

SUMMARY SECTION

PARTIAL-EQUITY INTEREST ACCRUAL with INCOME DRAWDOWNS

SUMMARY SECTION: RETIREMENT PLANNING



DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - PEIA Income

ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

LIFE INSURANCE COMPARSION SUMMARY:

- 1 Premium Financed Life Insurance Policy (Tax-Free Gains + Tax-Free Income Drawdowns)
...vs.
- 2 Non-Financed Life Insurance Policy (Tax-Free Gains + Tax-Free Income Drawdowns)
...vs.
- 3 Non-Insurance Based Investment Account (Taxable Gains)

BACKTESTED HYPOTHETICAL SYNTHETIC PROXY COMPARSION SUMMARY:

- 1 Leveraged Hypothetical Synthetic Proxy (Tax-Free Gains + Tax-Free Income Drawdowns)
...vs.
- 2 Non-Leveraged Hypothetical Synthetic Proxy (Tax-Free Gains + Tax-Free Income Drawdowns)
...vs.
- 3 Non-Leveraged Equities & Bonds Account (Taxable Gains)

PURPOSE OF SUMMARY SECTION:

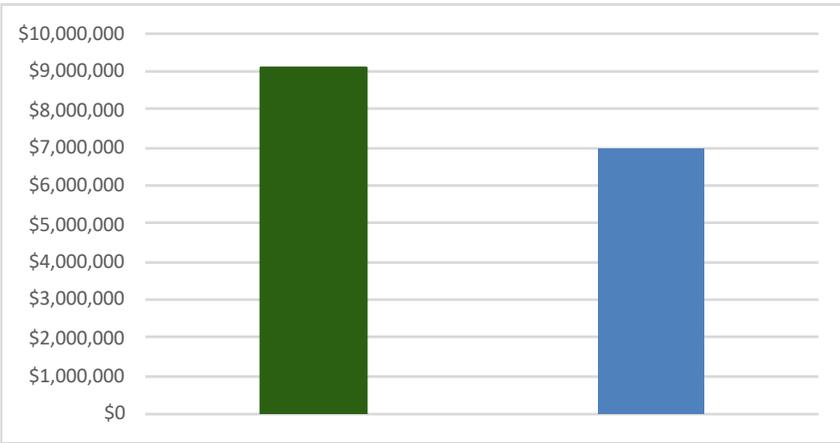
The following section is an abbreviated summary of a very expansive document. The full document includes an exhaustive articulation of granular details, including charges, fees, financial outcomes as depicted in an insurance company's illustration, as well as a "proxy" created to further explain the relationship between hypothetical charges, index credits, taxes, volatility, and sequence of returns. The methodologies of such hypothetical depictions are explained in the full document. It is recommended that all interested parties review the official carrier illustration as the primary source of any policy details, as the following document is merely a hypothetical depiction for general educational purposes only and should not be used to determine whether or not any particular product or strategy is suitable for any particular person.

LHSA PROXY vs. E&B COMPARISON GRAPHS

- ✓ Historical BEST 40 & WORST 40
- ✓ Income Drawdown Comparison
- ✓ Ongoing Account Value Comparison

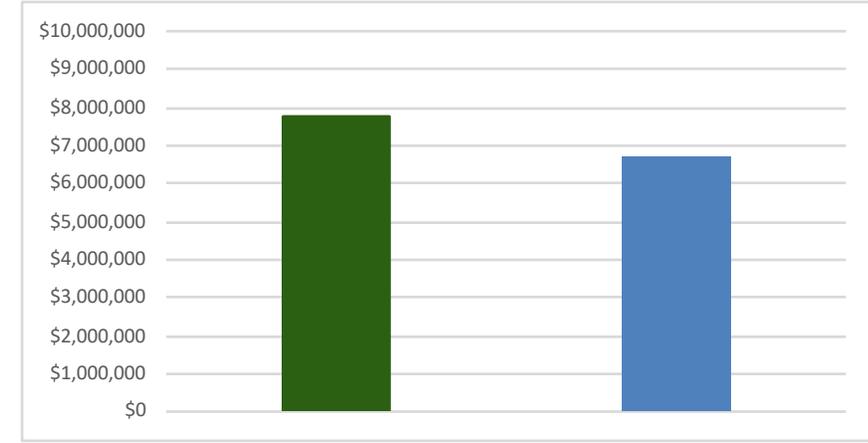
**The "Best 40" and "Worst 40" are the historical 40-year periods that produced the "highest" and "lowest" Compounded Annual Growth Rates out of 121 different 40-year periods analyzed. The "proxy" is a fictitious synthetically-produced asset, not an actual life insurance product.*

BEST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



	BEST 40: PARTIAL-EQUITY INTEREST ACCRUAL	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:	\$455,212	\$411,617
TOTAL INCOME:	\$9,104,245	\$6,997,495
YR 40 ACCOUNT VALUE:	\$9,711,191	\$0

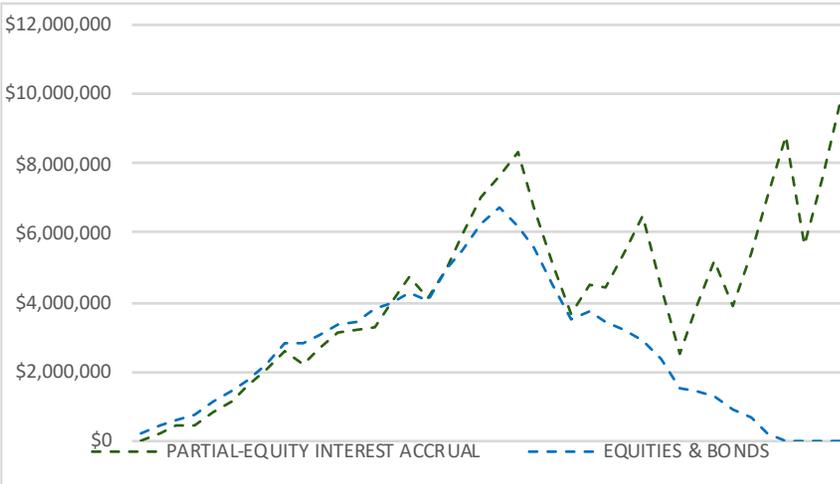
WORST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



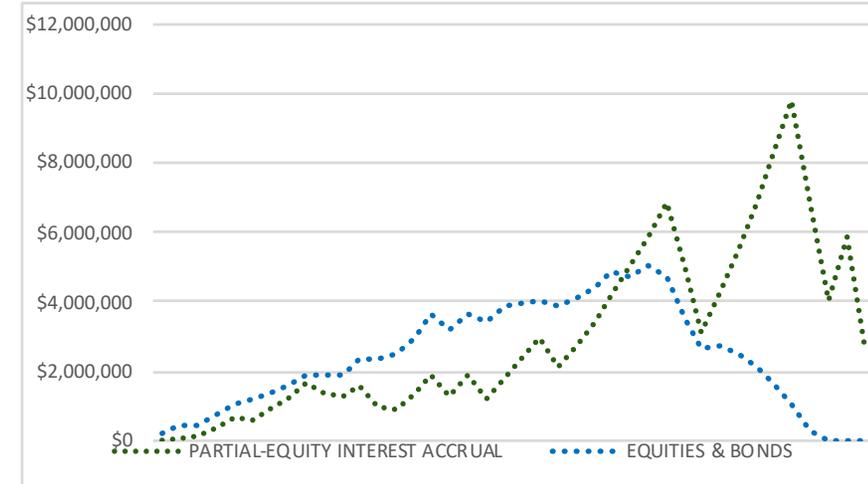
	WORST 40: PARTIAL-EQUITY INTEREST ACCRUAL	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:	\$387,967	\$370,868
TOTAL INCOME:	\$7,759,332	\$6,675,632
YR 40 ACCOUNT VALUE:	\$2,820,163	\$0

NET ACCOUNT VALUE (COMPARISON)

BEST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



WORST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year T-Bond Returns during the January 1st to December 31st period. The taxation and investment fees are merely hypothetical based on certain assumptions, and would vary from client situation to client situation based on a number of factors and variables. Such variables may be changed and modeled per the client or advisor's request. The assumptions made in this document are purely hypothetical and do not represent any specific investment, fund or asset in particular. The purpose of this document is for educational purposes only.

STATIC RETURN LEDGER with LOAN PAYOFF

- ✓ Assumes a static annual return
- ✓ Static Income Drawdowns

SUMMARY OF CARRIER-ILLUSTRATED STATIC RETURNS (DESIGNED TO STAY IN FORCE UNTIL AGE 120)

