

LINCOLN NATIONAL CORPORATION AUDIT COMMITTEE CHARTER

- I. Purposes of the Audit Committee: The primary purposes of the Audit Committee are to:
1. assist the Board of Directors of Lincoln National Corporation (the “Corporation”) in its oversight of:
 - (i) the integrity of the Corporation’s financial statements;
 - (ii) the Corporation’s compliance with legal and regulatory requirements;
 - (iii) the independent auditor’s qualifications and independence; and
 - (iv) the performance of the Corporation’s General Auditor and independent auditor; and
 2. prepare the report required to be prepared by the Audit Committee pursuant to the rules of the Securities and Exchange Commission (the “SEC”) for inclusion in the Corporation’s annual proxy statement.

The primary function of the Audit Committee is oversight. In fulfilling their responsibilities hereunder, it is recognized that members of the Audit Committee are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct “field work” or other types of auditing or accounting reviews or procedures and each member of the Audit Committee shall be entitled to rely on the integrity of those persons and organizations within and outside the Corporation from which it receives information and the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary.

- II. Composition of the Audit Committee: The Audit Committee shall be comprised of at least three directors, each of whom the Board of Directors has determined has no material direct or indirect relationship with the Corporation or any of its subsidiaries and each of whom satisfies the applicable membership requirements of the rules of the New York Stock Exchange. The Board of Directors shall determine that: (i) each member is “financially literate,” and one member has “accounting or related financial management expertise,” as such qualifications are interpreted by the Board of Directors in its business judgment, and (ii) one member is an “audit committee financial expert,” as defined by the SEC.

No director may serve as a member of the Audit Committee if such director serves on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee, and discloses that determination in the Corporation’s annual proxy statement. No member of the Audit Committee may receive

any compensation from the Corporation other than (i) director's fees, which may be received in cash, stock options or other in-kind consideration ordinarily available to directors; (ii) a pension or other deferred compensation for prior service that is not contingent on future service; and (iii) any other regular benefits that other directors receive.

Prospective members shall be recommended by the Corporate Governance Committee of the Board of Directors, and elected annually by resolution of the Board of Directors at its first meeting following the annual meeting of shareholders. One member shall be designated from time to time by the Board of Directors as Chair of the Audit Committee ("Chair").

The membership and structure of the Committee shall be subject to the Corporation's Bylaws to the extent such Bylaws are consistent with applicable law and rules of the Securities and Exchange Commission and the New York Stock Exchange.

- III. Meetings of the Audit Committee: The Audit Committee shall meet once every fiscal quarter, or more frequently if deemed necessary or desirable by the Chair. The Audit Committee shall meet separately at least annually with the Chief Financial Officer, the General Auditor, and the independent auditor to discuss any matters that the Audit Committee or any of these persons or firms believe should be discussed in separate session ("Separate Session"). With the exception of Separate Session, the independent auditor, Chief Financial Officer, General Counsel, General Auditor, Chief Compliance Officer and Corporate Secretary shall customarily attend meetings of the Audit Committee. The Audit Committee may, at its discretion, meet in executive session with or without the presence of the independent auditor or corporate officers.

The Chair shall provide reasonable notice of and set an agenda for all meetings.

- IV. Duties and Powers of the Audit Committee: To carry out its purposes, the Audit Committee shall have the following duties and powers:
1. with respect to the independent auditor, which auditor shall report directly to the Audit Committee,
 - (i) to retain and terminate the independent auditor;
 - (ii) to approve all audit engagement fees and terms, as well as any non-audit engagements;
 - (iii) to ensure that the independent auditor prepares and delivers at least annually a formal written statement describing: the auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditor, and any steps taken to deal with any such issues; and all relationships between the

independent auditor and the Corporation, including each non-audit service provided to the Corporation by the independent auditor and the matters set forth in Independence Standards Board, Standard No. 1, Independence Discussions with Audit Committees, as amended, and to discuss with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the Corporation's independent auditor;

- (iv) to review and evaluate the qualifications, performance and independence of the independent auditor and the lead partner of the independent auditor;
- (v) to discuss with management the timing and process for implementing the rotation of the lead audit partner and the reviewing audit partner as required by law, and consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself; and
- (vi) if applicable, to consider whether the independent auditor's provision to the Corporation of any non-audit services is compatible with maintaining the independence of the independent auditor.

