Pilot shareholder will not receive any merger consideration until the shareholder delivers its stock certificate(s) together with an appropriate form of election or letter of transmittal to the exchange agent.

If you do not make a valid election and your Jefferson-Pilot shares are held in book-entry form, such as in Jefferson-Pilot's Dividend Reinvestment Plan, or held in Jefferson-Pilot's 401(k)/Team Share Plan or Agents' Retirement Plan, they will be automatically converted into the merger consideration payable to non-electing shareholders and you do not need to take any action. See The Merger Agreement Exchange of Shares beginning on page 100.

### ***Receipt of merger consideration***

If you receive any of the merger consideration in cash, we will mail the cash payment to you at the address reflected in the records of Jefferson-Pilot's transfer agent. If you receive any of the merger consideration in LNC common stock, we will issue your LNC shares in book-entry form with LNC's transfer agent Mellon Investor Services LLC. However, if you indicate on the form of election or letter of transmittal that you wish to receive a physical stock certificate or if you decide after the completion of the merger that you would like a stock certificate for your shares, you may request a certificate from LNC's transfer agent.

If your Jefferson-Pilot common stock is held in street name, we will send your cash payment to, or issue your shares of LNC common stock and deliver them to, your broker, bank or other nominee.

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You will not be able to sell any shares of Jefferson-Pilot common stock that you have delivered in connection with your election unless you revoke your election before the deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to liquidate your investment in Jefferson-Pilot common stock for any reason until you receive cash and/or LNC common stock in the merger. In

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the time between the delivery of your shares and your receipt of the merger consideration, the trading price of Jefferson-Pilot common stock or LNC common stock may decrease, and you might otherwise want to sell your shares to gain access to cash, make other investments or reduce the potential for a decrease in the value of your investment.

The date that you will receive your merger consideration depends on the completion date of the merger, which is expected to be at the beginning of the second quarter of 2006, but could be delayed. After the completion of the merger, it may take the exchange agent up to ten business days to process and distribute your merger consideration.

For more details about the cash/stock election and the merger consideration generally, see *The Merger Agreement Elections* beginning on page 99.

### ***Jefferson-Pilot option awards***

Upon completion of the merger, options to purchase shares of Jefferson-Pilot common stock granted by Jefferson-Pilot to its directors, officers, employees and agents will be assumed by LNC and converted into options to purchase shares of LNC common stock. Unless LNC and Jefferson-Pilot otherwise agree, stock options so converted will remain subject to the same terms and conditions as were in effect with respect to the options immediately prior to the effective time of the merger, except that each of these stock options will be exercisable for LNC common stock equal to the number of shares of Jefferson-Pilot common stock subject to the option multiplied by 1.0906 (rounded down to the nearest whole share of LNC common stock), with the new exercise price determined by dividing the existing exercise price of the Jefferson-Pilot option by 1.0906 (rounded up to the sixth decimal place). Each unvested Jefferson-Pilot stock option granted prior to October 9, 2005 (which was the date the merger agreement was executed) that is outstanding under any Jefferson-Pilot stock option plan at the time of the merger (except stock options granted to agents) will become fully vested and exercisable in connection with the merger.

For a full description of the treatment of Jefferson-Pilot equity awards, see *The Merger Interests of Directors and Executive Officers in the Merger Effect of Merger on Option Awards* beginning on page 88.

### **Opinions of Financial Advisors (beginning on page 58)**

*Opinions of LNC's Financial Advisors.* Each of Goldman, Sachs & Co., which is referred to as Goldman Sachs, and Lehman Brothers Inc., which is referred to as Lehman Brothers, delivered its oral opinion, subsequently confirmed in writing, to LNC's board of directors that, as of October 9, 2005 and based upon and subject to the factors and assumptions set forth in their respective opinions, the consideration to be paid by LNC pursuant to the merger agreement is fair from a financial point of view to LNC.

The full text of each of the written opinions of Goldman Sachs and Lehman Brothers, each dated October 9, 2005, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with their respective opinions, are attached to this joint proxy statement/prospectus as Annexes C and D, respectively. Summaries of the opinions of Goldman Sachs and Lehman Brothers are set forth in this joint proxy statement/prospectus and are qualified by reference to the full text of such opinions, which we urge you to read in their entirety. Goldman Sachs and Lehman Brothers provided their opinions for the information and assistance of LNC's board of directors in connection with its consideration of the merger. The Goldman Sachs and Lehman Brothers opinions are not recommendations as to how LNC shareholders should vote with respect to the issuance of LNC common stock in connection with the merger.



*Opinions of Jefferson-Pilot's Financial Advisors.* In deciding to approve the merger agreement and the plan of merger contained therein, the Jefferson-Pilot board of directors considered the opinions of its financial

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advisors, Lazard Frères & Co. LLC and Morgan Stanley & Co. Incorporated, which are referred to as Lazard and Morgan Stanley, respectively. The Jefferson-Pilot board of directors received written opinions from Lazard and Morgan Stanley to the effect that, as of October 9, 2005, and based upon and subject to the various assumptions made, matters considered and limitations described in their respective opinions, the consideration proposed to be received by holders of Jefferson-Pilot common stock under the merger agreement was fair from a financial point of view to such holders (other than LNC and its affiliates).

The full text of the written opinions of Lazard and Morgan Stanley, each dated October 9, 2005, which set forth the assumptions made, procedures followed, matters considered and limitations on the reviews undertaken in connection with the opinions, are attached to this joint proxy statement/prospectus as Annexes E and F, respectively. Summaries of the opinions of Lazard and Morgan Stanley are set forth in this joint proxy statement/prospectus and are qualified in their entirety by reference to the full text of such opinions, which we urge you to read in their entirety. Each of Lazard and Morgan Stanley provided its opinion for the information and assistance of Jefferson-Pilot's board of directors in connection with its consideration of the proposed merger. The opinions of Lazard and Morgan Stanley are not recommendations as to how any shareholder should vote with respect to the merger agreement and do not address what election a shareholder should make with respect to the form of consideration.

### **Record Date; Shares Entitled to Vote; Outstanding Shares (beginning on page 33 for LNC and page 38 for Jefferson-Pilot)**

*LNC Shareholders.* The record date for the LNC special meeting was February 3, 2006. This means that you must have been a shareholder of record of LNC common stock or LNC Series A preferred stock at the close of business on February 3, 2006 in order to vote at the special meeting. You are entitled to one vote for each share of LNC common stock or LNC Series A preferred stock you owned on the record date. On LNC's record date, a total of 174,174,896 voting securities were outstanding, consisting of 174,159,561 shares of LNC common stock and 15,335 shares of LNC Series A preferred stock.

*Jefferson-Pilot Shareholders.* The record date for the Jefferson-Pilot special meeting was February 3, 2006. This means that you must have been a shareholder of record of Jefferson-Pilot's common stock at the close of business on February 3, 2006, in order to vote at the special meeting. You are entitled to one vote for each share of Jefferson-Pilot common stock you owned on the record date. On Jefferson-Pilot's record date, 134,622,773 shares of Jefferson-Pilot common stock were outstanding.

### **Expected Completion of the Merger**

If the issuance of shares of LNC common stock in connection with the merger is approved at the LNC special meeting and the merger agreement and the plan of merger contained therein are approved at the Jefferson-Pilot special meeting, we expect to complete the merger as soon as practicable after the satisfaction of the other conditions to the merger, including the receipt of required regulatory approvals. There may be a substantial period of time between the approval of the proposals by shareholders at the LNC and Jefferson-Pilot special meetings and the effectiveness of the merger. We currently anticipate that the merger will be completed at the beginning of the second quarter of 2006.

### **Stock Ownership of Directors and Executive Officers**

*LNC.* At the close of business on the record date for the LNC special meeting, directors and executive officers of LNC and their affiliates were entitled to vote approximately 455,387 shares of LNC common stock, collectively representing less than one percent of the shares of LNC

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common stock outstanding on that date. No LNC director or executive officer or their affiliates beneficially owned any shares of LNC Series A preferred stock at the close of business on the record date for the LNC special meeting.

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*Jefferson-Pilot.* At the close of business on the record date for the Jefferson-Pilot special meeting, directors and executive officers of Jefferson-Pilot and their affiliates were entitled to vote approximately 500,000 shares of Jefferson-Pilot common stock, collectively representing less than one percent of the shares of Jefferson-Pilot common stock outstanding on that date.

### **Ownership of LNC After the Merger**

Based on the number of shares of LNC common stock and Jefferson-Pilot common stock outstanding on LNC's and Jefferson-Pilot's respective record dates, after completion of the merger, LNC expects to issue approximately 111,739,539 million shares of LNC common stock. Upon completion of the merger, we expect that former Jefferson-Pilot shareholders will own approximately 39% and LNC shareholders will own approximately 61% of the then outstanding shares of LNC common stock.

### **LNC's Board of Directors After the Merger (beginning on page 84)**

The size of the LNC board of directors is currently set at 12 members by LNC's bylaws. Pursuant to the merger agreement, at the completion of the merger, the LNC bylaws will be amended to increase the size of the board of directors to 15 members. Eight members of the LNC board of directors who are in office immediately prior to the merger will remain as members of the resulting company's board of directors after the completion of the merger. Seven members of the Jefferson-Pilot board of directors who are in office immediately prior to the merger will become members of the board of directors of the resulting company. Dennis R. Glass is expected to become a member of the board of directors of the resulting company and David A. Stonecipher, current Chairman of the Board of Jefferson-Pilot, is expected to become the lead director of the resulting company, unless Jefferson-Pilot designates alternate individuals satisfactory to LNC.

Pursuant to the merger agreement, the LNC bylaws will also be amended so that, among other things,

Jefferson-Pilot board representatives will initially have equal representation on all board committees; and

a supermajority board approval will be required for the resulting company to take certain actions with respect to corporate governance and/or to enter into certain extraordinary corporate transactions for 30 months following the effective time of the merger.

For a full description of the governance of the resulting company and the supermajority requirements of the resulting company's board of directors, see *The Merger - Interests of Directors and Executive Officers in the Merger - LNC's Board of Directors After the Merger* beginning on page 84. The form of LNC's bylaws, which will become effective upon completion of the merger, is attached to this joint proxy statement/prospectus as Annex B.

### **LNC's Executive Officers After the Merger (beginning on page 86)**

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We expect that the resulting company will have 14 executive officers. After the merger, Jon A. Boscia, LNC's Chairman and Chief Executive Officer, will continue to serve as Chairman and Chief Executive Officer of LNC. Dennis R. Glass, President and Chief Executive Officer of Jefferson-Pilot, will serve in the newly created position of President and Chief Operating Officer of LNC after the merger.

In addition, upon the completion of the merger, Frederick J. Crawford will be Chief Financial Officer, Barbara S. Kowalczyk will lead Corporate Development, Elizabeth L. Reeves will lead Human Resources, Dennis L. Schoff will be General Counsel, Theresa M. Stone will lead the Communications Company and Michael Tallett-Williams will lead Lincoln National (UK) and each will report to Mr. Boscia. Charles C. Cornelio will lead Shared Services and become Chief Information Officer, Robert W. Dineen will lead Lincoln

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Financial Advisors, Jude T. Driscoll will lead Investment Management, Mark E. Konen will lead Retail Markets, Warren H. May will lead Lincoln Financial Distributors and Westley V. Thompson will lead Employer Markets and each will report to Mr. Glass.

## **Listing of LNC Common Stock and Delisting of Jefferson-Pilot Common Stock**

LNC will apply to the NYSE to have the shares of LNC common stock issued in the merger approved for listing on the NYSE where LNC common stock currently is traded under the symbol LNC. If the merger is completed, Jefferson-Pilot common stock will no longer be listed on the NYSE and will be deregistered under the Securities Exchange Act of 1934, as amended, which is referred to as the Exchange Act, and Jefferson-Pilot will no longer file periodic reports with the SEC. LNC also intends to list the shares of LNC common stock issued in the merger on the Chicago Stock Exchange and the Pacific Stock Exchange.

## **No Dissenters' Rights**

*LNC.* Under Indiana law, holders of LNC common stock or LNC Series A preferred stock are not entitled to dissenters' rights in connection with the merger.

*Jefferson-Pilot.* Under North Carolina law, holders of Jefferson-Pilot common stock are not entitled to dissenters' rights in connection with the merger.