version | 32422

SL

PARTIAL-EQUITY INTEREST ACCRUAL

At This Index Credit Assumption, Death Benefit Lasts Until Age: **120**

5 of 10

08/27/22

Health Rating:		PREFERRED			Third Party Loan Payoff Type:			PAR LOAN		PLR:	Initial Gross Policy Face Amount:		5 of 10					
										5.14%	\$11,500,000		08/27/22					
YEAR	AGE	1 TOTAL POLICY PREMIUMS	2 EQUITY PREMIUMS	3 BORROWED PREMIUMS	4 CUMULATIVE PF LOAN BALANCE	5 FINANCING INTEREST RATE	6 INTEREST DUE	7 INTEREST ACCRUED	8 CLIENT CONTRIBUTION	9 (Cash) GAP COLLATERAL	10 HYPOTHETICAL INDEX CREDIT	11 POLICY DRAWDOWNS	12 GROSS POLICY CSV	13 POLICY CSV NET OF LOANS	14 DEATH BENEFIT NET OF LOANS	15 DEATH BENEFIT +YTY INCOME DRAWDOWN IRR	YEAR	AGE
1	45	\$700,000	\$200,000	\$500,000	\$500,000	4.79%	\$23,950	\$23,950	\$200,000	\$54,182	5.64%	\$0	\$503,497	\$3,497	\$11,644,545	5722.27%	1	45
2	46	\$700,000	\$200,000	\$500,000	\$1,023,950	4.89%	\$50,020	\$50,020	\$200,000	\$0	5.64%	\$0	\$1,193,958	\$170,008	\$11,797,716	619.67%	2	46
3	47	\$700,000	\$200,000	\$500,000	\$1,573,970	4.98%	\$78,447	\$78,447	\$200,000	\$0	5.64%	\$0	\$1,917,806	\$343,836	\$11,958,031	252.59%	3	47
4	48	\$700,000	\$200,000	\$500,000	\$2,152,417	5.09%	\$109,496	\$109,496	\$200,000	\$0	5.64%	\$0	\$2,676,956	\$524,539	\$12,125,107	146.72%	4	48
5	49	\$700,000	\$200,000	\$500,000	\$2,761,913	5.19%	\$143,467	\$143,467	\$200,000	\$0	5.64%	\$0	\$3,473,475	\$711,562	\$12,298,272	99.60%	5	49
6	50	\$700,000	\$200,000	\$500,000	\$3,405,379	5.31%	\$180,699	\$180,699	\$200,000	\$0	5.64%	\$0	\$4,306,346	\$900,967	\$12,473,704	73.70%	6	50
7	51	\$700,000	\$200,000	\$500,000	\$4,086,079	5.42%	\$221,578	\$221,578	\$200,000	\$0	5.64%	\$0	\$5,179,942	\$1,093,863	\$12,652,398	57.57%	7	51
8	52	\$700,000	\$200,000	\$500,000	\$4,807,656	5.54%	\$266,538	\$266,538	\$200,000	\$0	5.64%	\$0	\$6,095,962	\$1,288,306	\$12,832,466	46.67%	8	52
9	53	\$700,000	\$200,000	\$500,000	\$5,574,195	5.67%	\$316,077	\$316,077	\$200,000	\$0	5.64%	\$0	\$7,056,075	\$1,481,881	\$13,011,493	38.87%	9	53
10	54	\$700,000	\$200,000	\$500,000	\$6,390,272	5.80%	\$370,760	\$370,760	\$200,000	\$0	5.64%	\$0	\$8,061,977	\$1,671,705	\$13,186,598	33.04%	10	54
11	55	\$0	\$0	\$0	\$6,761,032	5.94%	\$401,536	\$401,536	\$0	\$0	5.64%	\$0	\$8,496,293	\$1,735,261	\$5,983,408	16.63%	11	55
12	56	\$0	\$0	\$0	\$7,162,567	6.08%	\$435,605	\$435,605	\$0	\$0	5.64%	\$0	\$8,939,286	\$1,776,719	\$5,888,790	14.36%	12	56
13	57	\$0	\$0	\$0	\$7,598,172	6.23%	\$473,391	\$473,391	\$0	\$0	5.64%	\$0	\$9,407,337	\$1,809,165	\$5,760,246	12.50%	13	57
14	58	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$8,071,563	\$1,415,693	\$1,415,693	\$5,174,210	10.08%	14	58
15	59	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,502,659	\$1,502,659	\$5,039,188	8.89%	15	59
16	60	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,640,439	\$1,640,439	\$4,935,723	7.95%	16	60
17	61	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,788,574	\$1,788,574	\$5,036,464	7.48%	17	61
18	62	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,947,885	\$1,947,885	\$5,132,747	7.08%	18	62
19	63	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,119,217	\$2,119,217	\$5,223,828	6.72%	19	63
20	64	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,303,421	\$2,303,421	\$5,308,824	6.39%	20	64
21	65	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$2,207,127	\$2,207,127	\$5,092,395	6.10%	21	65
22	66	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$2,109,257	\$2,109,257	\$5,003,577	5.99%	22	66
23	67	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$2,009,594	\$2,009,594	\$4,904,649	5.89%	23	67
24	68	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,907,895	\$1,907,895	\$4,794,406	5.80%	24	68
25	69	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,803,923	\$1,803,923	\$4,671,590	5.72%	25	69
26	70	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,697,265	\$1,697,265	\$4,534,673	5.63%	26	70
27	71	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,593,108	\$1,593,108	\$4,188,775	5.41%	27	71
28	72	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,492,109	\$1,492,109	\$3,810,710	5.19%	28	72
29	73	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,395,898	\$1,395,898	\$3,398,859	4.97%	29	73
30	74	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,306,501	\$1,306,501	\$2,951,678	4.76%	30	74
31	75	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,226,458	\$1,226,458	\$2,467,763	4.53%	31	75
32	76	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,148,678	\$1,148,678	\$2,459,786	4.64%	32	76
33	77	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,073,333	\$1,073,333	\$2,458,049	4.75%	33	77
34	78	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,000,581	\$1,000,581	\$2,462,904	4.85%	34	78
35	79	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$930,568	\$930,568	\$2,474,697	4.94%	35	79
36	80	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$863,410	\$863,410	\$2,493,753	5.02%	36	80
37	81	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$798,982	\$798,982	\$2,520,154	5.10%	37	81
38	82	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$737,283	\$737,283	\$2,554,123	5.18%	38	82
39	83	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$678,277	\$678,277	\$2,595,857	5.25%	39	83
40	84	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$621,876	\$621,876	\$2,645,511	5.32%	40	84

-\$7,000,000 -\$2,000,000 -\$5,000,000

\$3,071,563 \$3,071,563 \$2,000,000 TOTAL INCOME DRAWN: -\$5,596,892 (INCOME LASTS UNTIL AGE 90)

PREMIUM FINANCING INTEREST ASSUMPTIONS	
Date Base Rate Calculated:	8/27/2022
Base Rate Used:	1-Month CMT
Current 1-Month CMT Rate:	2.29%
CMT Compounded Annual Increase:	4.15%
Lender Spread:	2.50%
Total Rate Floor:	2.50%
GLOI \$500K - 699K Year-1 Rate:	4.79%
POLICY INDEX CREDIT ASSUMPTIONS	
AG-49 (Average of every 25-yr run over last 65 years):	5.64%
Reduced Assumed Index Credit:	5.64%

GAP COLLATERAL REQUIREMENTS	
Type Of Gap Collateral:	Cash Index Credit
Collateral Valued At:	100.00% Assumption (ICA) 0.00%
The Gap Collateral (in years 3+) is calculated by the cumulative loan balance in a given year, minus 95% of the EOY Gross AV two years prior, plus the sum of the premium paid in the previous year minus policy charges, plus the new premium entering the policy in the current year minus policy charges and surrender charges in the current year + ICA. This calculation is the equivalent of assuming a 0% index credit in the previous year (whose EOY index credit would not have credited at the time of the current year's loan anniversary and the current year's EOY index credit would not have credited yet either. This value is then multiplied by the % of "Collateral Valued At" above, estimating the gap collateral required based on the type of collateral chosen. The collateral depicted is purely hypothetical and may vary.	

FINANCIAL BENEFIT SUMMARY	
1ST YEAR COLLATERAL REQUIREMENT:	\$54,182
PREMIUMS PAID BY CLIENT:	-\$2,000,000
LOAN INTEREST PAID BY CLIENT:	\$0
TOTAL CLIENT OUTLAY:	-\$2,000,000
TOTAL DRAWDOWNS (excluding loan payoff):	\$5,596,892
40-YEAR PROGRAM NET CASH FLOW:	\$3,596,892
YEAR 40 NET CASH SURRENDER VALUE:	\$621,876
40-YEAR CASH GAIN (excluding death benefit):	\$4,218,768
40-YEAR NET CSV IRR:	4.58%

The rates and values shown above are not guaranteed and are subject to change by the insurer. Actual financial outcomes may be less favorable or more favorable than this hypothetical static depiction. For more information regarding Gap Collateral, see the section on the next page of this document titled "Collateral." Please see the full carrier illustration for guaranteed values and other important information. This is only a hypothetical depiction and does not imply any guarantees of outcomes whatsoever. Actual performance is subject to index returns and the carrier's underlying crediting policy charges. The insurance carrier is bound only by the terms of the life insurance contracts it issues. Additional loan fees may apply depending on the lender and lender's loan terms. Refer to lender's loan document for details.



NON-FINANCED vs. PREMIUM FINANCED

- ✓ Same Annual Outlay
- ✓ Same Static Crediting Assumption
- ✓ Ongoing CSV & DB Comparison

NON-FINANCED SOLUTION

This solution requires the client to pay premiums out of pocket throughout the period shown below in the "Annual Premium" column.

version NF115150

PREMIUM FINANCED SOLUTION

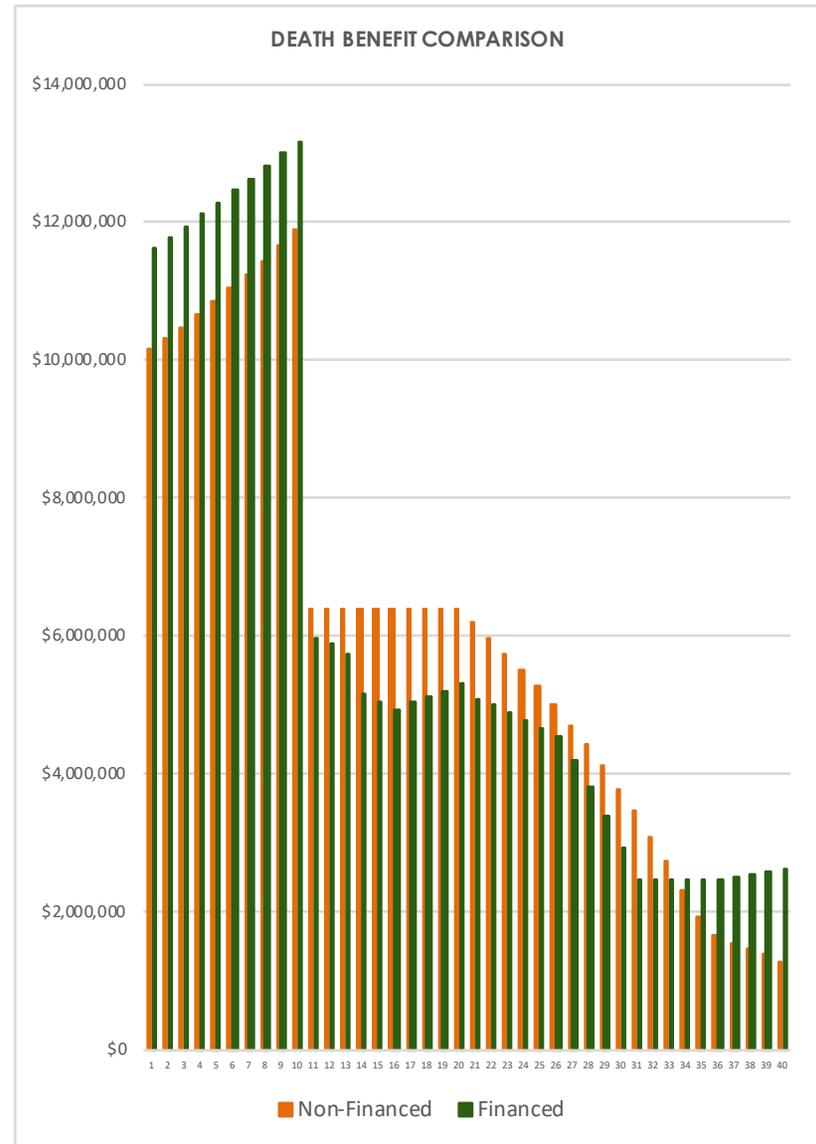
In this solution, the client is paying a portion of the premium, borrowing the remaining premium, and accruing the interest.

