



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

August 31, 2006

Mr. Alan L. Dye
Hogan & Hartson, LLP
555 Thirteenth Street, NW
Washington, D.C. 20004

Re: **Lincoln National Corporation – Waiver Request of Ineligible Issuer Status
under Rule 405 of the Securities Act**

Dear Mr. Dye:

This is in response to your letter dated August 29, 2006, written on behalf of Lincoln National Corporation (Company), and constituting an application for relief from the Company being considered an “ineligible issuer” under Rule 405(1)(vi) of the Securities Act of 1933 (Securities Act). The Company requests relief from being considered an “ineligible issuer” under Rule 405(1)(vi), due to the entry on August 30, 2006, of a Commission order (Order) pursuant to Sections 9(b) and 9(f) of the Investment Company Act of 1940 naming Delaware Services Company Inc. (DSC), a subsidiary of the Company, as a respondent.

Based on the facts and representations in your letter, and assuming the Company and DSC will comply with the Order, the Commission, pursuant to delegated authority has determined that the Company has made a showing of good cause under Rule 405(2) and that the Company will not be considered an ineligible issuer by reason of the entry of the Order. Specifically, we determined under these facts and representations that the Company has shown that the terms of the Order were agreed to in a settlement prior to December 1, 2005. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted. Any different facts from those represented or non-compliance with the Order might require us to reach a different conclusion.

Sincerely,

A handwritten signature in cursive script that reads "Mary Kosterlitz".

Mary Kosterlitz
Chief, Office of Enforcement Liaison
Division of Corporation Finance

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August 29, 2006

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VIA COURIER

Mary Kosterlitz, Esq.
Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

RE: In the Matter of Delaware Service Company Inc.,
File No. HO-09971

Dear Ms. Kosterlitz:

We are submitting this letter on behalf of Lincoln National Corporation (“Lincoln National”), the parent corporation of Delaware Service Company (“DSC”), to request, pursuant to Rule 405(2) of Regulation C under the Securities Act of 1933, a waiver providing that, under the circumstances described below, Lincoln National will not be considered an “ineligible issuer,” as defined in Rule 405.

BACKGROUND

Lincoln National is an Indiana holding company that operates multiple insurance and investment management businesses through a large number of subsidiaries. DSC is a wholly owned subsidiary through which Lincoln National provides accounting, administration, dividend disbursing and transfer agent services. In connection with an investigation into certain of DSC’s business activities by the Commission’s Division of Enforcement, DSC has agreed in principle to consent to an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 9(b) and 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the “Order”). The agreement in principle was reached on September 12, 2005. The Order is expected to contain the following findings, which DSC will neither admit nor deny:

(i) between January 2000 and March 2004, in connection with 98 dividend payments from three closed-end investment companies (the "Funds") for which DSC serves as the administrator/shareholder servicing agent, DSC failed to transmit a written notice indicating that a portion of each dividend payment included a return of shareholder's capital;

(ii) as a result, DSC aided and abetted and caused the Funds' violations of Section 19(a) of the Investment Company Act of 1940 (the "Investment Company Act") and Rule 19a-1 thereunder;

(iii) in addition, on March 14, 2002, DSC applied to the Commission's Division of Investment Management for an exemptive order under Section 19(b) of the Investment Company Act allowing two of the Funds to distribute long-term capital gains more than once a year;

(iv) in its application for the exemptive order, DSC represented that it was providing to shareholders of the Funds the notices required by Section 19(a) and Rule 19a-1; and

(v) DSC's representation was an untrue statement of material fact in violation of Section 34(b) of the Investment Company Act because DSC was not providing the notices required by Section 19(a) and Rule 19a-1 for the two Funds as represented in the application.

This agreement in principle provides that the Order will require DSC to (i) cease and desist from committing or causing any violation of Section 34(b) of the Investment Company Act and causing any violation of Section 19(a) of the Investment Company Act or Rule 19a-1 thereunder, and (ii) pay a civil money penalty in the amount of \$425,000.00.

DISCUSSION

The Securities Act rules adopted on June 29, 2005 provide that an issuer that qualifies as a "well known seasoned issuer" may file "automatic shelf registration statements" pursuant to Rule 430B. To qualify as a well known seasoned issuer, an issuer must satisfy certain conditions, one of which is that the issuer not be an "ineligible issuer" as defined in Rule 405 of Regulation C. An issuer is an "ineligible issuer" if, among other things, "[w]ithin the past three years (but in the case of a decree or order agreed to in a settlement, not before December 1, 2005), the issuer or any entity that at the time was a subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action that ... [r]equires the person cease and desist from violating the anti-fraud provisions of the federal securities laws..." (emphasis added).

Mary Kosterlitz, Esq.
August 29, 2006
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DSC and the Division of Enforcement reached an agreement in principle to enter into the Order on September 12, 2005. Lincoln National understands that the Order may be deemed to arise out of a violation of the anti-fraud provisions of the federal securities laws and therefore, when entered, may be deemed to render Lincoln National an "ineligible issuer" as defined in Rule 405. Lincoln National believes, however, that the entry of the Order was "agreed to" prior to December 1, 2005, and therefore should not cause Lincoln National to be deemed an ineligible issuer.

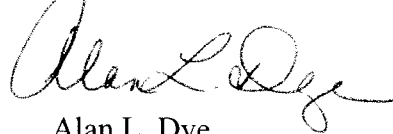
In support of this request, we note the following:

1. Although a final order has not yet been entered, DSC agreed in principle to settle the enforcement proceeding on September 12, 2005.
2. We understand that the Division of Enforcement concurs with the fact that we had an agreement in principle to settle the enforcement proceeding on September 12, 2005.

Based on the foregoing, we believe that disqualification of Lincoln National as a well known seasoned issuer is not necessary, in the public interest or for the protection of investors, and that Lincoln National has shown good cause that a waiver pursuant to Rule 405(2) of Regulation C should be granted. Accordingly, we request that the staff grant a waiver providing that the entry of the Order will not disqualify Lincoln National as a well known seasoned issuer as defined in Rule 405.

If you have any questions regarding this request, please feel free to call me at (202) 637-5737.

Sincerely,



Alan L. Dye

cc: Charles A. Brawley III, Esquire