## **Principal Conditions to Completion of the Merger (beginning on page 108)**

We may not complete the merger unless the following conditions are satisfied or, where permitted, waived:

the LNC shareholders must approve the issuance of LNC common stock in connection with the merger;

the Jefferson-Pilot shareholders must approve the merger agreement and the plan of merger contained therein;

the waiting period (and any extension thereof) applicable to the merger pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to as the HSR Act, or any other applicable competition, merger, antitrust or similar law must have expired or been terminated;

state insurance regulatory approvals and all other governmental authorizations, consents, orders, approvals, declarations or filings that are necessary to complete the merger must have been obtained and be in full force and effect;

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there must not be any order issued by any court of competent jurisdiction or legal restraint or prohibition issued by any governmental entity of competent jurisdiction in effect preventing the consummation of the merger;

the shares of LNC common stock issuable to Jefferson-Pilot shareholders must have been approved for listing, subject to official notice of issuance, on the NYSE;

the registration statement, of which this joint proxy statement/prospectus is a part, which has been declared effective by the Securities and Exchange Commission, which is referred to as the SEC, must not be the subject of any stop order or proceeding seeking a stop order;

there must not be any action taken, or any statute, rule, regulation, order or decree enacted or entered by any governmental entity, which in connection with any required approval, imposes any condition or restriction which could reasonably be expected to have a material adverse effect on the

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present or prospective financial condition, business or results of operation of LNC after the completion of the merger;

each of LNC and Jefferson-Pilot must have received an opinion of its tax counsel that for United States federal income tax purposes the merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to as the Code, and that each of LNC and Jefferson-Pilot will be a party to such merger as described in and pursuant to Section 368(b) of the Code;

the respective representations and warranties of LNC and Jefferson-Pilot in the merger agreement must be true and correct, subject to exceptions that would not have a material adverse effect on LNC or Jefferson-Pilot, as the case might be, or on the resulting company following the completion of the merger; and

each of LNC and Jefferson-Pilot must have performed in all material respects all of its respective obligations under the merger agreement.

### **Termination Events and Termination Fees (beginning on page 109)**

Before the effective time of the merger, the merger agreement may be terminated by the mutual written consent of LNC and Jefferson-Pilot, or by either LNC or Jefferson-Pilot under certain specified circumstances, including uncured material breaches of the merger agreement. Upon the termination of the merger agreement under certain circumstances, LNC or Jefferson-Pilot may be required to pay a termination fee of up to \$300 million to the other party.

### **No Solicitation by LNC and Jefferson-Pilot (beginning on page 106)**

The merger agreement restricts the ability of LNC and Jefferson-Pilot to initiate, solicit or encourage or facilitate any discussions or negotiations with a third party regarding a proposal to acquire a significant interest in LNC or Jefferson-Pilot, respectively. However, if LNC or Jefferson-Pilot receives an acquisition proposal from a third party that its board of directors determines in good faith by majority vote of the board (after consultation with its outside legal and financial advisors) constitutes a superior proposal or is reasonably likely to be a superior proposal, and for which the failure to take such action would cause a violation of the board's fiduciary duties, the party receiving the acquisition proposal may furnish nonpublic information to that third party and engage in negotiations regarding an acquisition proposal with that third party, subject to specified conditions described in the merger agreement.

### **Material United States Federal Income Tax Considerations (beginning on page 93)**

LNC and Jefferson-Pilot intend that the merger, as currently contemplated, qualify as a reorganization within the meaning of Section 368(a) of the Code. LNC and Jefferson-Pilot will each obtain a legal opinion from their respective counsel that the merger will qualify as a reorganization pursuant to Section 368(a) of the Code and that each of LNC and Jefferson-Pilot will be a party to such merger as described in and pursuant to Section 368(b) of the Code; however, these opinions are not binding upon the Internal Revenue Service, which is referred to as the IRS.

Because holders of LNC common stock and LNC Series A preferred stock will retain their shares in the merger, holders of LNC common stock and LNC Series A preferred stock will not recognize gain or loss upon the merger.





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The United States federal income tax consequences of the transaction to Jefferson-Pilot shareholders will depend on whether a shareholder receives cash, stock or a combination of cash and stock in exchange for their shares of Jefferson-Pilot common stock, including to the extent they receive cash in lieu of fractional shares.

If you receive all cash, the transaction will be taxable to you and you will have to pay United States federal income taxes in connection with the merger to the extent you recognize taxable gain.

If you receive all LNC common stock and no cash (including no cash in exchange for fractional shares), you will not have to pay United States federal income taxes on the receipt of LNC common stock in connection with the merger.

If you receive a combination of cash and LNC common stock (excluding cash in lieu of fractional shares), you may recognize gain, but not loss, to the extent of the amount of cash received (excluding cash for any fractional share of LNC common stock).

Provided you hold your Jefferson-Pilot common stock as a capital asset, you generally will recognize this gain as a capital gain, although in extraordinary cases you could recognize dividend income instead of capital gain. Any such capital gain may be long-term capital gain depending on whether you have held your applicable Jefferson-Pilot common stock for more than one year as of the effective time for United States federal income tax purposes.

If you receive cash in lieu of receiving fractional share of LNC common stock, you will generally recognize capital gain or loss as if you had received and then sold the fractional share for the amount of cash received, subject to the possibility of recognizing dividend income, as described above.

Tax matters relating to the merger are very complicated and a full discussion of all possible tax issues that may be applicable to each holder is beyond the scope of this joint proxy statement/prospectus. You should be aware that the tax consequences of the merger to you will depend upon your own situation. In addition, you may be subject to state, local or foreign tax laws that are not discussed in this joint proxy statement/prospectus. You should therefore consult with your own tax advisor for a full understanding of the tax consequences of the merger to you and further, you are encouraged to carefully read the more detailed discussion regarding the material United States federal income tax consequences resulting from the merger that is included in the section entitled **Material United States Federal Income Tax Considerations** beginning on page 93.

## **Accounting Treatment**

The merger will be accounted for as a business combination using the purchase method of accounting. LNC will be the acquirer for financial accounting purposes.

## **Risk Factors (beginning on page 25)**

In evaluating the merger, the merger agreement or the issuance of shares of LNC common stock in the merger, you should carefully read this joint proxy statement/prospectus and especially consider the factors discussed in the section entitled **Risk Factors** beginning on page 25.

**Comparison of Shareholder Rights and Corporate Governance Matters (beginning on page 119)**

*Jefferson-Pilot.* As a result of the merger, the holders of Jefferson-Pilot common stock will become holders of LNC common stock. Following the merger, Jefferson-Pilot shareholders will have different rights as LNC shareholders than they had as Jefferson-Pilot shareholders due to differences between the laws of the states of incorporation and the articles of incorporation and bylaws of LNC and Jefferson-Pilot. Upon consummation of the merger, the LNC bylaws will also be amended so

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that the resulting company will be subject to certain restrictions with respect to corporate governance and supermajority approval of the resulting company's board of directors. See *The Merger* *Interests of Directors and Executive Officers in the Merger* LNC's *Board of Directors After the Merger* beginning on page 84.

*LNC*. LNC shareholders will retain their shares of LNC common stock and/or LNC Series A preferred stock and their rights will continue to be governed by LNC's articles of incorporation and bylaws and Indiana law. However, upon consummation of the merger, LNC shareholders will have different rights as shareholders than they had prior to the merger because, pursuant to the merger agreement, the LNC bylaws will be amended so that the resulting company will be subject to certain restrictions with respect to corporate governance and supermajority approval of the resulting company's board of directors. See *The Merger* *Interests of Directors and Executive Officers in the Merger* LNC's *Board of Directors After the Merger* beginning on page 84.

For a copy of LNC's or Jefferson-Pilot's current articles of incorporation or bylaws, see *Where You Can Find More Information* beginning on page 146. A form of the amended and restated bylaws, which will become effective upon the completion of the merger, is attached to this joint proxy statement/prospectus as Annex B.

### **Regulatory Approvals (beginning on page 91)**

State insurance laws generally require that, prior to the acquisition of an insurance company, the acquiring party must obtain approval from the insurance commissioner of the insurance company's state of domicile or, in certain jurisdictions, where such insurance company is commercially domiciled. Accordingly, the necessary applications have been made with the insurance commissioners of Nebraska, New Jersey, New York and North Carolina, the states of domicile or commercial domicile of Jefferson-Pilot's U.S. insurance company subsidiaries. We have received approval from the State of Nebraska. In addition, filings have been made under the insurance laws of certain other states that require the filing of a pre-acquisition notice and the expiration or termination of a waiting period prior to the consummation of the merger. Applications or notifications will also be filed with certain foreign regulatory authorities in connection with the merger.

The merger is subject to U.S. antitrust laws. LNC and Jefferson-Pilot have separately filed the required notifications under the HSR Act with both the Antitrust Division of the Department of Justice and the Federal Trade Commission, which are referred to as the DOJ and the FTC. Both parties filed the required notifications on November 4, 2005, and the waiting period expired on December 5, 2005. The DOJ or the FTC, as well as a state attorney general or private person, may challenge the merger at any time before or after its completion.

In addition, certain subsidiaries of Jefferson-Pilot Communications, a subsidiary of Jefferson-Pilot, are subject to regulation by the Federal Communications Commission, which is referred to as the FCC. The FCC must approve the transfer of control of certain licenses held by the subsidiaries of Jefferson-Pilot Communications as a result of and prior to the completion of the merger. Accordingly, the necessary applications have been filed with the FCC.

### **Restrictions on the Ability to Sell LNC Common Stock (beginning on page 92)**

All shares of LNC common stock you receive in connection with the merger will be freely transferable unless you are considered an affiliate of Jefferson-Pilot for the purposes of the Securities Act of 1933, as amended, which is referred to as the Securities Act, at the time the merger agreement and the plan of merger contained therein are submitted to Jefferson-Pilot shareholders for approval, in which case you will be permitted to sell the shares of LNC common stock you receive in the merger only pursuant to an effective registration



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statement or an exemption from the registration requirements of the Securities Act. This joint proxy statement/prospectus does not register the resale of stock held by affiliates.

**Certain Litigation Relating to the Merger (beginning on page 92)**

In October 2005, a purported shareholder class action lawsuit was filed in state court in North Carolina naming Jefferson-Pilot, most of the individual members of its board of directors, and LNC as defendants. The complaint alleges that certain defendants have breached their fiduciary duties by entering into the merger agreement. The complaint seeks, among other things, unspecified compensatory damages.

In January 2006, the plaintiffs filed a motion to voluntarily dismiss the lawsuit which the court granted without prejudice subject to the restriction that the plaintiffs receive the court's permission before filing any other action asserting the same claims in North Carolina or any other jurisdiction. The voluntary dismissal of this action did not involve a settlement or any compensation being paid or promised to the plaintiffs.

**Table of Contents****MARKET PRICE AND DIVIDEND INFORMATION****Historical Market Price Data**

Jefferson-Pilot's common stock is traded on the NYSE, the Chicago Stock Exchange and the Pacific Stock Exchange under the symbol JP. LNC's common stock is traded on the NYSE, the Chicago Stock Exchange and the Pacific Stock Exchange under the symbol LNC.

The following table sets forth the high and low sales prices per share of LNC and Jefferson-Pilot common stock as adjusted for all stock splits, as reported on the NYSE composite transaction tape for the periods indicated:

	<b>LNC Common Stock</b>		<b>Jefferson-Pilot Common Stock</b>	
	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>
<b>2003</b>				
Quarter ended March 31, 2003	\$ 35.70	\$ 24.73	\$ 40.93	\$ 35.75
Quarter ended June 30, 2003	37.50	27.87	43.20	38.34
Quarter ended September 30, 2003	38.64	34.63	46.57	41.21
Quarter ended December 31, 2003	41.32	35.41	50.72	44.55
<b>2004</b>				
Quarter ended March 31, 2004	48.87	39.98	55.08	48.97
Quarter ended June 30, 2004	50.38	43.26	56.39	47.40
Quarter ended September 30, 2004	47.50	41.90	50.90	46.66
Quarter ended December 31, 2004	48.70	40.78	52.73	46.00
<b>2005</b>				
Quarter ended March 31, 2005	49.42	44.36	52.49	47.17
Quarter ended June 30, 2005	47.77	41.59	51.39	47.11
Quarter ended September 30, 2005	52.42	46.59	51.25	49.00
Quarter ended December 31, 2005	54.41	46.94	57.83	50.59
<b>2006</b>				
Quarter ending March 31, 2006 (through February 7, 2006)	54.96	52.00	58.75	56.25

**Table of Contents****Dividend Information**

The following table presents information on dividends declared each quarter on LNC common stock and Jefferson-Pilot common stock, respectively, for the periods indicated.