version 132422

NON-FINANCED IUL					
AGE	ANNUAL PREMIUM	INCOME DRAWDOWNS	CASH VALUE	DEATH BENEFIT	
1	45	\$200,000	\$0	\$34,560	\$10,157,210
2	46	\$200,000	\$0	\$209,792	\$10,320,842
3	47	\$200,000	\$0	\$391,880	\$10,491,180
4	48	\$200,000	\$0	\$581,340	\$10,668,790
5	49	\$200,000	\$0	\$778,755	\$10,854,155
6	50	\$200,000	\$0	\$981,968	\$11,045,218
7	51	\$200,000	\$0	\$1,193,432	\$11,244,332
8	52	\$200,000	\$0	\$1,413,212	\$11,451,612
9	53	\$200,000	\$0	\$1,641,269	\$11,667,019
10	54	\$200,000	\$0	\$1,877,509	\$11,890,459
11	55	\$0	\$0	\$1,951,571	\$6,418,123
12	56	\$0	\$0	\$2,014,882	\$6,418,123
13	57	\$0	\$0	\$2,080,491	\$6,418,123
14	58	\$0	\$0	\$2,148,557	\$6,418,123
15	59	\$0	\$0	\$2,219,249	\$6,418,123
16	60	\$0	\$0	\$2,330,283	\$6,418,123
17	61	\$0	\$0	\$2,446,982	\$6,418,123
18	62	\$0	\$0	\$2,569,724	\$6,418,123
19	63	\$0	\$0	\$2,698,846	\$6,418,123
20	64	\$0	\$0	\$2,834,620	\$6,418,123
21	65	\$0	-\$198,378	\$2,768,654	\$6,209,826
22	66	\$0	-\$198,378	\$2,698,933	\$5,991,114
23	67	\$0	-\$198,378	\$2,625,025	\$5,761,467
24	68	\$0	-\$198,378	\$2,546,502	\$5,520,337
25	69	\$0	-\$198,378	\$2,462,987	\$5,267,151
26	70	\$0	-\$198,378	\$2,373,949	\$5,001,306
27	71	\$0	-\$198,378	\$2,280,862	\$4,722,168
28	72	\$0	-\$198,378	\$2,183,885	\$4,429,073
29	73	\$0	-\$198,378	\$2,083,301	\$4,121,324
30	74	\$0	-\$198,378	\$1,979,514	\$3,798,187
31	75	\$0	-\$198,378	\$1,873,114	\$3,458,893
32	76	\$0	-\$198,378	\$1,764,891	\$3,102,635
33	77	\$0	-\$198,378	\$1,655,887	\$2,728,564
34	78	\$0	-\$198,378	\$1,547,447	\$2,335,789
35	79	\$0	-\$198,378	\$1,441,285	\$1,923,375
36	80	\$0	-\$198,378	\$1,338,818	\$1,652,147
37	81	\$0	-\$198,378	\$1,233,959	\$1,564,780
38	82	\$0	-\$198,378	\$1,124,636	\$1,473,862
39	83	\$0	-\$198,378	\$1,010,657	\$1,379,249
40	84	\$0	-\$198,378	\$891,727	\$1,280,690
TOTAL CONTRIBUTION:			-\$2,000,000		
TOTAL INCOME:			\$3,967,560		
YEAR 40 NET CASH VALUE:			\$891,727		
YEAR 40 TOTAL VALUE:			\$4,859,287		

PARTIAL-EQUITY INTEREST ACCRUAL					
AGE	ANNUAL CONTRIBUTION	INCOME DRAWDOWNS	CASH VALUE NET OF LOANS	DEATH BENEFIT NET OF LOANS	
1	45	\$200,000	\$0	\$3,497	\$11,644,545
2	46	\$200,000	\$0	\$170,008	\$11,797,716
3	47	\$200,000	\$0	\$343,836	\$11,958,031
4	48	\$200,000	\$0	\$524,639	\$12,125,107
5	49	\$200,000	\$0	\$711,562	\$12,298,272
6	50	\$200,000	\$0	\$900,967	\$12,473,704
7	51	\$200,000	\$0	\$1,093,863	\$12,652,398
8	52	\$200,000	\$0	\$1,288,306	\$12,832,466
9	53	\$200,000	\$0	\$1,481,881	\$13,011,493
10	54	\$200,000	\$0	\$1,671,705	\$13,186,598
11	55	\$0	\$0	\$1,735,261	\$5,983,408
12	56	\$0	\$0	\$1,776,719	\$5,888,790
13	57	\$0	\$0	\$1,809,165	\$5,760,246
14	58	\$0	\$0	\$1,415,693	\$5,174,210
15	59	\$0	\$0	\$1,502,659	\$5,039,188
16	60	\$0	\$0	\$1,640,439	\$4,935,723
17	61	\$0	\$0	\$1,788,574	\$5,036,464
18	62	\$0	\$0	\$1,947,885	\$5,132,747
19	63	\$0	\$0	\$2,119,217	\$5,223,828
20	64	\$0	\$0	\$2,303,421	\$5,308,824
21	65	\$0	-\$279,845	\$2,207,127	\$5,092,395
22	66	\$0	-\$279,845	\$2,109,257	\$5,003,577
23	67	\$0	-\$279,845	\$2,009,594	\$4,904,649
24	68	\$0	-\$279,845	\$1,907,895	\$4,794,406
25	69	\$0	-\$279,845	\$1,803,923	\$4,671,590
26	70	\$0	-\$279,845	\$1,697,265	\$4,534,673
27	71	\$0	-\$279,845	\$1,593,108	\$4,188,775
28	72	\$0	-\$279,845	\$1,492,109	\$3,810,710
29	73	\$0	-\$279,845	\$1,395,898	\$3,398,859
30	74	\$0	-\$279,845	\$1,306,501	\$2,951,678
31	75	\$0	-\$279,845	\$1,226,458	\$2,467,763
32	76	\$0	-\$279,845	\$1,148,678	\$2,459,786
33	77	\$0	-\$279,845	\$1,073,333	\$2,458,049
34	78	\$0	-\$279,845	\$1,000,581	\$2,462,904
35	79	\$0	-\$279,845	\$930,568	\$2,474,697
36	80	\$0	-\$279,845	\$863,410	\$2,493,753
37	81	\$0	-\$279,845	\$798,982	\$2,520,154
38	82	\$0	-\$279,845	\$737,283	\$2,554,123
39	83	\$0	-\$279,845	\$678,277	\$2,595,857
40	84	\$0	-\$279,845	\$621,876	\$2,645,511
TOTAL CONTRIBUTION:			-\$2,000,000		
TOTAL INCOME:			\$5,596,892		
YEAR 40 NET CASH VALUE:			\$621,876		
YEAR 40 TOTAL VALUE:			\$6,218,768		

vs.
vs.
vs.



CUMULATIVE COST & BENEFIT COMPARISON:

- ✓ Premium-Financed Policy (green)
- ✓ Non-Financed Policy (orange)
- ✓ Non-Insurance Based Investment (blue)

**Same annual return assumption in all three assets*

3 DIFFERENT FINANCIAL SOLUTIONS



DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - PEIA Income
ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

PREMIUM FINANCED LIFE INSURANCE: PARTIAL-EQUITY INTEREST ACCRUAL



NON-FINANCED LIFE INSURANCE



NON-INSURANCE BASED INVESTMENT ACCOUNT



*TOTAL NET CLIENT CONTRIBUTION is the total client outlay whether premiums and/or interest.

**TOTAL INCOME DRAWDOWNS + YEAR 40 CSV assumes a 5.64% index credit. See carrier illustration for details.

***TOTAL NET CLIENT CONTRIBUTION is the total client-paid premium.

****TOTAL INCOME DRAWDOWNS + YEAR 40 CSV assumes a 5.64% index credit. See carrier illustration for details.

*****TOTAL NET CLIENT CONTRIBUTION is the same client outlay as the premium financed life insurance solution.

*****TOTAL INCOME DRAWDOWNS + YEAR 40 VALUE assumes a 5.64% return, 1.35% investment fees, 32.6% tax on gains, and 0% estate taxes.

BACKTESTED PROXY: WORST 40-YEAR PERIOD

- ✓ Depicts Volatility & Poor Sequence of Returns
- ✓ Floor & Cap Crediting Methodology
- ✓ Percentage of Asset Value Drawdowns

**The "Worst 40-Year Period" is the historical 40-year period that produced the lowest Compounded Annual Growth Rate out of 121 different 40-year periods analyzed. The "proxy" is a fictitious synthetically-produced asset, not an actual life insurance product.*

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	(Cash) GAP COLLATERAL	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWNINGS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	45	\$700,000	\$200,000	\$500,000	\$500,000		4.79%	\$23,950	\$23,950	\$200,000	\$54,182	1971	12.42%	8.25%	8.25%	\$0	\$653,135	\$12,088
2	46	\$700,000	\$200,000	\$500,000	\$1,023,950		4.89%	\$50,020	\$50,020	\$200,000	\$0	1972	-1.92%	0.00%	0.00%	\$0	\$1,244,709	\$93,052
3	47	\$700,000	\$200,000	\$500,000	\$1,573,970		4.98%	\$78,447	\$78,447	\$200,000	\$0	1973	-41.40%	0.00%	0.00%	\$0	\$1,824,298	\$136,133
4	48	\$700,000	\$200,000	\$500,000	\$2,152,417		5.09%	\$109,496	\$109,496	\$200,000	\$0	1974	32.00%	8.25%	10.90%	\$0	\$2,652,777	\$399,792
5	49	\$700,000	\$200,000	\$500,000	\$2,761,913		5.19%	\$143,467	\$143,467	\$200,000	\$0	1975	25.48%	8.25%	10.90%	\$0	\$3,555,545	\$706,922
6	50	\$700,000	\$200,000	\$500,000	\$3,405,379		5.31%	\$180,699	\$180,699	\$200,000	\$0	1976	-8.28%	0.00%	0.00%	\$0	\$4,090,790	\$612,673
7	51	\$700,000	\$200,000	\$500,000	\$4,086,079		5.42%	\$221,578	\$221,578	\$200,000	\$0	1977	6.23%	6.23%	9.03%	\$0	\$5,030,148	\$885,534
8	52	\$700,000	\$200,000	\$500,000	\$4,807,656		5.54%	\$266,538	\$266,538	\$200,000	\$0	1978	6.61%	6.61%	9.59%	\$0	\$6,066,746	\$1,214,929
9	53	\$700,000	\$200,000	\$500,000	\$5,574,195		5.67%	\$316,077	\$316,077	\$200,000	\$0	1979	14.76%	8.25%	10.90%	\$0	\$7,268,209	\$1,664,402
10	54	\$700,000	\$200,000	\$500,000	\$6,390,272		5.80%	\$370,760	\$370,760	\$200,000	\$0	1980	-7.40%	0.00%	0.00%	\$0	\$7,734,088	\$1,328,923
11	55	\$0	\$0	\$0	\$6,761,032		5.94%	\$401,536	\$401,536	\$0	\$0	1981	3.65%	3.65%	5.29%	\$0	\$8,008,504	\$1,247,472
12	56	\$0	\$0	\$0	\$7,162,567		6.08%	\$435,605	\$435,605	\$0	\$0	1982	37.91%	8.25%	10.90%	\$0	\$8,735,281	\$1,572,714
13	57	\$0	\$0	\$0	\$7,598,172		6.23%	\$473,391	\$473,391	\$0	\$89,644	1983	0.02%	0.02%	0.03%	\$0	\$8,597,613	\$999,441
14	58	\$0	\$0	\$0	\$0	-\$8,071,563	0.00%	\$0	\$0	\$0	\$0	1984	9.62%	8.25%	10.90%	\$0	\$9,380,356	\$905,214
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1985	27.04%	8.25%	10.90%	\$0	\$10,239,233	\$1,340,335
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1986	39.13%	8.25%	10.90%	\$0	\$11,226,490	\$1,882,647
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1987	-15.51%	0.00%	0.00%	\$0	\$11,099,662	\$1,288,627
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1988	28.41%	8.25%	10.90%	\$0	\$12,169,460	\$1,867,873
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	-12.34%	0.00%	0.00%	\$0	\$12,031,753	\$1,215,086
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	26.73%	8.25%	10.90%	\$0	\$13,191,217	\$1,833,717
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	7.72%	7.72%	10.90%	-\$146,697	\$14,463,323	\$2,383,916
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	9.84%	8.25%	10.90%	-\$190,713	\$15,857,890	\$2,974,263
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	0.82%	0.82%	1.19%	-\$237,941	\$15,864,851	\$2,087,206
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	26.30%	8.25%	10.90%	-\$166,976	\$17,391,127	\$2,749,273
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	17.61%	8.25%	10.90%	-\$219,942	\$19,063,385	\$3,458,500
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	37.82%	8.25%	10.90%	-\$276,680	\$20,895,243	\$4,219,600
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	7.36%	7.36%	10.67%	-\$337,568	\$22,859,657	\$4,995,786
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	26.13%	8.25%	10.90%	-\$399,663	\$25,063,979	\$5,887,268
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	11.99%	8.25%	10.90%	-\$470,981	\$27,486,028	\$6,855,951
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-27.54%	0.00%	0.00%	-\$548,476	\$27,185,327	\$4,947,846
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-21.68%	0.00%	0.00%	-\$395,828	\$26,892,243	\$3,127,269
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	22.16%	8.25%	10.90%	-\$250,182	\$29,498,150	\$4,282,237
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	11.91%	8.25%	10.90%	-\$342,579	\$32,355,130	\$5,518,713
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	10.25%	8.25%	10.90%	-\$441,497	\$35,487,215	\$6,845,405
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.71%	8.25%	10.90%	-\$547,632	\$38,920,736	\$8,271,422
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	14.29%	8.25%	10.90%	-\$661,746	\$42,684,533	\$9,808,340
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-23.61%	0.00%	0.00%	-\$784,667	\$42,209,172	\$6,865,269
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-9.37%	0.00%	0.00%	-\$549,221	\$41,731,588	\$4,043,807
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	7.96%	7.96%	10.90%	-\$323,505	\$45,747,315	\$5,835,465
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	-0.86%	0.00%	0.00%	-\$466,837	\$45,217,785	\$2,820,163
		\$2,000,000	\$5,000,000					\$3,071,563	\$3,071,563	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$387,967			WORST 40	