2. with respect to the General Auditor,

- (i) to consult with management before the appointment or replacement of the General Auditor;
- (ii) to participate in the annual performance review of the General Auditor;
- (iii) to receive from the General Auditor and review summaries of and, as appropriate, the significant reports to management prepared by the internal audit department and management's responses thereto, and also such other reports from the General Auditor as he or she deems necessary or desirable; and
- (iv) to review the responsibilities, budget and staffing of the Corporation's internal audit function.

3. with respect to the Corporation's consolidated financial statements, financial reporting process, and systems of internal accounting and financial controls,

- (i) to receive from management and the independent auditor and review a timely analysis of significant financial reporting issues and practices;
- (ii) to discuss with the independent auditor the matters required to be discussed by or referred to in Statement on Auditing Standards No. 61, Communications with Audit Committees, as amended;

- (iii) to receive from the independent auditor and review the report to the audit committee required to be provided pursuant to Section 10A(k) of the Securities Exchange Act of 1934, as amended;
- (iv) to meet with management, the independent auditor, and the General Auditor:
- to review the respective annual audit plans of the independent auditor and General Auditor;
 - to discuss the annual consolidated financial statements and the quarterly consolidated financial statements and the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Corporation's SEC filings and annual report to shareholders, if applicable;
 - to discuss any significant matters arising from any audit or report or any communication referred to in items 2(iii) or 3(ii) above, including any audit problems or difficulties, whether raised by management, the General Auditor or the independent auditor;
 - to discuss any difficulties the independent auditor encountered in the course of the audit, including any restrictions on its activities or access to requested information and any significant disagreements with management;
 - to discuss any accounting adjustments that were noted or proposed by the independent auditor but were "passed" (as immaterial or otherwise), any communications between the audit team and their national office respecting auditing or accounting issues presented by the engagement, and any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Corporation;
 - to discuss any significant proposed or contemplated changes to the Corporation's accounting principles, policies, controls, procedures, practices, and auditing plans; and
 - to discuss, as appropriate: (a) any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, and major issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (c)

the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Corporation; and (d) earnings press releases (paying particular attention to any use of “pro forma,” or “adjusted” non-GAAP, information), as well as financial information and earnings guidance provided to analysts and rating agencies;

- (v) to discuss guidelines and policies governing the process by which management of the Corporation and the relevant departments of the Corporation assess and manage the Corporation’s exposure to risk, and to discuss the Corporation’s major financial risk exposures and the steps management has taken to monitor and control such exposures;
 - (vi) to obtain from the independent auditor assurance that the audit was conducted in accordance with auditing standards generally accepted in the United States and rules and regulations set forth in Section 10A of the Securities Exchange Act of 1934, as amended;
 - (vii) to review policies and procedures with respect to officers’ expense accounts and perquisites and the results of audits of these areas;
 - (viii) to discuss with the General Counsel any significant legal matters that may have a material effect on the Corporation’s business or consolidated financial statements;
 - (ix) to discuss the types of information to be disclosed and the type of presentation to be made by the Corporation with respect to earnings press releases and financial information and earnings guidance provided to analysts and rating agencies;
 - (x) to establish hiring policies for employees or former employees of the independent auditor; and
 - (xi) to establish procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
4. with respect to enterprise risk management,
- (i) to inquire about significant risks and exposures, if any; and
 - (ii) to review and assess the steps taken to monitor and manage such risks.
5. with respect to reporting and recommendations,

- (i) to prepare any report, including any recommendation of the Audit Committee, required by the rules of the SEC to be included in the Corporation's annual proxy statement;
- (ii) to review and reassess this Charter at least annually and recommend any changes to the Board of Directors;
- (iii) to report the Audit Committee's activities to the Board of Directors on a regular basis and to make such recommendations with respect to the above and other matters as the Audit Committee deems appropriate; and
- (iv) to prepare and review with the Board of Directors an annual performance evaluation of the Audit Committee, to be conducted in such manner as the Audit Committee deems appropriate and to be provided either orally or in writing, which evaluation should compare the performance of the Audit Committee with the requirements of this charter.

V. Resources and Authority of the Audit Committee: The Audit Committee shall have the resources and authority to obtain advice and assistance from outside legal, accounting or other advisors as it deems appropriate, without seeking approval of the Board of Directors or management.

The independent auditor for the Corporation is ultimately accountable to the Board of Directors and the Audit Committee.