	<b>LNC</b>	<b>Jefferson-Pilot</b>
	<b>Dividends</b>	<b>Dividends</b>
	<u>          </u>	<u>          </u>
<b>2003</b>		
Quarter ended March 31, 2003	\$ 0.3350	\$ 0.3300
Quarter ended June 30, 2003	0.3350	0.3300
Quarter ended September 30, 2003	0.3350	0.3300
Quarter ended December 31, 2003	0.3500	0.3300
<b>2004</b>		
Quarter ended March 31, 2004	0.3500	0.3800
Quarter ended June 30, 2004	0.3500	0.3800
Quarter ended September 30, 2004	0.3500	0.3800
Quarter ended December 31, 2004	0.3650	0.3800
<b>2005</b>		
Quarter ended March 31, 2005	0.3650	0.4175
Quarter ended June 30, 2005	0.3650	0.4175
Quarter ended September 30, 2005	0.3650	0.4175
Quarter ended December 31, 2005	0.3800	0.4175

The merger agreement permits each of LNC and Jefferson-Pilot to continue to pay its respective shareholders its regular quarterly cash dividend consistent with past dividend policy. LNC and Jefferson-Pilot have agreed in the merger agreement that they will coordinate their respective dividend payments, as well as the record dates and payment dates relating to their dividends, with the intent that holders of LNC common stock and Jefferson-Pilot common stock will not receive two dividends, or fail to receive one dividend, for any single calendar quarter due to the merger.

The LNC board of directors has the power to determine the amount and frequency of the payment of dividends. Because LNC is a holding company, its ability to pay dividends is dependent on the ability of its subsidiaries to pay dividends to LNC. LNC's insurance subsidiaries are subject to laws in their states of domicile that limit the amount of dividends that an insurance company can pay without prior approval from the insurance regulators in those states. These limitations are based in part on an insurance subsidiary's statutory capital and income for the year prior to the dividend payment. At the LNC holding company level, decisions regarding whether or not to pay dividends and the amount of any dividends are based on compliance with the Indiana Business Corporation Law, which is referred to as the IBCL, compliance with agreements governing LNC's indebtedness, cash requirements and other factors, including the overall long-term financial strength of the organization, that the LNC board of directors considers important. While LNC intends, regardless of whether or not the merger is consummated, to maintain its current dividend policy for the foreseeable future, it cannot assure that it will continue to pay dividends at the current level, or at all.

The Jefferson-Pilot board of directors has the power to determine the amount and frequency of the payment of dividends. Because Jefferson-Pilot is a holding company, its ability to pay dividends is dependent on the ability of its subsidiaries to pay dividends to Jefferson-Pilot. Jefferson-Pilot's insurance subsidiaries are subject to laws in their states of domicile that limit that amount of dividends that an insurance company can pay without prior approval from the insurance regulators in those states. These limitations are based in part on an insurance subsidiary's statutory capital and income for the year prior to the dividend payment. At the Jefferson-Pilot holding company level, decisions regarding whether or not to pay dividends and the amount of any dividends are





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based on compliance with the North Carolina Business Corporation Act, which is referred to as the NCBCA, compliance with agreements governing Jefferson-Pilot's indebtedness, cash requirements and other factors that the Jefferson-Pilot board of directors considers important. While Jefferson-Pilot anticipates that if the merger were not consummated it would increase the amount of its dividend payable starting in the second quarter of 2006 consistent with its past practice, it cannot assure that it would continue to pay dividends at this level, or at all.

**Recent Closing Prices and Comparative Market Price Information**

The following table presents the closing prices per share of LNC common stock and Jefferson-Pilot common stock, in each case based on closing prices for those shares on the composite transaction tape of the NYSE, as well as the equivalent price per share and the equivalent total market value of shares of Jefferson-Pilot common stock. These prices and values are presented on two dates:

October 7, 2005, the last trading day prior to the public announcement of the proposed merger; and

February 7, 2006 the last trading day for which this information could be calculated prior to the date of this joint proxy statement/prospectus.

	<b>LNC Common Stock (price per share)</b>	<b>Jefferson-Pilot Common Stock (price per share)</b>	<b>Jefferson-Pilot Equivalent Stock Price (price per share)<sup>(1)</sup></b>
<b>October 7, 2005</b>			
Closing price per share of common stock	\$ 50.73	\$ 50.79	\$ 55.33
<b>February 7, 2006</b>			
Closing price per share of common stock	\$ 52.66	\$ 57.23	\$ 57.43

(1) The Jefferson-Pilot equivalent stock prices were calculated by multiplying the per share price of LNC common stock on each date by the exchange ratio of 1.0906.

Because the exchange ratio is fixed and will not be adjusted as a result of changes in market price, the implied value of the merger consideration will fluctuate with the market price of LNC common stock. You should obtain current market quotations for the shares of LNC common stock from a newspaper, the Internet or your broker or banker.

**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA****Selected Historical Consolidated Financial Data of LNC**

The following table shows selected historical consolidated financial data for LNC. The data as of and for each of the five years ended December 31, 2004 was derived from LNC's audited consolidated financial statements. The data as of September 30, 2005 and for the nine-month periods ended September 30, 2005 and 2004 was derived from LNC's unaudited interim consolidated financial statements. In the opinion of LNC's management, the unaudited interim consolidated financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of the interim consolidated financial statements. Results for the interim periods are not necessarily indicative of the results to be expected for the full year.

Detailed historical financial information is included in the audited consolidated balance sheets as of December 31, 2004 and 2003, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2004 included in LNC's Annual Report on Form 10-K for the year ended December 31, 2004, as well as the unaudited interim consolidated balance sheet as of September 30, 2005 and the related unaudited interim consolidated statements of operations and cash flows for the nine month periods ended September 30, 2005 and 2004 included in LNC's Quarterly Report on Form 10-Q for the nine months ended September 30, 2005. You should read the following selected financial data together with LNC's historical consolidated financial statements, including the related notes, and the other information contained or incorporated by reference in this joint proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 146.

**Selected Historical Consolidated Financial Data of LNC**

(in millions, except per share information)

	Nine Months Ended September 30,		Year Ended December 31,				
	2005	2004	2004	2003	2002	2001 <sup>(1)</sup>	2000
<b>Consolidated Summaries of Operations</b>							
Total revenue	\$ 4,099.5	\$ 4,023.8	\$ 5,371.3	\$ 5,283.9	\$ 4,635.5	\$ 6,378.0	\$ 6,847.10
Income before cumulative effect of accounting changes	\$ 605.7	\$ 541.6	\$ 731.5	\$ 767.1	\$ 48.8	\$ 561.2	\$ 585.30
Cumulative Effect of Accounting Changes		(24.5)	(24.5)	(255.2)		(15.6)	
Net income	\$ 605.7	\$ 517.1	\$ 707.0	\$ 511.9	\$ 48.8	\$ 545.6	\$ 585.30
<b>Per Common Share Data<sup>(2)</sup></b>							
Net Income-Basic	\$ 3.50	\$ 2.92	\$ 4.01	\$ 2.89	\$ 0.27	\$ 2.89	\$ 3.06
Net Income-Diluted	3.44	2.88	3.95	2.85	0.26	2.85	3.03
Common stock dividends	1.100	1.050	1.415	1.355	1.295	1.235	1.18
	At September 30,		At December 31,				
	2005	2004	2004	2003	2002	2001	2000

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**Consolidated Balance Sheet Items**

Assets	\$ 122,104.6	\$ 110,377.1	\$ 116,219.3	\$ 106,774.9	\$ 93,184.6	\$ 98,041.6	\$ 99,870.60
Long-term debt	999.5	1,315.4	1,048.6	1,117.5	1,119.2	861.8	712.20
Junior subordinated debentures issued to affiliated trusts	335.9	341.1	339.8	341.3	392.7	474.7	745.00
Shareholders' equity	6,284.4	5,970.8	6,175.6	5,811.6	5,347.5	5,303.8	4,980.60

**Per Common Share Data<sup>(2)</sup>**

Shareholders' equity (including accumulated other comprehensive income)	\$ 36.23	\$ 34.15	\$ 35.53	\$ 32.56	\$ 30.10	\$ 28.32	\$ 26.05
Shareholders' equity (excluding accumulated other comprehensive income)	32.65	29.23	30.17	27.69	25.97	27.39	25.88
Market value of common stock	52.02	47.00	46.68	40.37	31.58	48.57	47.31

- (1) LNC sold its reinsurance operations for approximately \$2.0 billion on December 7, 2001. Revenues for 2001 and 2000 include \$1.7 billion and \$1.8 billion, respectively, from the reinsurance operations.
- (2) Per share amounts were affected by the retirement of 2,331,000 and 6,233,307 shares of LNC common stock for the nine month periods ended September 30, 2005 and 2004, respectively, and 7,611,910, 12,088,100, 11,278,022 and 6,222,581 shares of LNC common stock in 2004, 2002, 2001 and 2000, respectively. In addition, 4,630,318 shares of LNC common stock were issued in 2001 related to the settlement of stock purchase contracts.

**Table of Contents****Selected Historical Consolidated Financial Data of Jefferson-Pilot**

The following table shows selected historical consolidated financial data for Jefferson-Pilot. The data as of and for each of the five years ended December 31, 2004 was derived from Jefferson-Pilot's audited consolidated financial statements. The data as of September 30, 2005 and for the nine-month periods ended September 30, 2005 and 2004 was derived from Jefferson-Pilot's unaudited interim consolidated financial statements. In the opinion of Jefferson-Pilot's management, the unaudited interim consolidated financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of the interim consolidated financial statements. Results for the interim periods are not necessarily indicative of the results to be expected for the full year.

Detailed historical financial information is included in the audited consolidated balance sheets as of December 31, 2004 and 2003, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2004 included in Jefferson-Pilot's Annual Report on Form 10-K for the year ended December 31, 2004, as well as the unaudited interim consolidated balance sheet as of September 30, 2005 and the related unaudited interim consolidated statements of operations and cash flows for the nine month periods ended September 30, 2005 and 2004 included in Jefferson-Pilot's Quarterly Report on Form 10-Q for the nine months ended September 30, 2005. You should read the following selected financial data together with Jefferson-Pilot's historical consolidated financial statements, including the related notes, and the other information contained or incorporated by reference in this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 146.

**Selected Historical Consolidated Financial Data of Jefferson-Pilot**

(in millions, except per share information)

	Nine Months Ended September 30,		Year Ended December 31,				
	2005	2004	2004	2003	2002	2001	2000
<b>Consolidated Summaries of Operations</b>							
Total revenue	\$ 3,139.5	\$ 3,034.1	\$ 4,102.1	\$ 3,572.9	\$ 3,406.0	\$ 3,322.0	\$ 3,272.0
Income before cumulative effect of accounting changes	\$ 428.9	\$ 417.1	\$ 562.7	\$ 491.6	\$ 450.2	\$ 511.3	\$ 512.1
Cumulative effect of accounting changes		(16.6)	(16.6)			1.5	
<b>Net Income</b>	<b>\$ 428.9</b>	<b>\$ 400.5</b>	<b>\$ 546.1</b>	<b>\$ 491.6</b>	<b>\$ 450.2</b>	<b>\$ 512.8</b>	<b>\$ 512.1</b>
<b>Per Common Share Data</b>							
Net Income-Basic	\$ 3.17	\$ 2.89	\$ 3.96	\$ 3.47	\$ 3.07	\$ 3.38	\$ 3.31
Net Income-Diluted	3.15	2.87	3.92	3.44	3.04	3.34	3.28
Common stock dividends	1.215	1.090	1.470	1.293	1.184	1.072	0.960
	At September 30,		At December 31,				
	2005	2004	2004	2003	2002	2001	2000
<b>Consolidated Balance Sheet Items</b>							
Assets	\$ 35,841.1	\$ 34,645.7	\$ 35,104.8	\$ 32,696.3	\$ 30,618.9	\$ 29,005.0	\$ 27,331.0
Long-term debt	599.7	599.6	599.6				
Junior subordinated debentures issued to affiliated trusts	309.3	309.3	309.3	309.3	309.3		

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Shareholders' equity	3,858.2	3,829.0	3,933.9	3,805.9	3,540.0	3,390.9	3,158.7
<b>Per Common Share Data</b>							
Shareholders' equity (including accumulated other comprehensive income) \$	28.79	\$ 28.05	\$ 28.75	\$ 27.07	\$ 24.79	\$ 22.61	\$ 20.47
Shareholders' equity (excluding accumulated other comprehensive income)	25.13	23.07	23.76	22.21	20.52	19.84	18.24
Market value of common stock	51.17	49.66	51.96	50.65	38.11	46.27	49.83

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**Selected Unaudited Pro Forma Condensed Combined Financial Information**

The merger will be accounted for under the purchase method of accounting, which means the assets and liabilities of Jefferson-Pilot will be recorded as of the completion of the merger, at their respective fair values, and added to those of LNC.

The selected unaudited pro forma condensed combined financial information that follows is intended to provide information regarding how the companies might have looked had LNC and Jefferson-Pilot actually been combined as of the dates indicated. This does not give effect to (1) LNC's or Jefferson-Pilot's results of operations or other transactions or developments since September 30, 2005, (2) the impact of possible revenue enhancements, expense efficiencies or synergies expected to result from the merger or contemplated share repurchases of LNC common stock, (3) the merger related costs of approximately \$180 million to integrate LNC's and Jefferson-Pilot's operations or (4) the effects of transactions or developments that may occur subsequent to the merger, as well as other possible adjustments discussed in the notes to the Unaudited Pro Forma Condensed Combined Financial Statements. The selected unaudited pro forma condensed combined financial information should not be relied upon as being indicative of the historical results that would have occurred had the merger been consummated prior to the periods presented or the future results that may be achieved after the merger is consummated.