BORROWING INTEREST ASSUMPTIONS	
GLO1 \$500K-699K	1-Month CMT Rate: 2.29%
	Lender Spread: 2.50%
Starting Borrowing Rate: 4.79%	
Compounded Annual Base Rate Increase: 4.15%	
Total Rate Floor: 2.50%	
RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%
THIRD PARTY LENDER PAYOFF ASSUMPTIONS	
Payoff Loan In Full In Year:	14
Payoff Amount:	\$8,071,563
Third Party Loan Paid Off With:	PAR LOAN

GAP COLLATERAL REQUIREMENTS	
Type Of Gap Collateral:	Cash
Credit Assumption:	0.00%
Collateral Valued At:	100.00%
The Gap Collateral amount (in years 3+) is only an estimation and is calculated by the cumulative loan balance in a given year, minus 95% of (the EOY AV two years prior, plus the Total Index Contribution in the previous year minus all charges, plus the Total Index Contribution in the current year minus all charges and early termination fees associated with current year's Total Index Contribution with the ICA listed above). This calculation is the equivalent of assuming a 0% index credit in the previous year (since the EOY index credit in the previous year would not have credited at the time of the current year's loan anniversary. The current year's EOY index credit would obviously not have credited yet either. This value is then multiplied by the % of "Collateral Valued At" above, estimating the gap collateral required based on the "Type Of Gap Collateral" assumed. This is just a hypothetical calculation. Each lender has different collateral	

1ST YEAR COLLATERAL REQUIREMENT:	\$54,182
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$387,967
TOTAL INCOME DRAWDOWN:	\$7,759,332
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,820,163
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$10,579,496
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 6.07%

WORST 40-YEAR S&P CAGR PERIOD (OF 121 PERIODS ANALYZED)

The hypothetical models in this document assume certain crediting methods and index account charges that are purely hypothetical and do not represent any particular investment, life insurance policy or index fund. Hypothetical crediting methods, charges, values and returns are not guaranteed. Hypothetical returns used in this document are based on historical index returns that do not include dividends and are purely modeled as a hypothetical example of index volatility over a period of time for educational purposes and are not intended to convince someone to purchase any particular product.

BACKTESTED PROXY: CHARGES & CREDITS

- ✓ Depicts charges similar to real world product
- ✓ Compares annual charges to credits during Worst 40
- ✓ Illustrates net gains & losses on an annual basis

**The "Worst 40-Year Period" is the historical 40-year period that produced the lowest Compounded Annual Growth Rate out of 121 different 40-year periods analyzed. The "proxy" is a fictitious synthetically-produced asset, not an actual life insurance product.*

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,972	-\$89,670	1971	12.42%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,777	-\$96,642	-\$46,865	\$603,358	\$653,135	\$12,088
2	1.00%	-\$12,632	-\$95,794	1972	-1.92%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$108,426	-\$108,426	\$1,244,709	\$1,244,709	\$93,052
3	1.00%	-\$18,518	-\$101,893	1973	-41.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$120,411	-\$120,411	\$1,824,298	\$1,824,298	\$136,133
4	1.00%	-\$24,283	-\$107,971	1974	32.00%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$260,733	-\$132,254	\$128,479	\$2,392,044	\$2,652,777	\$399,792
5	1.00%	-\$32,537	-\$114,158	1975	25.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$349,463	-\$146,695	\$202,768	\$3,206,082	\$3,555,545	\$706,922
6	1.00%	-\$41,519	-\$123,236	1976	-8.28%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$164,755	-\$164,755	\$4,090,790	\$4,090,790	\$612,673
7	1.00%	-\$46,836	-\$130,314	1977	6.23%	6.23%	x 1.45	= 9.03%	+ 0.00%	= 9.03%	\$416,509	-\$177,150	\$239,358	\$4,613,639	\$5,030,148	\$885,534
8	1.00%	-\$56,192	-\$137,972	1978	6.61%	6.61%	x 1.45	= 9.59%	+ 0.00%	= 9.59%	\$530,761	-\$194,164	\$336,598	\$5,535,984	\$6,066,746	\$1,214,929
9	1.00%	-\$66,516	-\$146,390	1979	14.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$714,369	-\$212,906	\$501,463	\$6,553,840	\$7,268,209	\$1,664,402
10	1.00%	-\$78,484	-\$155,637	1980	-7.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$234,121	-\$234,121	\$7,734,088	\$7,734,088	\$1,328,923
11	1.00%	-\$77,086	-\$50,992	1981	3.65%	3.65%	x 1.45	= 5.29%	+ 0.00%	= 5.29%	\$402,494	-\$128,078	\$274,416	\$7,606,010	\$8,008,504	\$1,247,472
12	1.00%	-\$79,825	-\$51,960	1982	37.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$858,562	-\$131,785	\$726,777	\$7,876,718	\$8,735,281	\$1,572,714
13	1.00%	-\$87,089	-\$52,830	1983	0.02%	0.02%	x 1.45	= 0.03%	+ 0.00%	= 0.03%	\$2,251	-\$139,919	-\$137,667	\$8,595,362	\$8,597,613	\$999,441
14	1.00%	-\$85,709	-\$53,514	1984	9.62%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$921,965	-\$139,223	\$782,742	\$8,458,391	\$9,380,356	\$905,214
15	1.00%	-\$93,534	-\$53,970	1985	27.04%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,006,381	-\$147,504	\$858,877	\$9,232,852	\$10,239,233	\$1,340,335
16	1.00%	-\$102,323	-\$13,835	1986	39.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,103,415	-\$116,158	\$987,257	\$10,123,075	\$11,226,490	\$1,882,647
17	1.00%	-\$112,192	-\$14,636	1987	-15.51%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$126,828	-\$126,828	\$11,099,662	\$11,099,662	\$1,288,627
18	1.00%	-\$110,920	-\$15,379	1988	28.41%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,196,097	-\$126,299	\$1,069,798	\$10,973,363	\$12,169,460	\$1,867,873
19	1.00%	-\$121,614	-\$16,093	1989	-12.34%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$137,707	-\$137,707	\$12,031,753	\$12,031,753	\$1,215,086
20	1.00%	-\$120,233	-\$16,824	1990	26.73%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,296,522	-\$137,057	\$1,159,464	\$11,894,695	\$13,191,217	\$1,833,717
21	1.00%	-\$131,824	-\$17,623	1991	7.72%	7.72%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,421,553	-\$149,447	\$1,272,106	\$13,041,770	\$14,463,323	\$2,383,916
22	1.00%	-\$144,536	-\$19,518	1992	9.84%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,558,620	-\$164,054	\$1,394,567	\$14,299,269	\$15,857,890	\$2,974,263
23	1.00%	-\$158,470	-\$21,806	1993	0.82%	0.82%	x 1.45	= 1.19%	+ 0.00%	= 1.19%	\$187,238	-\$180,276	\$6,962	\$15,677,614	\$15,864,851	\$2,087,206
24	1.00%	-\$158,526	-\$24,516	1994	26.30%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,709,317	-\$183,042	\$1,526,275	\$15,681,809	\$17,391,127	\$2,749,273
25	1.00%	-\$173,773	-\$27,647	1995	17.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,873,678	-\$201,420	\$1,672,258	\$17,189,707	\$19,063,385	\$3,458,500
26	1.00%	-\$190,477	-\$31,390	1996	37.82%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,053,725	-\$221,867	\$1,831,859	\$18,841,518	\$20,895,243	\$4,219,600
27	1.00%	-\$208,795	-\$31,417	1997	7.36%	7.36%	x 1.45	= 10.67%	+ 0.00%	= 10.67%	\$2,204,626	-\$240,212	\$1,964,414	\$20,655,031	\$22,859,657	\$4,995,786
28	1.00%	-\$228,443	-\$30,692	1998	26.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,463,457	-\$259,135	\$2,204,322	\$22,600,522	\$25,063,979	\$5,887,268
29	1.00%	-\$250,495	-\$28,968	1999	11.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,701,512	-\$279,463	\$2,422,049	\$24,784,516	\$27,486,028	\$6,855,951
30	1.00%	-\$274,730	-\$25,971	2000	-27.54%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$300,701	-\$300,701	\$27,185,327	\$27,185,327	\$4,947,846
31	1.00%	-\$271,747	-\$21,337	2001	-21.68%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$293,084	-\$293,084	\$26,892,243	\$26,892,243	\$3,127,269
32	1.00%	-\$268,800	-\$24,571	2002	22.16%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,899,277	-\$293,371	\$2,605,907	\$26,598,873	\$29,498,150	\$4,282,237
33	1.00%	-\$294,840	-\$28,260	2003	11.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,180,080	-\$323,100	\$2,856,980	\$29,175,050	\$32,355,130	\$5,518,713
34	1.00%	-\$323,389	-\$32,449	2004	10.25%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,487,923	-\$355,838	\$3,132,085	\$31,999,292	\$35,487,215	\$6,845,405
35	1.00%	-\$354,686	-\$37,185	2005	8.71%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,825,392	-\$391,871	\$3,433,521	\$35,095,344	\$38,920,736	\$8,271,822
36	1.00%	-\$388,995	-\$42,532	2006	14.29%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,195,324	-\$431,527	\$3,763,797	\$38,489,209	\$42,684,533	\$9,808,340
37	1.00%	-\$426,602	-\$48,760	2007	-23.61%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$475,362	-\$475,362	\$42,209,172	\$42,209,172	\$6,865,269
38	1.00%	-\$421,813	-\$55,771	2008	-9.37%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$477,584	-\$477,584	\$41,731,588	\$41,731,588	\$4,043,807
39	1.00%	-\$416,998	-\$63,630	2009	7.96%	7.96%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,496,355	-\$480,628	\$4,015,727	\$41,250,960	\$45,747,315	\$5,835,465
40	1.00%	-\$457,111	-\$72,419	2010	-0.86%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$529,530	-\$529,530	\$45,217,785	\$45,217,785	\$2,820,163

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

ASSET-BASED CHARGES (%) Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.

ASSET-BASED CHARGES (\$) The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).

FIXED CHARGES (\$) Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.

INDEX CREDIT The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.

MULTIPLIER BONUS (x) A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.

INDEX CREDIT w/ MULTIPLIER The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)

PERSISTENCY BONUS (+) A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)

TOTAL INDEX CREDIT (%) The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).

TOTAL INDEX CREDITS (\$) The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.

TOTAL CHARGES (\$) The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).

YEAR-END GAIN/LOSS (\$) The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.

EOY VALUE AFTER CHARGES B4 CREDIT The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.

EOY GROSS INDEX ACCUMULATED VALUE The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.

EOY INDEX VALUE NET OF INT & EXT LOANS The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

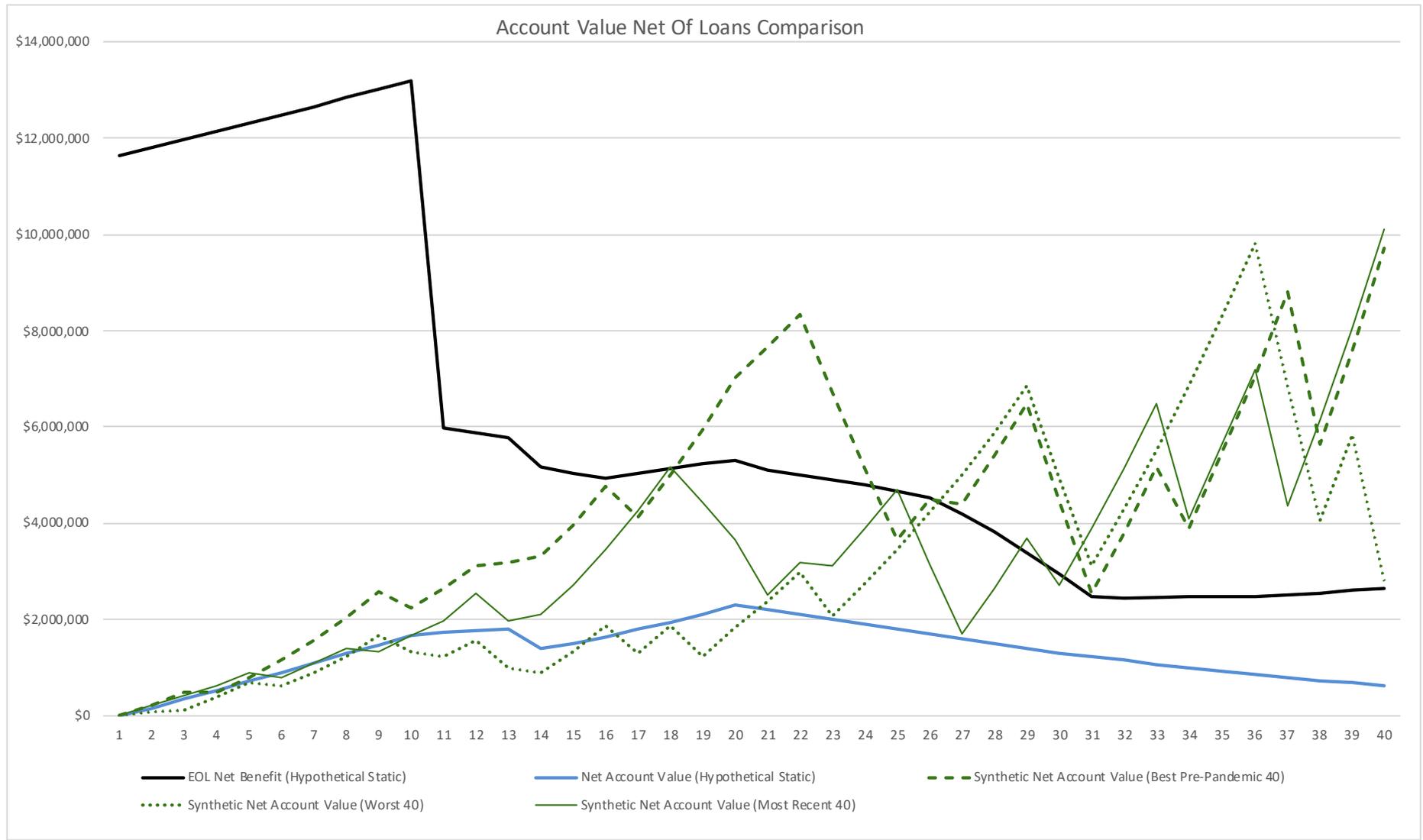
GRAPH: BACKTESTED PROXY vs. AS-ILLUSTRATED STATIC

- ✓ Leveraged Hypothetical Synthetic Asset Value (Proxy)
 - Worst 40
 - Best 40
 - Most Recent 40

vs...

- ✓ CSV & DB in As-Illustrated Static Carrier Illustration

**The "proxy" is a fictitious synthetically-produced asset, not an actual life insurance product. The "Most Recent 40" is from 1/1/1982 - 12/31/2021, assuming historical borrowing rates in such years as well. This sequence begins with a 9.40% borrowing interest rate in 1982 when Prime was 11.00%.*



SCENARIO MODELED	PAYOFF YEAR	TOTAL OUTLAY	TOTAL INCOME DRAWDOWN	NET ACCOUNT VALUE IN YEAR 40	RETURNS DEPICTED	VOLATILITY MODELED	CAGR	PAR LOAN RATE	40-YEAR IRR
— Hypothetical Static:	14	-\$2,000,000	\$5,596,892	\$621,876	hypothetical static	no	5.64%	5.14%	4.58%
- - - Synthetic Best 40*:	14	-\$2,000,000	\$9,104,245	\$9,711,191	actual historical*	yes	9.02%	5.00%	8.16%
..... Synthetic Worst 40*:	14	-\$2,000,000	\$7,759,332	\$2,820,163	actual historical*	yes	6.30%	5.00%	6.07%
— Synthetic (1982-2021):	14	-\$2,000,000	\$6,877,268	\$10,105,126	actual historical*	yes	9.99%	5.00%	7.19%

*In modeling every 40-year annual point-to-point period between 1/1/1970 and 12/31/2019, there were 121 different 40-year periods. Each of these 121 different 40-year periods have been analyzed and ranked based on their Compounded Annual Growth Rate (CAGR). This report highlights the Best and Worst 40-year periods limited to this sampling of 121 different 40-year periods. In real-world scenarios, it is possible for a 40-year period to produce a worse CAGR than the Worst 40 in this report. In such case, outcomes could be significantly worse than as depicted in this hypothetical report.

BACKTESTED EQUITIES & BONDS ACCOUNT

- ✓ Equities Assumes Historical Index Returns
- ✓ Bonds Assumes Historical 10-Year T-Bonds Returns

**The "Equities & Bonds Account" assumes certain investment fees, taxation on gains, and equities-to-bonds allocation. This is merely a hypothetical investment portfolio construction.*

HYPOTHETICAL EQUITIES & BONDS ACCOUNT vs. PARTIAL-EQUITY INTEREST ACCRUAL

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

EQUITIES	BONDS	Current Adjusted Gross Income (AGI):	\$250,000	% of Equities Taxed at STCG Tax Rates:	0.00%	Advisor Fee:	0.50%	
<AGE 56:	70.00%	30.00%	Current Income Tax Rate:	37.10%	% of Equities Taxed at LTCG Tax Rates:	100.00%	Fund Manager Fee:	0.70%
AGE 56+:	70.00%	30.00%	Long-Term Capital Gains Tax Rate:	28.10%	% of Bonds Taxed at STCG Tax Rates:	100.00%	Broker Dealer Fee:	0.15%
State of Residence:				CA		Investment Fees (All-In):		1.35%