The following selected unaudited pro forma condensed combined financial information has been derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Financial Statements and related notes beginning on page 135. The Unaudited Pro Forma Condensed Combined Balance Sheet combines the historical consolidated balance sheet of LNC and the historical consolidated balance sheet of Jefferson-Pilot as of September 30, 2005, giving effect to the merger as if it had been consummated on that date. The Unaudited Pro Forma Condensed Combined Statements of Income combine the historical consolidated statements of income of LNC and Jefferson-Pilot for the nine months ended September 30, 2005 and the year ended December 31, 2004, giving effect to the merger as if it had occurred on January 1, 2004. We have adjusted the historical consolidated financial information to give effect to pro forma events that are (1) directly attributable to the merger, (2) factually supportable and (3) with respect to the statements of income, expected to have a continuing impact on the combined results.

The unaudited pro forma adjustments represent management's estimates based on information available at this time. Actual adjustments to the combined balance sheet and statements of income will differ, perhaps materially, from those reflected in these Unaudited Pro Forma Condensed Combined Financial Statements because the assets and liabilities of Jefferson-Pilot will be recorded at their respective fair values on the date the merger is consummated and the preliminary assumptions used to estimate these fair values may change between now and the completion of the merger.

**Table of Contents****Selected Pro Forma Condensed Combined Financial Data of****LNC and Jefferson-Pilot**

(in millions, except share amounts)

	As of and for the	
	Nine Months Ended September 30, 2005	Year Ended December 31, 2004
<b>Statement of Income Information</b>		
Total revenue	\$ 7,124	\$ 9,316
Income before cumulative effect of accounting changes	\$ 1,013	\$ 1,267
Per share income before cumulative effect of accounting changes		
Basic	\$ 3.40	\$ 4.18
Diluted	3.35	4.13
Weighted average shares and share equivalents		
Basic	284,091,044	287,262,973
Diluted	288,144,221	290,943,851
<b>Balance Sheet Information (as of September 30, 2005)</b>		
Invested assets	\$ 72,508	
Total assets	161,689	
Policy liabilities	74,344	
Long-term debt	2,399	
Shareholders' equity	12,780	
Common shares outstanding	284,289,166	



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In the following tables, LNC and Jefferson-Pilot provide, for the periods specified, income from continuing operations, cash dividends declared and book value per common share data separately for LNC and Jefferson-Pilot on a historical basis, on an unaudited pro forma combined basis per LNC common share and on an unaudited pro forma combined basis per Jefferson-Pilot equivalent common share after giving effect to the merger and the payment of the merger consideration. The pro forma amounts included in the table below are presented as if the merger had been effective for the periods presented, have been prepared in accordance with accounting principles generally accepted in the United States and are based on the purchase method of accounting. The Jefferson-Pilot pro forma equivalent earnings per share is calculated by multiplying the LNC pro forma combined earnings by the exchange ratio of 1.0906. The pro forma amounts in the tables below do not, however, give effect to (1) LNC's or Jefferson-Pilot's results of operations or other transactions or developments since September 30, 2005, (2) the impact of possible revenue enhancements, expense efficiencies or synergies expected to result from the merger or contemplated share repurchases of LNC common stock, (3) the merger related costs of approximately \$180 million to integrate LNC's and Jefferson-Pilot's operations or (4) the effects of transactions or developments that may occur subsequent to the merger, as well as other possible adjustments discussed in the notes to the Unaudited Pro Forma Condensed Combined Financial Statements. This data should be read along with the historical consolidated financial statements and notes thereto of LNC and Jefferson-Pilot, which are incorporated by reference in this joint proxy statement/prospectus, and the Unaudited Pro Forma Condensed Combined Financial Statements and accompanying discussions and notes beginning on page 135. See also [Where You Can Find More Information](#) beginning on page 146.

The pro forma information is presented for illustrative purposes only. You should not rely on the pro forma financial information as an indication of the combined financial position or results of operations of future periods or the results that actually would have been realized had the entities been a single entity during the periods presented. The combined financial information as of and for the periods presented may have been different had the merger actually been consummated prior to, as of and during those periods.

	<u>Historical</u> <u>LNC</u>	<u>Historical</u> <u>Jefferson-Pilot</u>	<u>LNC</u> <u>Pro Forma</u> <u>Combined</u>	<u>Jefferson-Pilot</u> <u>Pro Forma</u> <u>Equivalent<sup>(1)</sup></u>
<b>As of and for the nine months ended September 30, 2005</b>				
<b>Per Common Share</b>				
Income before cumulative effect of accounting change				
Basic	\$ 3.50	\$ 3.17	\$ 3.40	\$ 3.71
Diluted	3.44	3.15	3.35	3.65
Dividends	1.10	1.215	1.10	1.20
Book Value	36.23	28.79	45.00	49.08
<b>As of and for the year ended December 31, 2004</b>				
<b>Per Common Share</b>				
Income before cumulative effect of accounting change				
Basic	\$ 4.01	\$ 3.96	\$ 4.18	\$ 4.56
Diluted	3.95	3.92	4.13	4.50
Dividends	1.415	1.470	1.415	1.543
Book Value	35.53	28.75	N/A	N/A

- (1) The Jefferson-Pilot pro forma equivalent per share amounts are calculated by multiplying the LNC pro forma combined amounts per share by the exchange ratio of 1.0906.

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**RISK FACTORS**

*We urge you to carefully consider all of the information we have included and incorporated by reference in this joint proxy statement/prospectus before you vote. See **Where You Can Find More Information** beginning on page 146. You should also read and consider the risks associated with each of the businesses of LNC and Jefferson-Pilot because these risks will also affect the resulting company. These risks can be found in the LNC and Jefferson-Pilot Annual Reports on Form 10-K for the year ended December 31, 2004 and in subsequent quarterly reports on Form 10-Q and current reports on Form 8-K, which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. In addition, we urge you to carefully consider the following material risks relating to the merger and the business of the resulting company.*

**Risks Relating to the Merger**

*We must obtain several governmental consents to complete the merger, which, if delayed, not granted or granted with unacceptable conditions may jeopardize or delay the merger, result in additional expense or reduce the anticipated benefits of the transaction.*

We must obtain specified approvals and consents in a timely manner from federal and state governmental authorities prior to the completion of the merger. State insurance laws generally require that, prior to the acquisition of an insurance company, the acquiring party must obtain approval from the insurance commissioner of the insurance company's state of domicile or, in certain jurisdictions, where such insurance company is commercially domiciled. If we do not receive these approvals on terms that satisfy the merger agreement, then we will not be obligated to complete the merger. The governmental authorities from which we seek approvals have broad discretion in administering relevant laws and regulations. As a condition to the approval of the merger, governmental authorities may impose requirements, limitations or costs that could negatively affect the way the combined companies conduct business. Neither LNC nor Jefferson-Pilot is obligated to complete the merger if a governmental authority, in connection with the grant of its approval or consent, imposes a condition or restriction upon LNC or Jefferson-Pilot or any of their respective subsidiaries which could reasonably be expected to have a material adverse effect after the completion of the merger on the present or prospective consolidated financial condition, business or operating results of the resulting company after the completion of the merger. If LNC and Jefferson-Pilot agree to any material conditions or restrictions in order to obtain any approvals required to complete the merger, these conditions or restrictions could adversely affect LNC's ability to integrate the businesses of LNC and Jefferson-Pilot or reduce the anticipated benefits of the merger.

*Whether or not the merger is completed, the announcement and pendency of the merger could cause disruptions in the businesses of LNC and Jefferson-Pilot, which could have an adverse effect on their business and financial results.*

Whether or not the merger is completed, the announcement and pendency of the merger could cause disruptions in the businesses of LNC and Jefferson-Pilot. Specifically:

current and prospective employees and agents may experience uncertainty about their future roles with the resulting company, which might adversely affect LNC's and Jefferson-Pilot's ability to retain key managers and other employees and agents; and

the attention of management of each of LNC and Jefferson-Pilot may be directed toward the completion of the merger and not their ongoing businesses.

*Some directors and executive officers of LNC and Jefferson-Pilot have interests and arrangements that are different from, or in addition to, those of LNC and Jefferson-Pilot shareholders.*

When considering the recommendation of the LNC and Jefferson-Pilot boards of directors with respect to the merger, you should be aware that some directors and executive officers of LNC and Jefferson-Pilot have interests in the merger that are different from, or in addition to, their interests as shareholders and the interests of shareholders generally. These interests include:

becoming executive officers or senior officers of LNC after the transaction;

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payments under the Jefferson-Pilot executive severance plan which may be triggered if the executive officer's employment terminates under certain circumstances following the merger;

accelerated vesting and exercisability of Jefferson-Pilot stock options issued under Jefferson-Pilot's equity compensation plans Jefferson-Pilot's seven current executive officers and ten current non-management directors currently hold, in the aggregate, 752,001 and 59,578 unvested stock options, respectively, with a weighted average exercise price of \$49.75 per share; and

appointment of eight LNC directors and seven Jefferson-Pilot directors to the LNC board of directors following the merger.

For example, Mr. Boscia will be Chairman and Chief Executive Officer of the resulting company and can only be removed by approval of 70% of the directors, and Mr. Glass will be President and Chief Operating Officer of the resulting company.

As a result of these interests, these directors and executive officers may be more likely to support and to vote to approve the merger agreement and the plan of merger contained therein than if they did not have these interests. Shareholders should consider whether these interests may have influenced those directors and executive officers to support or recommend approval of the merger. As of the close of business on the record date for the LNC special meeting, LNC directors and executive officers were entitled to vote less than one percent of the then outstanding shares of LNC common stock and LNC Series A preferred stock. As of the close of business on the record date for the Jefferson-Pilot special meeting, Jefferson-Pilot directors and executive officers were entitled to vote less than one percent of the then outstanding shares of Jefferson-Pilot common stock. See "The Merger - Interests of Directors and Executive Officers in the Merger" beginning on page 84.

***The value of the LNC common stock that Jefferson-Pilot shareholders receive in the merger may be less than the value of such LNC common stock on the date on which the merger was publicly announced, on the date on which you vote or on the date on which Jefferson-Pilot shareholders make their cash/stock election. Further, at the special meetings, shareholders will not know the exact value of the LNC common stock that will be issued in the merger.***

At the effective time of the merger, each outstanding share of Jefferson-Pilot common stock will be converted into the right to receive 1.0906 shares of LNC common stock or \$55.96 in cash. The ratio at which the shares will be converted is fixed and any changes in the price of LNC common stock will affect the value of the shares of LNC common stock that Jefferson-Pilot shareholders receive in the merger such that, if the price of LNC common stock declines prior to completion of the merger, the value of the stock consideration to be received by Jefferson-Pilot shareholders will decrease. Stock price variations could be the result of changes in the business, operations or prospects of LNC, Jefferson-Pilot or the resulting company, market assessments of the likelihood that the merger will be completed within the anticipated time or at all, general market and economic conditions, regulatory considerations and other factors which are beyond the control of LNC and Jefferson-Pilot.

LNC and Jefferson-Pilot are working to complete the merger as quickly as possible. However, the time period between the shareholder votes taken at the special meetings and the completion of the merger will depend upon the timing and status of the insurance regulatory approvals that must be obtained prior to the completion of the merger and the satisfaction or waiver of the other conditions described in this joint proxy statement/prospectus, and there is currently no way to predict with certainty how long it will take to obtain these approvals. Because the date when the merger is completed will be later than the date of the special meetings, LNC and Jefferson-Pilot shareholders will not know the exact value of the LNC common stock that will be issued in the merger at the time they vote on the merger proposals or at the time Jefferson-Pilot shareholders make their cash/stock elections.

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***Jefferson-Pilot shareholders may receive a form of merger consideration different from what they elect.***

While each Jefferson-Pilot shareholder may elect to receive LNC common stock or cash in the merger, the amount of cash to be exchanged for Jefferson-Pilot common stock, in the aggregate, is fixed at \$1.8 billion. As a result, if either a cash or stock election proves to be more popular among Jefferson-Pilot shareholders, and you choose the election that is more popular, you might receive a portion of your consideration in the form that you did not elect.

***If you deliver your shares of Jefferson-Pilot common stock in order to make an election, you will not be able to sell those shares, unless you revoke your election prior to the election deadline.***

If you are a Jefferson-Pilot shareholder and want to make a cash or stock election, you will have to deliver your stock certificate(s), if any, and a properly completed and signed form of election to the exchange agent by the election deadline, which is March 28, 2006 unless we extend it. For further details on how we may extend the election deadline see The Merger Agreement Elections Form of Election beginning on page 99. You will not be able to sell any shares of Jefferson-Pilot common stock that you have delivered in connection with your election unless you revoke your election before the deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to liquidate your investment in Jefferson-Pilot common stock for any reason until you receive cash and/or LNC common stock in the merger. In the time between the delivery of your shares and the closing of the merger, the trading price of Jefferson-Pilot common stock or LNC common stock may decrease, and you might otherwise want to sell your shares of Jefferson-Pilot to gain access to cash, make other investments or reduce the potential for a decrease in the value of your investment.