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
YEAR	AGE	ANNUAL INVESTED	CALENDAR YEAR	GROSS EQUITIES RETURN	AFTER-FEE EQUITIES RETURN	AFTER-FEE & TAX EQUITIES RETURN	CALENDAR YEAR	GROSS BOND RETURN	AFTER-FEE BOND RETURN	AFTER-FEE & TAX BOND RETURN	TOTAL CHARGES	NET RETURN	INCOME DRAWDOWNS	AFTER-TAX ACCOUNT VALUE	LEVERAGED SYNTHETIC ACCOUNT VALUE	LEVERAGED SYNTHETIC INCREASE
1	45	\$200,000	1971	14.42%	13.07%	9.39%	1971	5.27%	3.92%	2.46%	1.35%	7.32%	\$0	\$214,631	vs	\$12,088
2	46	\$200,000	1972	0.08%	-1.27%	-1.27%	1972	-0.44%	-1.79%	-1.79%	1.35%	-1.42%	\$0	\$408,726	vs	\$93,052
3	47	\$200,000	1973	-39.40%	-40.75%	-40.75%	1973	-2.37%	-3.72%	-3.72%	1.35%	-29.64%	\$0	\$428,289	vs	\$136,133
4	48	\$200,000	1974	34.00%	32.65%	23.47%	1974	-8.16%	-9.51%	-9.51%	1.35%	13.58%	\$0	\$713,588	vs	\$399,792
5	49	\$200,000	1975	27.48%	26.13%	18.79%	1975	-5.07%	-6.42%	-6.42%	1.35%	11.22%	\$0	\$1,016,129	vs	\$706,922
6	50	\$200,000	1976	-6.28%	-7.63%	-7.63%	1976	9.68%	8.33%	5.24%	1.35%	-3.77%	\$0	\$1,170,331	vs	\$612,673
7	51	\$200,000	1977	8.23%	6.88%	4.94%	1977	-4.89%	-6.24%	-6.24%	1.35%	1.59%	\$0	\$1,392,087	vs	\$885,534
8	52	\$200,000	1978	8.61%	7.26%	5.22%	1978	-7.81%	-9.16%	-9.16%	1.35%	0.91%	\$0	\$1,606,515	vs	\$1,214,929
9	53	\$200,000	1979	16.76%	15.41%	11.08%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.50%	\$0	\$1,887,789	vs	\$1,664,402
10	54	\$200,000	1980	-5.40%	-6.75%	-6.75%	1980	-14.57%	-15.92%	-15.92%	1.35%	-9.50%	\$0	\$1,889,504	vs	\$1,328,923
11	55	\$0	1981	5.65%	4.30%	3.09%	1981	-1.94%	-3.29%	-3.29%	1.35%	1.18%	\$0	\$1,911,768	vs	\$1,247,472
12	56	\$0	1982	39.91%	38.56%	27.72%	1982	25.14%	23.79%	14.96%	1.35%	23.90%	\$0	\$2,368,608	vs	\$1,572,714
13	57	\$0	1983	2.02%	0.67%	0.48%	1983	-0.01%	-1.36%	-1.36%	1.35%	-0.07%	\$0	\$2,366,895	vs	\$999,441
14	58	\$0	1984	11.62%	10.27%	7.38%	1984	9.04%	7.69%	4.84%	1.35%	6.62%	\$0	\$2,523,609	vs	\$905,214
15	59	\$0	1985	29.04%	27.69%	19.91%	1985	21.41%	20.06%	12.62%	1.35%	17.72%	\$0	\$2,970,864	vs	\$1,340,335
16	60	\$0	1986	41.13%	39.78%	28.60%	1986	21.97%	20.62%	12.97%	1.35%	23.91%	\$0	\$3,681,225	vs	\$1,882,647
17	61	\$0	1987	-13.51%	-14.86%	-14.86%	1987	-8.32%	-9.67%	-9.67%	1.35%	-13.30%	\$0	\$3,191,477	vs	\$1,288,627
18	62	\$0	1988	30.41%	29.06%	20.89%	1988	3.98%	2.63%	1.66%	1.35%	15.12%	\$0	\$3,674,061	vs	\$1,867,873
19	63	\$0	1989	-10.34%	-11.69%	-11.69%	1989	12.27%	10.92%	6.87%	1.35%	-6.12%	\$0	\$3,449,040	vs	\$1,215,086
20	64	\$0	1990	28.73%	27.38%	19.69%	1990	0.79%	-0.56%	-0.56%	1.35%	13.61%	\$0	\$3,918,598	vs	\$1,833,717
21	65	\$0	1991	9.72%	8.37%	6.02%	1991	10.33%	8.98%	5.65%	1.35%	5.91%	-\$146,697	\$3,994,713	vs	\$2,383,916
22	66	\$0	1992	11.84%	10.49%	7.55%	1992	6.15%	4.80%	3.02%	1.35%	6.19%	-\$190,713	\$4,039,352	vs	\$2,974,263
23	67	\$0	1993	2.82%	1.47%	1.06%	1993	10.94%	9.59%	6.03%	1.35%	2.55%	-\$237,941	\$3,898,372	vs	\$2,087,206
24	68	\$0	1994	28.30%	26.95%	19.38%	1994	-10.37%	-11.72%	-11.72%	1.35%	10.05%	-\$166,976	\$4,106,313	vs	\$2,749,273
25	69	\$0	1995	19.61%	18.26%	13.13%	1995	20.11%	18.76%	11.80%	1.35%	12.73%	-\$219,942	\$4,381,143	vs	\$3,458,500
26	70	\$0	1996	39.82%	38.47%	27.66%	1996	-1.46%	-2.81%	-2.81%	1.35%	18.52%	-\$276,680	\$4,864,574	vs	\$4,219,600
27	71	\$0	1997	9.36%	8.01%	5.76%	1997	7.43%	6.08%	3.82%	1.35%	5.18%	-\$337,568	\$4,761,454	vs	\$4,995,786
28	72	\$0	1998	28.13%	26.78%	19.25%	1998	13.16%	11.81%	7.43%	1.35%	15.71%	-\$399,663	\$5,046,837	vs	\$5,887,268
29	73	\$0	1999	13.99%	12.64%	9.09%	1999	-10.22%	-11.57%	-11.57%	1.35%	2.89%	-\$470,981	\$4,708,154	vs	\$6,855,951
30	74	\$0	2000	-25.54%	-26.89%	-26.89%	2000	12.84%	11.49%	7.23%	1.35%	-16.65%	-\$548,476	\$3,467,018	vs	\$4,947,846
31	75	\$0	2001	-19.68%	-21.03%	-21.03%	2001	2.67%	1.32%	0.83%	1.35%	-14.47%	-\$395,828	\$2,626,766	vs	\$3,127,269
32	76	\$0	2002	24.16%	22.81%	16.40%	2002	13.32%	11.97%	7.53%	1.35%	13.74%	-\$250,182	\$2,703,135	vs	\$4,282,237
33	77	\$0	2003	13.91%	12.56%	9.03%	2003	-1.85%	-3.20%	-3.20%	1.35%	5.36%	-\$342,579	\$2,487,084	vs	\$5,518,713
34	78	\$0	2004	12.25%	10.90%	7.84%	2004	1.77%	0.42%	0.26%	1.35%	5.56%	-\$441,497	\$2,159,401	vs	\$6,845,405
35	79	\$0	2005	10.71%	9.36%	6.73%	2005	-0.51%	-1.86%	-1.86%	1.35%	4.15%	-\$547,632	\$1,678,720	vs	\$8,271,822
36	80	\$0	2006	16.29%	14.94%	10.74%	2006	-1.23%	-2.58%	-2.58%	1.35%	6.75%	-\$661,746	\$1,085,589	vs	\$9,808,340
37	81	\$0	2007	-21.61%	-22.96%	-22.96%	2007	7.15%	5.80%	3.65%	1.35%	-14.97%	-\$784,667	\$255,863	vs	\$6,865,269
38	82	\$0	2008	-7.37%	-8.72%	-8.72%	2008	15.66%	14.31%	9.00%	1.35%	-3.40%	-\$255,863	\$0	vs	\$4,043,807
39	83	\$0	2009	9.96%	8.61%	6.19%	2009	-10.80%	-12.15%	-12.15%	1.35%	0.69%	\$0	\$0	vs	\$5,835,465
40	84	\$0	2010	1.14%	-0.21%	-0.21%	2010	6.71%	5.36%	3.37%	1.35%	0.87%	\$0	\$0	vs	\$2,820,163

Average Equities Return: **10.02%**

Average T-Bond Return: **3.46%**

Average Net Portfolio Return: **3.62%**

WORST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$370,868

DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year T-Bond Returns during the January 1st to December 31st period. The taxation and investment fees are merely hypothetical based on certain assumptions, and would vary from client situation to client situation based on a number of factors and variables. Such variables may be changed and modeled per the client or advisor's request. The assumptions made in this document are purely hypothetical and do not represent any specific investment, fund or asset in particular. The purpose of this document is for educational purposes only.

BEST 40 vs. WORST 40

✓ Leveraged Hypothetical Synthetic Asset Value (Proxy)

vs...

✓ Non-Leveraged Hypothetical Synthetic Asset Value (Proxy)

vs...

✓ Non-Leveraged Equities & Bonds Account

**Proxy is a fictitious synthetically-produced asset, not an actual life insurance product.*

HYPOTHETICAL SYNTHETIC PROXIES: BACKTESTING REPORT

BEST CAGR IN 40-YEAR PERIOD*

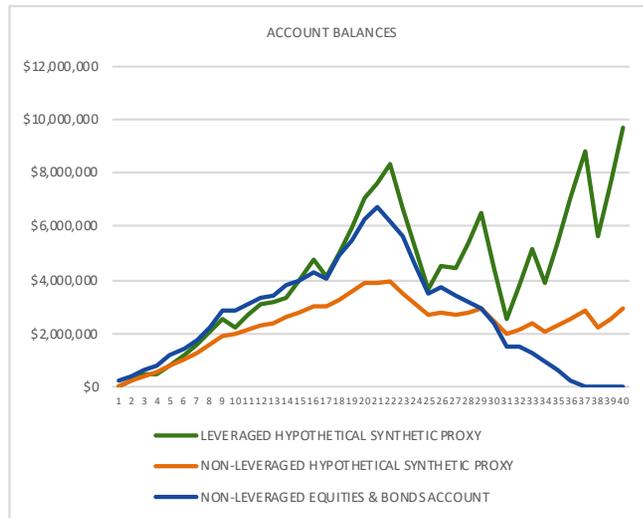
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED EQUITIES & BONDS ACCOUNT



BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

BACKTESTING MODELS FOR:

1. LEVERAGED HYPOTHETICAL SYNTHETIC PROXY
2. NON-LEVERAGED HYPOTHETICAL SYNTHETIC PROXY
3. NON-LEVERAGED HYPOTHETICAL EQUITIES & BONDS ACCOUNT

WORST CAGR IN 40-YEAR PERIOD*

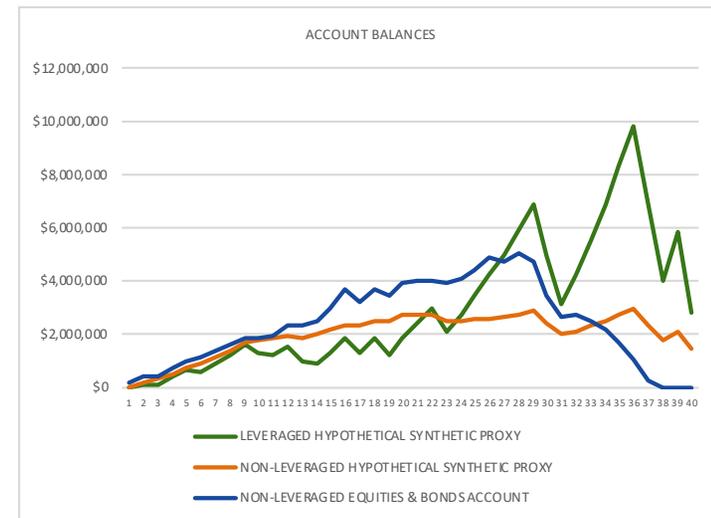
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED EQUITIES & BONDS ACCOUNT



WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

SYNTHETICALLY MODELED FOR: M45 - PEIA Income
 ADVISOR: Darren Sugiyama
 DATE CREATED: 8/27/2022

*The following report is a hypothetical proxy that behaves similar to some real-world products, but is not an exact depiction of any specific real-world product and is for educational purposes only. All financial outcomes in this document are hypothetical and are not projections, assumptions, or guarantees of any specific real-world investment or insurance product. The "Best 40" is the historical 40-year period that produced the best Compounded Annual Growth Rate out of 121 different historical 40-year periods analyzed. The "Worst 40" is the historical 40-year period that produced the worst Compounded Annual Growth Rate out of the same 121 different historical 40-year periods analyzed. For an explanation of how these hypothetical backtesting assumptions were created, please refer to the "Backtesting" explanation on page 3 of this document.

FULL ANALYSIS REPORT

PARTIAL-EQUITY INTEREST ACCRUAL with COST RECOVERY

FULL ANALYSIS REPORT: RETIREMENT PLANNING



DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - PEIA Income

ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

LIFE INSURANCE COMPARISON SUMMARY:

- 1 Premium Financed Life Insurance Policy (Tax-Free Gains + Tax-Free Income Drawdowns)
...VS.
- 2 Non-Financed Life Insurance Policy (Tax-Free Gains + Tax-Free Income Drawdowns)
...VS.
- 3 Non-Insurance Based Investment Account (Taxable Gains)

BACKTESTED HYPOTHETICAL SYNTHETIC PROXY COMPARISON SUMMARY:

- 1 Leveraged Hypothetical Synthetic Proxy (Tax-Free Gains + Tax-Free Income Drawdowns)
...VS.
- 2 Non-Leveraged Hypothetical Synthetic Proxy (Tax-Free Gains + Tax-Free Income Drawdowns)
...VS.
- 3 Non-Leveraged Equities & Bonds Account (Taxable Gains)

3 DIFFERENT FINANCIAL SOLUTIONS

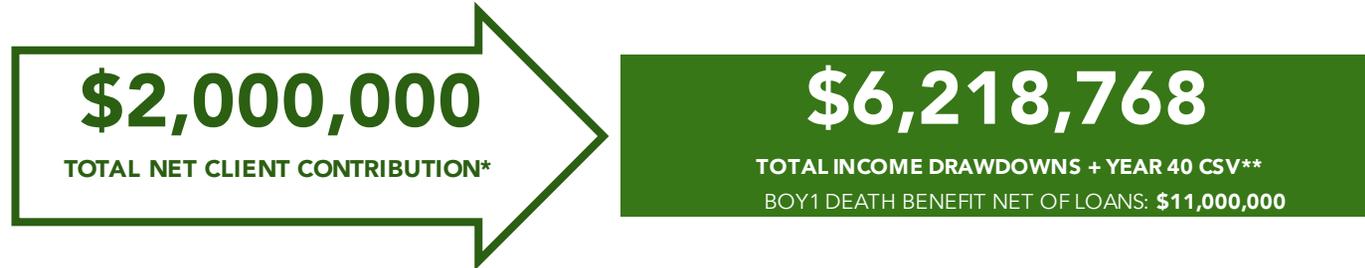


DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - PEIA Income
ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

PREMIUM FINANCED LIFE INSURANCE: PARTIAL-EQUITY INTEREST ACCRUAL



NON-FINANCED LIFE INSURANCE



NON-INSURANCE BASED INVESTMENT ACCOUNT



*TOTAL NET CLIENT CONTRIBUTION is the total client outlay whether premiums and/or interest.

**TOTAL INCOME DRAWDOWNS + YEAR 40 CSV assumes a 5.64% index credit. See carrier illustration for details.

***TOTAL NET CLIENT CONTRIBUTION is the total client-paid premium.

****TOTAL INCOME DRAWDOWNS + YEAR 40 CSV assumes a 5.64% index credit. See carrier illustration for details.

*****TOTAL NET CLIENT CONTRIBUTION is the same client outlay as the premium financed life insurance solution.

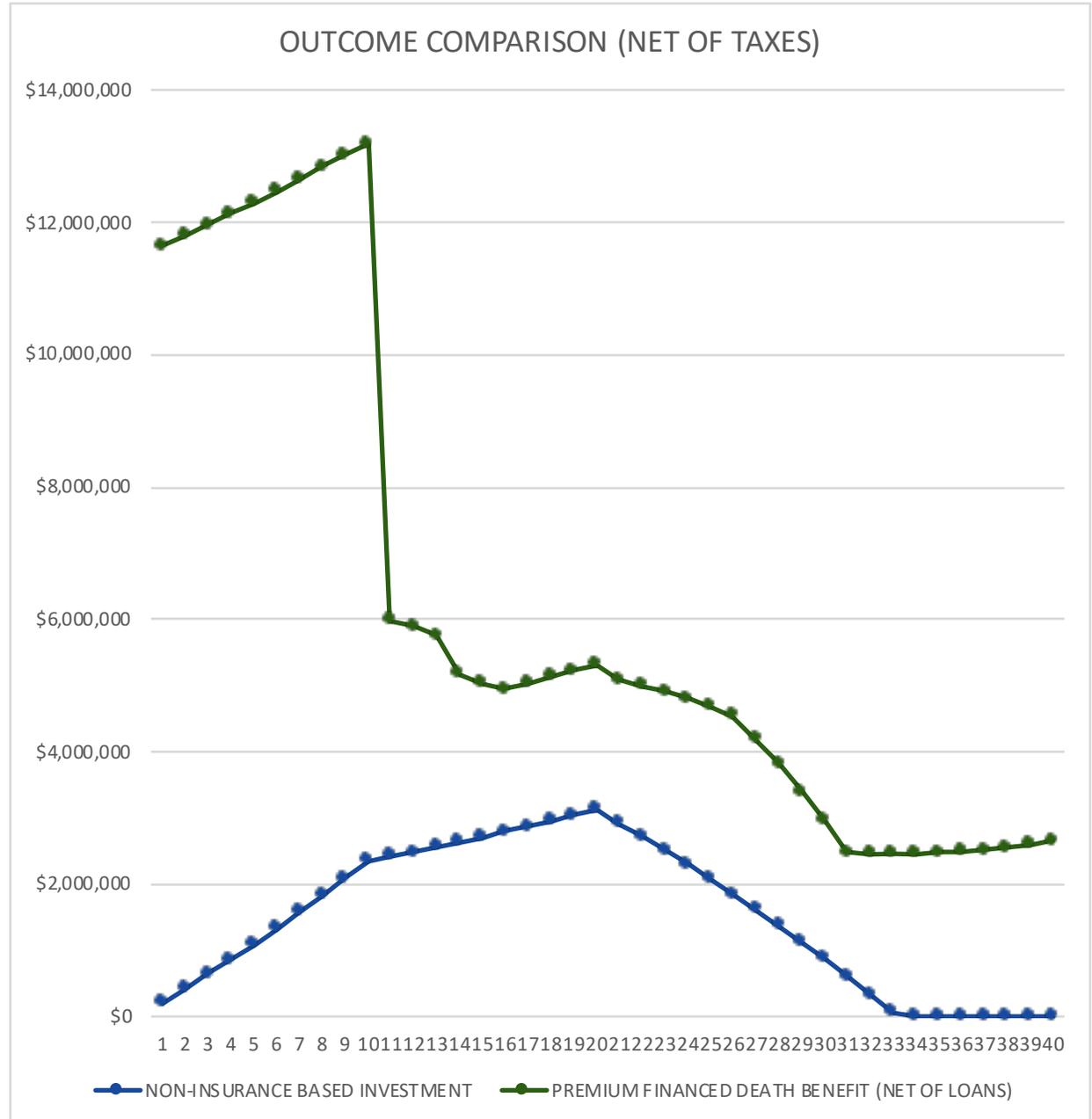
*****TOTAL INCOME DRAWDOWNS + YEAR 40 VALUE assumes a 5.64% return, 1.35% investment fees, 32.6% tax on gains, and 0% estate taxes.

Is Premium Financed Life Insurance An Effective Estate Planning Tool?

GROSS RETURN ASSUMPTION: 5.64%
 ALL-IN INVESTMENT FEE ASSUMPTION: 1.35%

SHORT-TERM CAPITAL GAINS TAX RATE ASSUMPTION: 32.60%
 ESTATE TAX RATE ASSUMPTION: 0.00%

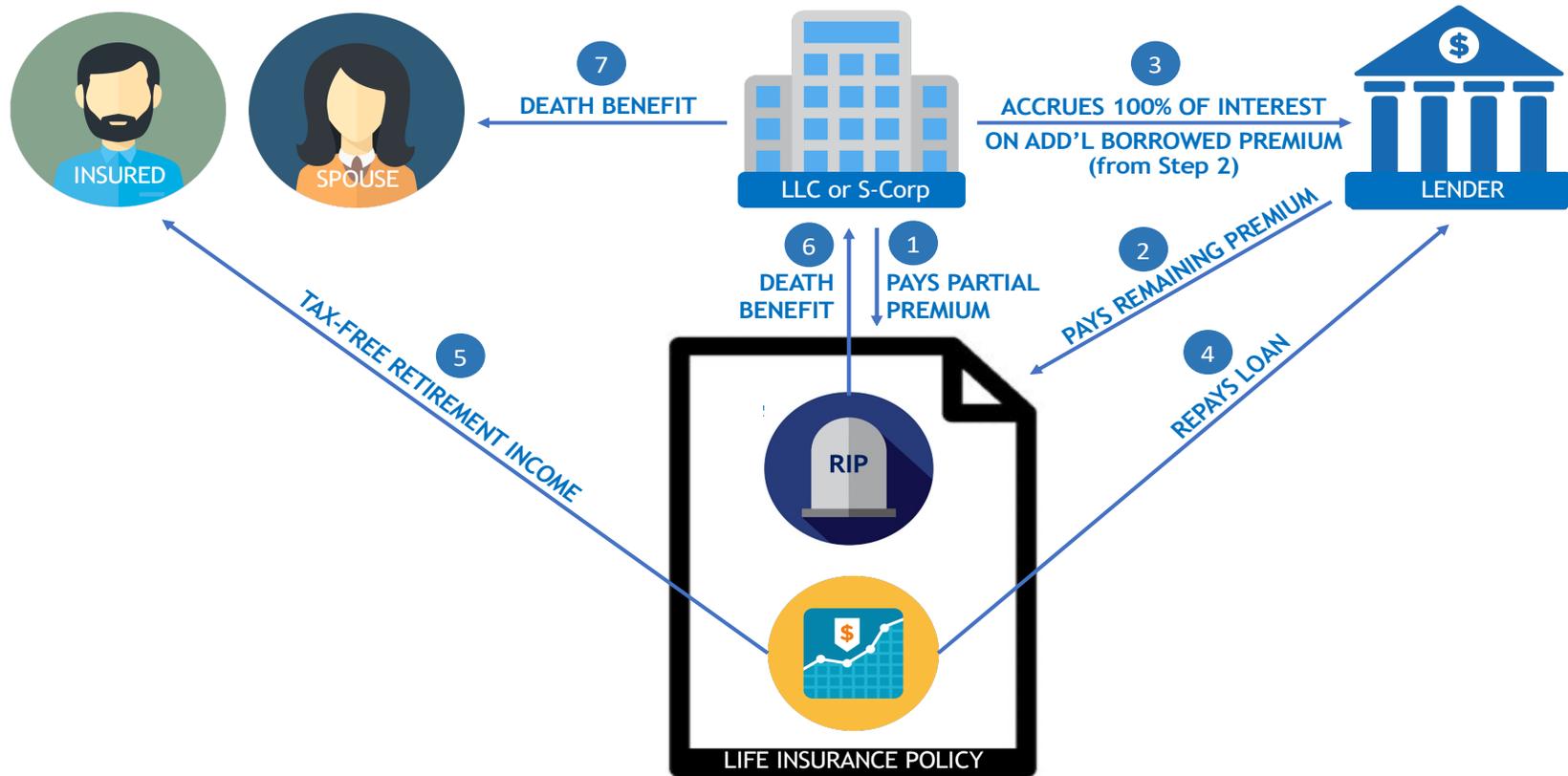
(+ SAME ANNUAL CONTRIBUTION (-) INCOME DRAWDOWNS)		NON-INSURANCE BASED INVESTMENT AFTER ESTATE TAX ACCOUNT VALUE	PREMIUM FINANCED LIFE INSURANCE TAX-FREE NET DEATH BENEFIT	
1	45	\$200,000	\$205,783	\$11,644,545
2	46	\$200,000	\$417,516	\$11,797,716
3	47	\$200,000	\$635,371	\$11,958,031
4	48	\$200,000	\$859,526	\$12,125,107
5	49	\$200,000	\$1,090,161	\$12,298,272
6	50	\$200,000	\$1,327,466	\$12,473,704
7	51	\$200,000	\$1,571,632	\$12,652,398
8	52	\$200,000	\$1,822,858	\$12,832,466
9	53	\$200,000	\$2,081,348	\$13,011,493
10	54	\$200,000	\$2,347,312	\$13,186,598
11	55	\$0	\$2,415,184	\$5,983,408
12	56	\$0	\$2,485,018	\$5,888,790
13	57	\$0	\$2,556,871	\$5,760,246
14	58	\$0	\$2,630,802	\$5,174,210
15	59	\$0	\$2,706,871	\$5,039,188
16	60	\$0	\$2,785,139	\$4,935,723
17	61	\$0	\$2,865,670	\$5,036,464
18	62	\$0	\$2,948,530	\$5,132,747
19	63	\$0	\$3,033,785	\$5,223,828
20	64	\$0	\$3,121,506	\$5,308,824
21	65	-\$279,845	\$2,923,827	\$5,092,395
22	66	-\$279,845	\$2,720,432	\$5,003,577
23	67	-\$279,845	\$2,511,156	\$4,904,649
24	68	-\$279,845	\$2,295,829	\$4,794,406
25	69	-\$279,845	\$2,074,276	\$4,671,590
26	70	-\$279,845	\$1,846,316	\$4,534,673
27	71	-\$279,845	\$1,611,766	\$4,188,775
28	72	-\$279,845	\$1,370,433	\$3,810,710
29	73	-\$279,845	\$1,122,122	\$3,398,859
30	74	-\$279,845	\$866,632	\$2,951,678
31	75	-\$279,845	\$603,754	\$2,467,763
32	76	-\$279,845	\$333,275	\$2,459,786
33	77	-\$279,845	\$54,976	\$2,458,049
34	78	-\$279,845	\$0	\$2,462,904
35	79	-\$279,845	\$0	\$2,474,697
36	80	-\$279,845	\$0	\$2,493,753
37	81	-\$279,845	\$0	\$2,520,154
38	82	-\$279,845	\$0	\$2,554,123
39	83	-\$279,845	\$0	\$2,595,857
40	84	-\$279,845	\$0	\$2,645,511