The date that you will receive your merger consideration depends on the completion date of the merger, which is expected to be at the beginning of the second quarter of 2006. The completion date of the merger might be later than expected due to unforeseen events, such as delays in obtaining regulatory approvals.

***You will not know whether you will have taxable gain in connection with the merger until after you vote and make your election. If you have taxable gain, you may have to pay a greater amount of taxes than you expect in connection with the merger.***

Jefferson-Pilot shareholders will vote on the transaction and return their merger consideration forms of election prior to the allocation of LNC common stock and cash in the merger. Because Jefferson-Pilot shareholders may receive a different amount of cash and LNC common stock than they elect to receive in the merger, a Jefferson-Pilot shareholder may not know the specific United States federal income tax consequences of the merger at the time such shareholder votes on the transaction. If a Jefferson-Pilot shareholder receives more cash than expected in connection with the merger, the shareholder may recognize an unanticipated taxable gain for United States federal income tax purposes and have to pay a greater amount of taxes than expected in connection with the merger. See Material United States Federal Income Tax Considerations beginning on page 93.

***The merger agreement limits LNC's and Jefferson-Pilot's ability to pursue an alternative acquisition proposal to the merger and requires LNC or Jefferson-Pilot to pay a termination fee of up to \$300 million if it does.***

The merger agreement prohibits LNC and Jefferson-Pilot from initiating, soliciting, encouraging or facilitating certain alternative acquisition proposals with any third party, subject to exceptions set forth in the merger agreement. See The Merger Agreement Principal Covenants and

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Agreements No Solicitation beginning on page 106. The merger agreement also provides for the payment by LNC or Jefferson-Pilot of a termination fee of up to \$300 million if the merger agreement is terminated in certain circumstances in connection with a third party completing an alternative acquisition. See The Merger Agreement Termination Events and Termination Fees beginning on page 109.

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These provisions limit LNC's and Jefferson-Pilot's ability to pursue offers from third parties that could result in greater value to LNC's or Jefferson-Pilot's shareholders. The obligation to pay the termination fee also may discourage a third party from pursuing an alternative acquisition proposal.

*The merger is subject to certain closing conditions that, if not satisfied or waived, will result in the merger not being completed, which may cause the market price of LNC common stock or Jefferson-Pilot common stock to decline.*

The merger is subject to customary conditions to closing, including the receipt of required regulatory approvals and approvals of the LNC and Jefferson-Pilot shareholders. If any condition to the merger is not satisfied or waived, to the extent permitted by law or stock exchange rule, the merger will not be completed. In addition, LNC and Jefferson-Pilot may terminate the merger agreement under certain circumstances. If LNC and Jefferson-Pilot do not complete the merger, the market price of LNC common stock or Jefferson-Pilot common stock may fluctuate to the extent that the current market prices of those shares reflect a market assumption that the merger will be completed. Further, whether or not the merger is completed, LNC and Jefferson-Pilot will also be obligated to pay certain investment banking, financing, legal and accounting fees and related expenses in connection with the merger, which could negatively impact results of operations when incurred. In addition, neither company would realize any of the expected benefits of having completed the merger. If the merger is not completed, LNC and Jefferson-Pilot cannot assure their respective shareholders that additional risks will not materialize or not materially adversely affect the business, financial results, financial condition and stock prices of LNC or Jefferson-Pilot.

## **Risks Related to the Resulting Company's Operations After the Completion of the Merger**

*The anticipated benefits of combining LNC and Jefferson-Pilot may not be realized.*

LNC and Jefferson-Pilot entered into the merger agreement with the expectation that the merger would result in various benefits including, among other things, benefits relating to enhanced revenues, a strengthened market position for the resulting company in its businesses, cross-selling opportunities, cost savings and operating efficiencies. Achieving the anticipated benefits of the merger is subject to a number of uncertainties, including whether LNC and Jefferson-Pilot are integrated in an efficient and effective manner, and general competitive factors in the marketplace. Failure to achieve these anticipated benefits could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy and could materially impact the resulting company's business, financial condition and operating results.

*The resulting company may have difficulty integrating Jefferson-Pilot and LNC and may incur substantial costs in connection with the integration.*

The resulting company may experience material unanticipated difficulties or expenses in connection with integrating Jefferson-Pilot and LNC, especially given the relatively large size of the merger. Integrating Jefferson-Pilot and LNC will be a complex, time-consuming and expensive process. Before the merger, LNC and Jefferson-Pilot operated independently, each with its own business, products, customers, employees, culture and systems.

The resulting company may face substantial difficulties, costs and delays in integrating Jefferson-Pilot and LNC. These factors may include:

perceived adverse changes in product offerings available to clients or client service standards, whether or not these changes do, in fact, occur;

conditions imposed by regulators in connection with their decisions whether to approve the merger;

potential charges to earnings resulting from the application of purchase accounting to the transaction;

the retention of existing clients, key portfolio managers, sales representatives and wholesalers of each company; and

retaining and integrating management and other key employees of the resulting company.



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After the merger, we may seek to combine certain operations and functions using common information and communication systems, operating procedures, financial controls and human resource practices, including training, professional development and benefit programs. We may be unsuccessful or delayed in implementing the integration of these systems and processes.

Any one or all of these factors may cause increased operating costs, worse than anticipated financial performance or the loss of clients, employees and agents. Many of these factors are outside the control of either company.

***Interest rate risk exposure of each company will add risk for LNC and Jefferson-Pilot shareholders; equity market risk exposure of LNC will add risk for Jefferson-Pilot shareholders.***

Because each of Jefferson-Pilot and LNC has exposures to certain market risks, Jefferson-Pilot and LNC shareholders will, upon completion of the merger, have greater exposure to interest rate and equity market risks than they did in the past.

LNC's and Jefferson-Pilot's financial position and earnings are each subject to risks resulting from changes in interest rates. Accordingly, the shareholders of the resulting company will continue to be subject to significant interest rate risk exposure.

Some of LNC's and Jefferson-Pilot's products, principally fixed annuities and interest-sensitive whole life, universal life and the fixed portion of variable universal life insurance, expose them to the risk that changes in interest rates will reduce the spread, or the difference between the amounts that they are required to pay under the contracts and the amounts they are able to earn on their general account investments intended to support their obligations under the contracts. Therefore, in periods of declining interest rates, the resulting company will have to reinvest the cash it receives as interest or return of principal on its investments in lower yielding instruments than available. Moreover, borrowers may prepay fixed-income securities, commercial mortgages and mortgage-backed securities in its general account in order to borrow at lower market rates, which exacerbates this risk. Because many policies have guaranteed minimum interest or crediting rates and permit a reset of the interest rates only at limited, pre-established intervals, the resulting company's spreads could decrease and potentially become negative. Declines in the spread from these products could have a material adverse effect on the business or results of operations of the resulting company.

In contrast, in periods of increasing interest rates, the resulting company may not be able to replace the assets in its general account with higher yielding assets needed to fund the higher crediting rates necessary to keep its interest sensitive products competitive. It therefore may have to accept a lower spread and thus lower profitability or face a decline in sales and greater loss of existing contracts and related assets. A sudden demand among consumers to change product types or withdraw funds could lead the resulting company to sell assets at a loss to meet the demand for funds. This may cause investment assets to be sold at a time when the prices of those assets are lower because of the increase in market interest rates, which may result in realized investment losses. In addition, unanticipated withdrawals and terminations also may require the resulting company to accelerate the amortization of deferred acquisition costs (DAC), which would increase the current expenses of the resulting company and reduce net income.

LNC's profitability is subject to risks resulting from declines in equity markets. The fee revenue that LNC earns on equity-based variable annuities, unit-linked accounts, variable universal life insurance policies and investment advisory business, is based upon account values. A weakening of the equity markets results in lower account values, weak equity markets negatively affect LNC's net income through lower fee revenue and, depending upon the significance of the drop in the equity markets, may result in higher net expenses associated with DAC, deferred sales inducements (DSI), the value of business acquired (VOBA) and deferred front-end sales loads (DFEL) associated with LNC's products. Furthermore, a decrease in the equity markets will increase the net amount at risk under the guaranteed minimum death benefit, which has the effect of increasing the amount of guaranteed minimum death benefit (GMDB) reserves that LNC must carry. After the merger, Jefferson-Pilot

shareholders will have greater exposure to these risks with respect to LNC's business.

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*Jefferson-Pilot's communications business faces risks, which are significantly different from the risks facing LNC's and Jefferson-Pilot's insurance businesses.*

The communications business of Jefferson-Pilot relies on advertising revenues, and therefore is sensitive to cyclical changes in both the general economy and in the economic strength of local markets. Also, its stations derived nearly 25% of their 2004 and year-to-date 2005 advertising revenues from the automotive industry. If automobile advertising is severely curtailed, it could have a negative impact on broadcasting revenues. For the nine-month period ended September 30, 2005, 7.3% of television revenues came from a network agreement with two CBS-affiliated stations that expires in 2011. The trend in the industry is away from the networks compensating affiliates for carrying their programming and there is a possibility those revenues will be eliminated when the contract is renewed. Technological media changes, such as satellite radio and the internet, and consolidation in the broadcast and advertising industries, may increase competition for audiences and advertisers. The communications business has commitments for purchases of syndicated television programming and commitments for other contracts and future sports programming rights, payable through 2011. These commitments are not reflected as an asset or liability in Jefferson-Pilot's balance sheet because the programs are not currently available for use and will remain commitments of the resulting company. If sports programming advertising revenue decreases in the future, the commitments may have a material adverse effect on the results of operations of this business.

*Anti-takeover provisions could delay, deter or prevent a change in control of LNC even if the change in control would be beneficial to LNC shareholders.*

LNC is an Indiana corporation subject to Indiana state law. Certain provisions of Indiana law could interfere with or restrict takeover bids or other change in control events affecting LNC. Also, provisions in LNC's articles of incorporation, bylaws as amended upon completion of the merger and other agreements to which LNC is a party could delay, deter or prevent a change in control of LNC, even if a change in control would be beneficial to shareholders. In addition, under Indiana law, directors may, in considering the best interests of a corporation, consider the effects of any action on stockholders, employees, suppliers and customers of the corporation and the communities in which offices and other facilities are located, and other factors the directors consider pertinent. One statutory provision prohibits, except under specified circumstances, LNC from engaging in any business combination with any shareholder who owns 10% or more of LNC's common stock (which shareholder, under the statute, would be considered an interested shareholder) for a period of five years following the time that such shareholder became an interested shareholder, unless such business combination is approved by the board of directors prior to such person becoming an interested shareholder. In addition, LNC's articles of incorporation contain a provision requiring holders of at least three-fourths of the voting shares of LNC then outstanding and entitled to vote at an election of directors, voting together, to approve such a transaction rather than the simple majority required under Indiana law. See "Description of LNC Capital Stock" "Anti-Takeover Considerations" beginning on page 118.

In addition to the anti-takeover provisions of Indiana law, there are other factors that may delay, deter or prevent a change in control of LNC. After the merger, LNC will continue to be regulated as an insurance holding company and will continue to be subject to the insurance holding company acts of the states in which LNC's and Jefferson-Pilot's insurance company subsidiaries are domiciled. The insurance holding company acts and regulations restrict the ability of any person to obtain control of an insurance company without prior regulatory approval. Under those statutes and regulations, without such approval (or an exemption), no person may acquire any voting security of a domestic insurance company, or an insurance holding company which controls an insurance company, or merge with such a holding company, if as a result of such transaction such person would control the insurance holding company or insurance company. Control is generally defined as the direct or indirect power to direct or cause the direction of the management and policies of a person and is presumed to exist if a person directly or indirectly owns or controls 10% or more of the voting securities of another person.

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Except for historical information contained or incorporated by reference in this joint proxy statement/ prospectus, statements made or incorporated by reference in this joint proxy statement/prospectus are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which is referred to as the PSLRA. A forward-looking statement is a statement that is not a historical fact and, without limitation, includes any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like: believe, anticipate, expect, estimate, project, will, shall and other words or phrases with similar meaning. We claim protection afforded by the safe harbor for forward-looking statements provided by the PSLRA.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from the results contained in the forward-looking statements. Risks and uncertainties that may cause actual results to vary materially, some of which are described within the forward-looking statements include, among others:

we may not obtain the approval of LNC and/or Jefferson-Pilot shareholders at their respective special meetings;

we may be unable to obtain regulatory approvals required for the merger, or required regulatory approvals may delay the merger or result in the imposition of conditions that could have a material adverse effect on the resulting company or cause us to abandon the merger;

we may be unable to complete the merger or completing the merger may be more costly than expected because, among other reasons, conditions to the closing of the merger may not be satisfied;

problems may arise with the ability to successfully integrate LNC's and Jefferson-Pilot's businesses, which may result in the resulting company not operating as effectively and efficiently as expected;

the resulting company may not be able to achieve the expected synergies from the merger or it may take longer than expected to achieve those synergies;

the merger may involve unexpected costs or unexpected liabilities, or the effects of purchase accounting may be different from our expectations;

the lowering of one or more of the credit ratings of the resulting company or its subsidiaries may have an adverse impact on the resulting company's or its subsidiaries' ability to raise capital and on its liquidity and financial condition;

the lowering of one or more of the insurer financial strength ratings of the resulting company's insurance subsidiaries may have an adverse impact on the premium writings, policy retention and profitability of our insurance subsidiaries or the resulting company;

the actual financial position and results of operations of the resulting company may differ significantly from the pro forma financial data contained in this joint proxy statement/prospectus;

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future legislative, regulatory or tax changes, both domestic and foreign, may affect the cost of, or demand for, the resulting company's products, the required amount of reserves and/or surplus, or otherwise affect our ability to conduct business, including changes to statutory reserves and/or risk-based capital requirements related to secondary guarantees under universal life and variable annuity products such as Actuarial Guideline 38, restrictions on revenue sharing and 12b-1 payments, and the potential for United States federal tax reform;

the initiation of legal or regulatory proceedings against the resulting company and the outcome of any legal or regulatory proceedings, such as: (a) adverse actions related to present or past business practices common in businesses in which we compete; (b) adverse decisions in significant actions including, but not limited to, actions brought by federal and state authorities and extra-contractual and class action damage cases; (c) new decisions which change the law; and (d) unexpected trial court rulings;

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changes in future interest rates and reductions in or continued low interest rates may cause a reduction of investment income, the margins of our fixed annuity and life insurance businesses and demand for our products;

future declines in the equity market may cause a reduction in the sales of the resulting company's products, a reduction of asset fees that we charge on various investment and insurance products, an acceleration of amortization of DAC, VOBA, DSI and DFEL and an increase in liabilities related to guaranteed benefit features of our variable annuity products;

the resulting company's various hedging strategies may not be effective to offset the impact of changes in the equity markets;

a deviation in actual experience regarding future persistency, mortality, morbidity, interest rates and equity market returns from the assumptions used in pricing products, in establishing related insurance reserves and in the amortization of intangibles that may result in an increase in reserves and/or a decrease in net income;

competitive conditions that may affect the level of premiums and fees that the resulting company will be able to charge for our products;

uncertainties with respect to capital market conditions which may increase the costs of permanent financing to fund the cash portion of the merger consideration and may impair LNC's ability to execute on contemplated share repurchases;

future loss of key management, portfolio managers, sales representatives or wholesalers; and

future changes in general economic or business conditions, both domestic and foreign, that may be less favorable than expected and may affect premium levels, claims experience, the level of pension benefit costs and funding, investment results and foreign exchange rates.

The risks included here are not exhaustive. The annual reports on Form 10-K, subsequent quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed by LNC and Jefferson-Pilot with the SEC and incorporated herein by reference include additional factors which could impact our businesses and financial performance. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors.

Further, it is not possible to assess the impact of all risk factors on our or the resulting company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results. In addition, we disclaim any obligation to update any forward-looking statements to reflect events or circumstances that occur after the date of this joint proxy statement/prospectus, except as may be required by law.

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**THE LNC SPECIAL MEETING**

**General**

This joint proxy statement/prospectus is being provided to LNC shareholders as part of a solicitation of proxies by the LNC board of directors for use at the LNC special meeting and at any adjournment thereof. This joint proxy statement/prospectus provides LNC shareholders with the information they need to know to be able to vote or instruct their vote to be cast at the LNC special meeting.

**Date, Time and Place of the LNC Special Meeting**

The LNC special meeting will be held at 10:00 a.m., local time, on March 20, 2006, at the offices of Delaware Investments, Inc., Second Floor Auditorium, Two Commerce Square, 2001 Market Street, Philadelphia, Pennsylvania.

**Purposes of the LNC Special Meeting**

At the LNC special meeting, LNC shareholders will be asked:

to approve the issuance of shares of LNC common stock pursuant to the merger agreement;

to approve adjournments of the LNC special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the LNC special meeting to approve the above proposal; and

to consider and vote upon other matters that may properly be submitted to a vote at the LNC special meeting or any reconvened meeting following an adjournment of the special meeting.

**Record Date; Shares Entitled to Vote; Outstanding Shares**

The record date for the meeting for LNC shareholders was February 3, 2006. This means that you must have been a shareholder of record of LNC common stock or LNC Series A preferred stock at the close of business on February 3, 2006 in order to vote at the special meeting. You are entitled to one vote for each share of LNC common stock and LNC Series A preferred stock you own on the record date. On LNC's record date, LNC had 174,159,561 shares of LNC common stock and 15,335 shares of LNC Series A preferred stock outstanding.

A complete list of LNC shareholders entitled to vote at the LNC special meeting will be available for inspection at the executive offices of LNC during regular business hours for a period of at least five business days before the special meeting.

### **Quorum and Voting Rights**

A quorum of shareholders is necessary to hold a valid special meeting of LNC. A majority of all outstanding shares of LNC entitled to vote and present, in person or by proxy, at the special meeting constitutes a quorum. All shares of LNC common stock and LNC Series A preferred stock represented at the special meeting, including abstentions and broker non-votes, will be counted for purposes of determining whether a quorum is present. Broker non-votes are shares held by a broker that are represented at the meeting, but with respect to which the beneficial owner has not instructed the broker on the particular proposal and the broker does not have discretionary voting power on such proposal. Once a share is represented for any purpose at the special meeting, it will be deemed present for quorum purposes for the remainder of the meeting (including any meeting resulting from an adjournment of the special meeting, unless a new record date is set). For purposes of voting on each of the proposals set forth below, the owners of shares of LNC common stock and LNC Series A preferred stock vote together as one class.



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The votes required to approve the respective proposals at the LNC special meeting are:

Approval of the issuance of shares of LNC common stock pursuant to the merger agreement requires the approval of a majority of the votes cast on the proposal by the holders of LNC common stock and LNC Series A preferred stock, voting together as a single class, provided that the total votes cast on the proposal represent over 50% of all securities entitled to vote on the proposal.

Approval of adjournments of the LNC special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the LNC special meeting to approve the above proposal requires the affirmative vote of a majority of the votes cast on the proposal, present in person or represented by proxy and entitled to vote at the LNC special meeting.

For a discussion of how broker non-votes and abstentions will affect the outcome of the vote on these proposals, see [Voting; Proxies](#) [Voting Shares Held in Street Name](#) beginning on page 35 and [Voting; Proxies](#) [Abstaining from Voting](#) beginning on page 35.

### **ITEM 1 THE ISSUANCE OF SHARES OF LNC COMMON STOCK PURSUANT TO THE MERGER AGREEMENT**

As discussed elsewhere in this joint proxy statement/prospectus, LNC shareholders are considering and voting on a proposal to approve the issuance of shares of LNC common stock pursuant to the merger agreement. You should carefully read this joint proxy statement/prospectus in its entirety for more detailed information concerning the merger agreement and the merger. You are also urged to read the merger agreement, a composite copy of which is attached to this joint proxy statement/prospectus as [Annex A](#).

**The LNC board of directors recommends that LNC shareholders vote FOR the issuance of LNC common stock pursuant to the merger agreement.**

### **ITEM 2 APPROVE ADJOURNMENTS OF THE SPECIAL MEETING, IF NECESSARY, TO PERMIT FURTHER SOLICITATION OF PROXIES**

Shareholders may be asked to vote on a proposal to adjourn the special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the above proposal. See the discussion regarding adjournments below in [Adjournments](#) beginning on page 37.

**The LNC board of directors recommends that LNC shareholders vote FOR the proposal to adjourn, if necessary, the LNC special meeting.**

**Voting by LNC's Directors and Executive Officers**

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As of the record date for the LNC special meeting, LNC's directors and executive officers and their affiliates had the right to vote approximately 455,387 shares of the then outstanding LNC common stock at the LNC special meeting, which represented less than one percent of the LNC common stock outstanding and entitled to vote at the meeting. No LNC director or executive officer or their affiliates beneficially owned any shares of LNC Series A preferred stock.

### **Voting; Proxies**

You may vote in person at the LNC special meeting or by proxy. We recommend you vote by proxy even if you plan to attend the special meeting. If you vote by proxy, you may change your vote if you attend the special meeting. If you own LNC common stock or LNC Series A preferred stock in your own name, you are an owner of record. This means that you may use the enclosed proxy/voting instruction card(s) to tell the persons named

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as proxies how to vote your shares. If you properly complete, sign and date your proxy/voting instruction card(s), or vote by telephone or over the Internet, your proxy will be voted in accordance with your instructions. The named proxies will vote all shares at the meeting that have been properly voted (whether by Internet, telephone or mail) and not revoked. If you sign and return your proxy/voting instruction card(s) but do not mark your card(s) to tell the proxies how to vote your shares on each proposal, your proxy will be voted FOR each of the proposals presented.

If you hold LNC shares in a stock brokerage account or through a broker, bank or other nominee, or, in other words, in street name, please follow the voting instructions provided by your broker, bank or other nominee. Also, see Voting Shares Held in Street Name beginning on page 35.

If you participate in LNC's Employees Savings and Profit-Sharing Plan or The Lincoln National Life Insurance Company Agents Savings and Profit-Sharing Plan, your proxy/voting instruction card(s) will include the LNC common stock allocated to your accounts in that plan. You may instruct the plan trustee on how to vote your shares by signing, dating and mailing the enclosed proxy/voting instruction card(s), or by submitting your voting instructions by telephone or over the Internet. The plan trustee will vote your shares in accordance with your instructions and the terms of the plans. If you participate in one of these plans and fail to vote, the plan trustee will vote your shares in the same proportion as it votes the shares for which it receives instructions from other plan participants. Your voting instructions must be received by 11:59 p.m. (E.S.T.) on March 17, 2006.

If you participate in LNC's Dividend Reinvestment Plan, your proxy/voting instruction card(s) will also include the LNC common stock allocated to your accounts in that plan. To vote your shares in that plan, sign, date and mail the enclosed proxy/voting instruction card(s) or submit your voting instructions by telephone or over the Internet, as instructed on your proxy/voting instruction card(s).

### ***Voting Shares Held in Street Name***

Generally, a broker, bank or other nominee may only vote the common stock that it holds in street name for you in accordance with your instructions. However, if your broker has not received your instructions, your broker has the discretion to vote on certain matters that are considered routine.

If you wish to vote on the proposal to approve the issuance of LNC common stock in connection with the merger, you must provide instructions to your broker because this proposal is not routine. If you do not provide your broker with instructions, your broker will not be authorized to vote on the proposal to approve the issuance of LNC common stock in connection with the merger. These broker non-votes are not counted as votes cast on the proposal or as votes cast for purposes of determining whether 50% of all votes entitled to be cast on the proposal have been cast. However, they will be deemed as votes present for quorum purposes.

If you wish to vote on any proposal to approve adjournments of the LNC special meeting, you should provide instructions to your broker. If you do not provide instructions to your broker, your broker generally will have the authority to vote on proposals such as the adjournment of meetings. However, your broker will not be authorized to vote on any proposal to adjourn the special meeting solely relating to the solicitation of proxies to approve the issuance of shares of LNC common stock pursuant to the merger agreement.

### ***Abstaining from Voting***

Your abstention from voting will have the following effects:

Abstentions will have the same effect as a vote against the approval of the issuance of shares of LNC common stock pursuant to the merger agreement. Abstentions will, however, increase the percentage of votes cast on the proposal and thus could have the effect of causing the proposal to pass if the majority of the votes otherwise cast on the proposal have been voted in favor of the proposal and the abstentions cause the percentage of votes cast on the proposal to total more than 50% of the outstanding shares.

Abstentions will have no effect on any proposal to approve adjournments of the LNC special meeting.

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### **How to Vote**

You have three voting options:

*Internet:* You can vote over the Internet at the Internet address shown on your proxy/voting instruction card(s). Internet voting is available 24 hours a day. If you vote over the Internet, do not return your proxy/voting instruction card(s).

*Telephone:* You can vote by telephone by calling the toll-free number on your proxy/voting instruction card(s). Telephone voting is available 24 hours a day. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded. If you vote by telephone, do not return your proxy/voting instruction card(s).

*Mail:* You can vote by mail by simply signing, dating and mailing your proxy/voting instruction card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

A number of brokerage firms and banks participate in a program that also permits shareholders whose shares are held in street name to direct their vote over the Internet or by telephone. This option, if available, will be reflected in the voting instructions from the brokerage firm or bank that accompany this joint proxy statement/prospectus. If your shares are held in an account at a brokerage firm or bank that participates in such a program, you may direct the vote of these shares by the Internet or telephone by following the voting instructions enclosed with the proxy form from the brokerage firm or bank. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the LNC special meeting; however, you must first obtain a signed and properly executed legal proxy from your broker, bank or other nominee to vote your shares held in street name at the special meeting. Requesting a legal proxy will automatically cancel any voting directions you have previously given to your broker, bank or other nominee by the Internet or by telephone with respect to your shares.

### **Revoking Your Proxy**

You can revoke your proxy at any time before its exercise by:

sending a written notice to the Corporate Secretary of LNC, at Centre Square West Tower, 1500 Market St., Suite 3900, Philadelphia, Pennsylvania 19102, bearing a date later than the date of the proxy, that is received prior to the LNC special meeting and states that you revoke your proxy;

voting again over the Internet or by telephone;

signing another proxy/voting instruction card(s) bearing a later date and mailing it so that it is received prior to the LNC special meeting; or

attending the LNC special meeting and voting in person, although attendance at the special meeting will not, by itself, revoke a proxy.

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If your shares are held in street name, you will need to contact your broker, bank or other nominee to revoke your proxy.

### **Other Voting Matters**

#### *Voting in Person*

If you plan to attend the LNC special meeting and wish to vote in person, we will give you a ballot at the special meeting. However, if your shares are held in street name, you must first obtain a legal proxy authorizing you to vote the shares in person, which you must bring with you to the special meeting.

#### *Electronic Access to Proxy Materials*

This joint proxy statement/prospectus is available on the SEC's Internet site at [www.sec.gov](http://www.sec.gov) or on LNC's Internet site at [www.lfg.com](http://www.lfg.com) or at [www.lfgjpmerger.com](http://www.lfgjpmerger.com).

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### **Proxy Solicitations**

LNC is soliciting proxies for the LNC special meeting from LNC shareholders. LNC will bear the entire cost of soliciting proxies from LNC shareholders, except that LNC and Jefferson-Pilot will share equally the expenses incurred in connection with the filing of the registration statement of which this joint proxy statement/prospectus forms a part with the SEC and the printing and mailing of this joint proxy statement/prospectus. In addition to this mailing, LNC's directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, electronically or by telephone. LNC has also engaged Georgeson Shareholder Communications, Inc., for a fee of \$15,000 plus reimbursement of expenses, to assist in the solicitation of proxies. LNC and its proxy solicitor will also request that banks, brokerage houses and other custodians, nominees and fiduciaries send proxy materials to the beneficial owners of LNC common stock and LNC Series A preferred stock and will, if requested, reimburse the record holders for their reasonable out-of-pocket expenses in doing so. The extent to which these proxy-soliciting efforts will be necessary depends upon how promptly proxies are submitted. You should promptly vote by telephone or over the Internet or submit your completed proxy/voting instruction card(s) by mail.

### **Adjournments**

If a quorum is not present at the special meeting, the chairman of the meeting will have the authority to adjourn the special meeting to solicit additional proxies without the approval of shareholders. If a quorum is present at the special meeting but there are not sufficient votes at the time of the special meeting to approve the issuance of LNC common stock pursuant to the merger agreement, holders of LNC common stock and LNC Series A preferred stock may be asked to vote on a proposal to approve the adjournment of the special meeting to permit further solicitation of proxies. Approval by a majority of the votes cast on the proposal to adjourn the meeting will be required. In addition, if the new date, time or place of the new meeting is not given at the adjourned meeting or if after the adjournment a new record date is fixed for an adjourned meeting, which it must be if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting, notice of the adjourned meeting must be given to each shareholder of record entitled to vote at such special meeting.

### **Assistance**

If you need assistance in completing your proxy/voting instruction card(s) or have questions regarding LNC's special meeting, please contact Georgeson Shareholder Communications, Inc., LNC's proxy solicitor, at (888) 666-2572 (toll free) or write to Georgeson Shareholder Communications, Inc., 17 State Street, New York, New York 10004.

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**THE JEFFERSON-PILOT SPECIAL MEETING**

**General**

This joint proxy statement/prospectus is being provided to Jefferson-Pilot shareholders as part of a solicitation of proxies by the Jefferson-Pilot board of directors for use at the Jefferson-Pilot special meeting and at any adjournment thereof. In addition, this joint proxy statement/prospectus is being furnished to Jefferson-Pilot shareholders as a prospectus for LNC in connection with its issuance of shares of LNC common stock to Jefferson-Pilot shareholders in connection with the merger. This joint proxy statement/prospectus provides Jefferson-Pilot shareholders with the information they need to know to be able to vote or instruct their vote to be cast at the Jefferson-Pilot special meeting and to make their election as to whether they prefer to receive cash and/or LNC common stock in connection with the merger. For more information about making an election to receive cash and/or LNC common stock and the adjustments to these elections, see The Merger Agreement Elections beginning on page 99.

**Date, Time and Place of the Jefferson-Pilot Special Meeting**

The Jefferson-Pilot special meeting will be held at 10:00 a.m., local time, on March 20, 2006, at Jefferson-Pilot's offices, Fourth Floor, Jefferson-Pilot Building, 100 North Greene Street, Greensboro, North Carolina.

**Purposes of the Jefferson-Pilot Special Meeting**

At the Jefferson-Pilot special meeting, Jefferson-Pilot shareholders will be asked:

to approve the merger agreement and the plan of merger contained therein;

to approve adjournments of the Jefferson-Pilot special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Jefferson-Pilot special meeting to approve the above proposal; and

to consider and take action upon any other business that may properly come before the Jefferson-Pilot special meeting or any reconvened meeting following an adjournment of the special meeting.

**Record Date; Shares Entitled to Vote; Outstanding Shares**

The record date for the meeting for Jefferson-Pilot shareholders was February 3, 2006. This means that you must have been a shareholder of record of Jefferson-Pilot's common stock at the close of business on that date in order to vote at the special meeting. You are entitled to one vote for each share of Jefferson-Pilot common stock you own. On Jefferson-Pilot's record date, Jefferson-Pilot had 134,622,773 shares of Jefferson-Pilot common stock outstanding.



A complete list of Jefferson-Pilot shareholders entitled to vote at the Jefferson-Pilot special meeting will be available for inspection at the executive offices of Jefferson-Pilot during regular business hours for at least five business days before the special meeting.

### **Quorum and Voting Rights**

A quorum of shareholders is necessary to hold a valid special meeting of Jefferson-Pilot. A majority of all outstanding shares of Jefferson-Pilot entitled to vote and present, in person or by proxy, at the special meeting constitutes a quorum. All shares of Jefferson-Pilot common stock represented at the special meeting, including abstentions and broker non-votes, will be counted for purposes of determining whether a quorum is present. Once a share is represented for any purpose at the special meeting, it will be deemed present for quorum purposes for the remainder of the meeting (including any meeting resulting from an adjournment of the special meeting).

The approval of the merger agreement and the plan of merger contained therein requires the affirmative vote of a majority of the outstanding shares of Jefferson-Pilot common stock entitled to vote at the Jefferson-Pilot special meeting.

For a discussion of how broker non-votes and abstentions will affect the outcome of the vote on these proposals, see [Voting; Proxies](#) [Voting Shares Held in Street Name](#) beginning on page 40 and [Voting; Proxies](#) [Abstaining from Voting](#) beginning on page 40.

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**ITEM 1 THE MERGER**

As discussed elsewhere in this joint proxy statement/prospectus, Jefferson-Pilot shareholders are considering and voting on a proposal to approve the merger agreement and the plan of merger contained therein. You should read carefully this joint proxy statement/prospectus in its entirety for more detailed information concerning the merger agreement and the merger. In particular, you are directed to the merger agreement, a composite copy of which is attached to this joint proxy statement/prospectus as Annex A.

**The Jefferson-Pilot board of directors recommends that Jefferson-Pilot shareholders vote FOR the merger agreement and the plan of merger contained therein and your proxy will be so voted unless you specify otherwise.**

**ITEM 2 APPROVE ADJOURNMENTS OF THE SPECIAL MEETING, IF NECESSARY, TO PERMIT FURTHER SOLICITATION OF PROXIES**

Shareholders may be asked to vote on a proposal to adjourn the special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the above proposal. See the discussion regarding adjournments below in Adjournments beginning on page 41.

**The Jefferson-Pilot board of directors recommends that Jefferson-Pilot shareholders vote FOR the proposal to adjourn, if necessary, the Jefferson-Pilot special meeting.**

**Voting by Jefferson-Pilot's Directors and Executive Officers**

As of the record date for the Jefferson-Pilot special meeting, Jefferson-Pilot's directors and executive officers and their affiliates had the right to vote approximately 500,000 shares of the then outstanding Jefferson-Pilot common stock at the Jefferson-Pilot special meeting which represented less than one percent of the Jefferson-Pilot common stock outstanding and entitled to vote at the meeting.

**Voting; Proxies**

You may vote in person at the Jefferson-Pilot special meeting or by proxy. We recommend you vote by proxy even if you plan to attend the special meeting. If you vote by proxy, you may change your vote if you attend the special meeting. If you own Jefferson-Pilot common stock in your own name, you are an owner of record. This means that you may use the enclosed proxy/voting instruction card(s) to tell the persons named as proxies how to vote your shares. If you properly complete, sign and date your proxy/voting instruction card(s), or vote by telephone or over the Internet, your proxy will be voted in accordance with your instructions. The named proxies will vote all shares at the meeting that have been properly voted (whether by Internet, telephone or mail) and not revoked. If you sign and return your proxy/voting instruction card(s) but do not mark your card(s) to tell the proxies how to vote your shares on each proposal, your proxy will be voted FOR each of the proposals presented.

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If your Jefferson-Pilot shares are held in street name through a broker, bank or other nominee, please follow the voting instructions provided by your broker, bank or other nominee. Also, see Voting Shares Held in Street Name beginning on page 40.

If you participate in Jefferson-Pilot's 401(k)/TeamShare Plan or Agents' Retirement Plan, your proxy/voting instruction card(s) will include the Jefferson-Pilot common stock allocated to your accounts in that plan. You may instruct the plan trustee on how to vote your shares by signing, dating and mailing the enclosed proxy/voting instruction card(s), or by submitting your voting instructions by telephone or over the Internet. The plan trustee will vote your shares in accordance with your instructions and the terms of the plans. If you participate in one of those plans and fail to vote, the plan trustee will vote your shares in the same proportion as it votes the shares for which it receives instructions from other participants in that plan. Your voting instructions must be received by 11:59 p.m. (E.S.T.) on March 17, 2006.

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If you participate in Jefferson-Pilot's Dividend Reinvestment Plan, your proxy/voting instruction card(s) will also include the Jefferson-Pilot common stock allocated to your accounts in that plan. To vote your shares in that plan, you must, sign, date and mail the enclosed proxy/voting instruction card(s) or submit your voting instructions by telephone or over the Internet, as instructed on your proxy/voting instruction card(s).

### ***Voting Shares Held in Street Name***

Generally, a broker, bank or other nominee may only vote the common stock that it holds in street name for you in accordance with your instructions. However, if your broker has not received your instructions, your broker has the discretion to vote on certain matters that are considered routine.

If you wish to vote on the proposal to approve the merger agreement and the plan of merger contained therein, you must provide instructions to your broker. If you do not provide your broker with instructions, your broker will not be authorized to vote on the proposal to approve the merger agreement and the plan of merger contained therein. This broker non-vote will have the same effect as a vote against the proposal.

If you wish to vote on the proposal to approve adjournments of the Jefferson-Pilot special meeting, you should provide instructions to your broker. If you do not provide instructions to your broker, your broker will not be authorized to vote on any proposal to adjourn the special meeting solely relating to the solicitation of proxies to approve the merger agreement and the plan of merger contained therein.

### ***Abstaining from Voting***

Your abstention from voting will have the same effect as a vote against the proposal to approve the merger agreement and the plan of merger contained therein.

### **How to Vote**

You have three voting options:

*Internet:* You can vote over the Internet at the Internet address shown on your proxy/voting instruction card(s). Internet voting is available 24 hours a day. If you vote over the Internet, do not return your proxy/voting instruction card(s).

*Telephone:* You can vote by telephone by calling the toll-free number on your proxy/voting instruction card(s). Telephone voting is available 24 hours a day. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded. If you vote by telephone, do not return your proxy/voting instruction card(s).

## Edgar Filing: LINCOLN NATIONAL CORP - Form S-4/A

*Mail:* You can vote by mail by simply signing, dating and mailing your proxy proxy/voting instruction card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

A number of brokerage firms and banks participate in a program that also permits shareholders whose shares are held in street name to direct their vote over the Internet or by telephone. This option, if available, will be reflected in the voting instructions from the brokerage firm or bank that accompany this joint proxy statement/prospectus. If your shares are held in an account at a brokerage firm or bank that participates in such a program, you may direct the vote of these shares by the Internet or telephone by following the voting instructions enclosed with the proxy form from the brokerage firm or bank. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the Jefferson-Pilot special meeting; however, you must first obtain a signed and properly executed legal proxy from your broker, bank or other nominee to vote your shares held in street name at the special meeting. Requesting a legal proxy will automatically cancel any voting directions you have previously given to your broker, bank or other nominee by the Internet or by telephone with respect to your shares.

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### **Revoking Your Proxy**

You can revoke your proxy at any time before its exercise by:

sending a written notice to the Corporate Secretary of Jefferson-Pilot, at 100 North Greene Street, Greensboro, North Carolina 27401, bearing a date later than the date of the proxy, that is received prior to the Jefferson-Pilot special meeting and states that you revoke your proxy;

voting again over the Internet or by telephone;

signing another proxy/voting instruction card(s) bearing a later date and mailing it so that it is received prior to the special meeting; or

attending the special meeting and voting in person, although attendance at the special meeting will not, by itself, revoke a proxy.

If your shares are held in street name, you will need to contact your broker, bank or other nominee to revoke your proxy.

### **Other Voting Matters**

#### ***Voting in Person***

If you plan to attend the Jefferson-Pilot special meeting and wish to vote in person, we will give you a ballot at the special meeting. However, if your shares are held in street name, you must first obtain a legal proxy authorizing you to vote the shares in person, which you must bring with you to the special meeting.

#### ***Electronic Access to Proxy Materials***

This joint proxy statement/prospectus is available on the SEC's Internet site at [www.sec.gov](http://www.sec.gov) or on Jefferson-Pilot's Internet site at [www.jpfinancial.com](http://www.jpfinancial.com) or at [www.lfgjpmerger.com](http://www.lfgjpmerger.com).

### **Proxy Solicitations**

## Edgar Filing: LINCOLN NATIONAL CORP - Form S-4/A

Jefferson-Pilot is soliciting proxies for the Jefferson-Pilot special meeting from Jefferson-Pilot shareholders. Jefferson-Pilot will bear the entire cost of soliciting proxies from Jefferson-Pilot shareholders, except that LNC and Jefferson-Pilot will share equally the expenses incurred in connection with the filing of the registration statement of which this joint proxy statement/prospectus forms a part with the SEC and the printing and mailing of this joint proxy statement/prospectus. In addition to this mailing, Jefferson-Pilot's directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, electronically or by telephone. Jefferson-Pilot has also engaged Georgeson Shareholder Communications, Inc., for a fee of \$20,000 plus reimbursement of expenses, to assist in the solicitation of proxies. Jefferson-Pilot and its proxy solicitor will also request that banks, brokerage houses and other custodians, nominees and fiduciaries send proxy materials to the beneficial owners of Jefferson-Pilot common stock and will, if requested, reimburse the record holders for their reasonable out-of-pocket expenses in doing so. The extent to which these proxy-soliciting efforts will be necessary depends upon how promptly proxies are submitted. You should promptly vote by telephone or over the Internet or submit your completed proxy/voting instruction card(s) by mail.

**Shareholders should not submit any stock certificates with their proxy/voting instruction card(s).**

### **Adjournments**

If a quorum is not present at the special meeting, the chairman of the meeting will have the authority to adjourn the special meeting to solicit additional proxies without the approval of shareholders. If a quorum is present at the special meeting but there are not sufficient votes at the time of the special meeting to approve the

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merger agreement and the plan of merger contained therein, holders of Jefferson-Pilot common stock may also be asked to vote on a proposal to approve the adjournment of the special meeting to permit further solicitation of proxies. Approval by a majority of the votes cast on the proposal to adjourn the meeting will be required. In addition, if the new date, time or place of the new meeting is not given at the adjourned meeting or if after the adjournment a new record date is fixed for an adjourned meeting, which it must be if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting, notice of the adjourned meeting must be given to each shareholder of record entitled to vote at such special meeting.

**Assistance**

If you need assistance in completing your proxy/voting instruction card(s) or have questions regarding Jefferson-Pilot's special meeting, please contact Georgeson Shareholder Communications, Inc., Jefferson-Pilot's proxy solicitor, at (888) 277-5654 (toll free) or write to Georgeson Shareholder Communications, Inc., 17 State Street, New York, New York 10004.



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### **THE MERGER**

*The following discussion contains material information pertaining to the merger. This discussion is subject and qualified in its entirety by reference to the merger agreement and the related documents attached as Annexes to this joint proxy statement/prospectus. We urge you to read the entirety of those documents as well as the discussion in this joint proxy statement/prospectus.*

#### **Structure of the Merger**

The merger agreement provides for the merger of Jefferson-Pilot with Merger Sub. Upon completion of the merger, the separate corporate existence of Jefferson-Pilot will cease and Merger Sub will continue as the surviving entity and a wholly owned subsidiary of LNC.

At the effective time of the merger, each issued and outstanding share of Jefferson-Pilot common stock will be converted into the right to receive either (i) 1.0906 shares of LNC common stock or (ii) \$55.96 in cash, subject to the election and allocation procedures described in the merger agreement.

Upon completion of the merger, we estimate that Jefferson-Pilot's former shareholders will own approximately 39% and LNC shareholders will own approximately 61% of the then outstanding shares of LNC common stock. LNC's shareholders will continue to own their existing shares, which will not be affected by the merger. Shares of LNC common stock will continue to be listed on the NYSE under the trading symbol LNC. Upon completion of the merger, Jefferson-Pilot common stock, which is listed on the NYSE under the trading symbol JP, will be delisted.

#### **Background of the Merger**

At various times over the years, each of LNC's and Jefferson-Pilot's boards of directors has considered the possibility of acquisitions, combinations and other business strategies and has engaged with senior management in strategic reviews, including reviews of affiliation opportunities for their respective companies, with a goal of enhancing shareholder value. In addition, at various times over the years, senior executives of LNC and Jefferson-Pilot have engaged in informal discussions with respect to a potential business combination transaction involving the two companies. Specifically, in late-1999 to early 2000, in early 2002, and in late-2003 to early 2004, senior executives of the two companies discussed the possibility of a strategic transaction, but did not reach any agreement and ceased discussions.

At its regularly scheduled meeting on February 14, 2005, the Jefferson-Pilot board approved the 2005 operating plan, and agreed with management's suggestion that management prepare an analysis of Jefferson-Pilot's strategic alternatives to increase earnings per share in light of the low interest rate environment.

On April 1, 2005, Dennis R. Glass, President and Chief Executive Officer of Jefferson-Pilot, telephoned Jon A. Boscia, Chairman and Chief Executive Officer of LNC, regarding a possible strategic business combination involving LNC and Jefferson-Pilot. Messrs. Boscia and Glass agreed that they should meet to discuss such a strategic combination.

On April 12, 2005, Jefferson-Pilot's management made a presentation on growth strategies to the executive committee of the Jefferson-Pilot board of directors. The executive committee consists of six members of the board, including the chairman, the CEO, the lead independent director and three other independent directors. That presentation reviewed Jefferson-Pilot's historical growth and its current growth challenges. The potential courses of action reviewed were organic growth on a stand alone basis, pursuit of core business acquisitions to strengthen Jefferson-Pilot's competitive position in its current business, a change in business mix by acquiring a significant new business, and a potential combination with an equal-sized or larger competitor to strengthen the core business and alter the business mix. The organic growth option also included a review of potential financial

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restructuring alternatives. The presentations included an analysis of potential accretion, market position and earnings mix resulting from potential acquisitions of or combinations with a number of companies in the life insurance industry. The discussion also reviewed the opportunities and risks presented by each course of action.

On May 6, 2005, Mr. Boscia and Mr. Glass met in Philadelphia, Pennsylvania. In general terms, they reviewed the strategic opportunities available to each company, including potential business combinations, potential acquisition opportunities and the ability of each company to maintain a stand alone strategy. Each confirmed that the other's company was on his respective list of possible combination opportunities. No agreement on terms was reached, however, they concluded that further discussions were warranted.

At an LNC board of directors meeting held on May 12, 2005, Mr. Boscia advised LNC's board of the preliminary discussions that had occurred with Mr. Glass and indicated that he would provide the board with further information regarding any proposed combination as it developed. The board of directors authorized Mr. Boscia to continue discussions with Mr. Glass concerning a proposed combination.

At the annual planning retreat of the Jefferson-Pilot board, which was held on May 13 and 14, 2005, management made a presentation substantially similar to the presentation (updated to reflect more current market information) made at the April 12 executive committee meeting. At that meeting, representatives of McKinsey & Company and Morgan Stanley discussed with the Jefferson-Pilot board the strategic position of Jefferson-Pilot in the life insurance industry. Mr. Glass advised the board of his preliminary discussions with Mr. Boscia. The board agreed that Mr. Glass should further explore all of the options that were analyzed in the presentation, including potential business combinations.

On June 27, 2005, a meeting of the LNC board of directors was held. Mr. Boscia, along with LNC's Barbara S. Kowalczyk, Senior Vice President, Corporate Development, and Dennis L. Schoff, Senior Vice President and General Counsel, discussed strategic options, such as remaining a stand alone company or engaging in strategic transactions, and reviewed respective business and product platforms for each strategic option and possible synergies from and risks of each strategic option. The board instructed Mr. Boscia to continue to pursue the potential strategic transactions, including continuing discussions with Jefferson-Pilot.

On June 28, 2005, Mr. Boscia and Mr. Glass met in Greensboro, North Carolina. They discussed many of the same types of matters that were discussed by the LNC board of directors on the previous day, including the shareholder value creation opportunity that a potential combination of the two companies presented. In addition, Mr. Boscia and Mr. Glass discussed management roles should a combination occur, including discussions regarding their respective positions within the resulting organization. A general organizational design for how the resulting organization would be focused and managed was discussed, and the two CEOs agreed that both organizations would further analyze the merits and risks of the potential combination.

On or about June 30 and July 13, 2005, LNC informally engaged Lehman Brothers and Goldman Sachs to act as its financial advisors with respect to pursuing a strategic combination with Jefferson-Pilot and subsequently entered into engagement letters with each firm dated as of June 30, 2005.

During June through August 2005, Mr. Glass had several discussions with two other potential business combination candidates in addition to LNC. On June 15, 2005, Jefferson-Pilot executed a mutual confidentiality agreement with one of the two other companies with whom Mr. Glass had had preliminary discussions concerning a potential business combination, and Jefferson-Pilot received limited expense and operational data from that company. In late June 2005 Jefferson-Pilot's management concluded that it was not willing to explore further a potential business combination with this candidate on the basis of the limited information that had been provided to it.

On July 7, 2005, LNC and Jefferson-Pilot executed a confidentiality agreement. Over the course of the next two weeks, LNC and Jefferson-Pilot each reviewed and analyzed certain expense and operational data of the other company in order to further evaluate the possible benefits of a potential combination, both independently and collaboratively.

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On or about July 15, 2005, Jefferson-Pilot informally engaged Lazard to act as its financial advisor with respect to a potential strategic combination with LNC or other potential business combination candidates, and Jefferson-Pilot and Lazard subsequently entered into an engagement letter for that purpose as of September 1, 2005.

At meetings of the LNC board of directors and its development committee on July 14, 2005, Mr. Boscia and Ms. Kowalczyk provided updates as to the progress of the discussions and possible timelines for a transaction. At the development committee meeting, Ms. Kowalczyk outlined the benefits and risks of a transaction with Jefferson-Pilot. Mr. Boscia and Ms. Kowalczyk discussed various organizational issues, including the chairman, CEO and chief operating officer roles of the resulting company and governance issues, including a supermajority board approval requirement for certain matters. The development committee concurred that it would be appropriate to proceed with management's review of a potential transaction. At the board of directors meeting later that day, certain measures regarding the size and scope of the two organizations were again reviewed. Mr. Boscia and Ms. Kowalczyk described the potential benefits of a combination, including product and distribution expansion, earnings diversification, capital flexibility, scale and operating model efficiencies. They also described risks related to such a combination including, but not limited to, success of the integration, concentrations of certain product lines and related reserving requirements, including universal life with secondary guarantees and related reserves and exposure to interest rate movements and spread compression. They also discussed preliminary assumptions related to valuation and the resulting impact on earnings per share. The board of directors also discussed governance and other issues, including possible board composition, senior management balance and the potential effect of a transaction on change of control provisions in LNC benefit and compensation plans, geographic impact on employees and additional constituencies, survival of the Lincoln brand, strategic fit of the communications business and use of external advisors.

On July 22, 2005, senior management representatives of LNC and Jefferson-Pilot met in Atlanta, Georgia to discuss the str