FEES & TAXES: The "Non-Insurance Based Investment" is a fictitious investment that assumes the same net return as the insurance policy's gross index credit, minus hypothetical investment fees, minus hypothetical taxes on gains, minus a hypothetical estate tax rate (both fees and hypothetical tax rates shown at the top of this page). The "Premium Financed Life Insurance" net death benefit includes netting out any third-party loans, internal policy loans, policy fees, and charges. Net death benefit values of the life insurance policy are depicted as tax-free.



PARTIAL-EQUITY INTEREST ACCRUAL: TAX-FREE INCOME



PARTIAL-EQUITY INTEREST ACCRUAL PREMIUM FINANCING: TAX-FREE INCOME DRAWDOWN PLAN

1. The policy is owned by an entity (either an LLC or an S-corp). The entity pays 10% (sometimes more) of the policy premium.
2. The lender will pay the balance of life insurance premiums due (in this example, 90% of the premiums) directly to the life insurance carrier.
3. The entity will accrue the interest due each year on the cumulative loan balance and post the policy (and additional outside assets) as collateral.
4. The appreciated policy value will repay the cumulative loan balance (including the additional compounded debt due to accruing the interest due) to the lender.
5. The entity will take policy loans and pass them through to the insured person as tax-free retirement income. Such loans are netted out of the CSV and death benefit.
6. Upon the insured's death, the policy death benefit will pay to the entity.
7. The surviving spouse shall receive the unlimited step-up in basis, and enjoy the net death benefit on a tax-free basis.

NON-FINANCED SOLUTION

This solution requires the client to pay premiums out of pocket throughout the period shown below in the "Annual Premium" column.

version NF115150

PREMIUM FINANCED SOLUTION

In this solution, the client is paying a portion of the premium, borrowing the remaining premium, and accruing the interest.

version 132422

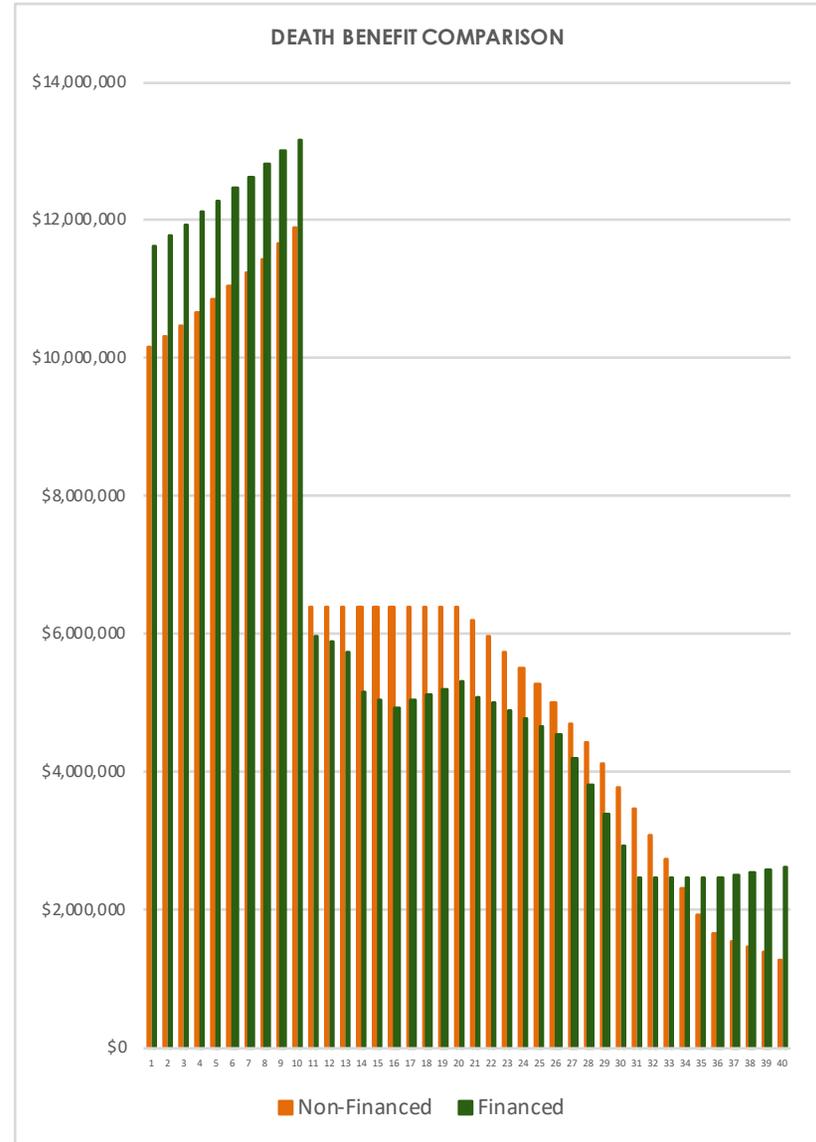
NON-FINANCED IUL					
AGE	ANNUAL PREMIUM	INCOME DRAWDOWNS	CASH VALUE	DEATH BENEFIT	
1	45	\$200,000	\$0	\$34,560	\$10,157,210
2	46	\$200,000	\$0	\$209,792	\$10,320,842
3	47	\$200,000	\$0	\$391,880	\$10,491,180
4	48	\$200,000	\$0	\$581,340	\$10,668,790
5	49	\$200,000	\$0	\$778,755	\$10,854,155
6	50	\$200,000	\$0	\$981,968	\$11,045,218
7	51	\$200,000	\$0	\$1,193,432	\$11,244,332
8	52	\$200,000	\$0	\$1,413,212	\$11,451,612
9	53	\$200,000	\$0	\$1,641,269	\$11,667,019
10	54	\$200,000	\$0	\$1,877,509	\$11,890,459
11	55	\$0	\$0	\$1,951,571	\$6,418,123
12	56	\$0	\$0	\$2,014,882	\$6,418,123
13	57	\$0	\$0	\$2,080,491	\$6,418,123
14	58	\$0	\$0	\$2,148,557	\$6,418,123
15	59	\$0	\$0	\$2,219,249	\$6,418,123
16	60	\$0	\$0	\$2,330,283	\$6,418,123
17	61	\$0	\$0	\$2,446,982	\$6,418,123
18	62	\$0	\$0	\$2,569,724	\$6,418,123
19	63	\$0	\$0	\$2,698,846	\$6,418,123
20	64	\$0	\$0	\$2,834,620	\$6,418,123
21	65	\$0	-\$198,378	\$2,768,654	\$6,209,826
22	66	\$0	-\$198,378	\$2,698,933	\$5,991,114
23	67	\$0	-\$198,378	\$2,625,025	\$5,761,467
24	68	\$0	-\$198,378	\$2,546,502	\$5,520,337
25	69	\$0	-\$198,378	\$2,462,987	\$5,267,151
26	70	\$0	-\$198,378	\$2,373,949	\$5,001,306
27	71	\$0	-\$198,378	\$2,280,862	\$4,722,168
28	72	\$0	-\$198,378	\$2,183,885	\$4,429,073
29	73	\$0	-\$198,378	\$2,083,301	\$4,121,324
30	74	\$0	-\$198,378	\$1,979,514	\$3,798,187
31	75	\$0	-\$198,378	\$1,873,114	\$3,458,893
32	76	\$0	-\$198,378	\$1,764,891	\$3,102,635
33	77	\$0	-\$198,378	\$1,655,887	\$2,728,564
34	78	\$0	-\$198,378	\$1,547,447	\$2,335,789
35	79	\$0	-\$198,378	\$1,441,285	\$1,923,375
36	80	\$0	-\$198,378	\$1,338,818	\$1,652,147
37	81	\$0	-\$198,378	\$1,233,959	\$1,564,780
38	82	\$0	-\$198,378	\$1,124,636	\$1,473,862
39	83	\$0	-\$198,378	\$1,010,657	\$1,379,249
40	84	\$0	-\$198,378	\$891,727	\$1,280,690

TOTAL CONTRIBUTION:	-\$2,000,000
TOTAL INCOME:	\$3,967,560
YEAR 40 NET CASH VALUE:	\$891,727
YEAR 40 TOTAL VALUE:	\$4,859,287

PARTIAL-EQUITY INTEREST ACCRUAL					
AGE	ANNUAL CONTRIBUTION	INCOME DRAWDOWNS	CASH VALUE NET OF LOANS	DEATH BENEFIT NET OF LOANS	
1	45	\$200,000	\$0	\$3,497	\$11,644,545
2	46	\$200,000	\$0	\$170,008	\$11,797,716
3	47	\$200,000	\$0	\$343,836	\$11,958,031
4	48	\$200,000	\$0	\$524,639	\$12,125,107
5	49	\$200,000	\$0	\$711,562	\$12,298,272
6	50	\$200,000	\$0	\$900,967	\$12,473,704
7	51	\$200,000	\$0	\$1,093,863	\$12,652,398
8	52	\$200,000	\$0	\$1,288,306	\$12,832,466
9	53	\$200,000	\$0	\$1,481,881	\$13,011,493
10	54	\$200,000	\$0	\$1,671,705	\$13,186,598
11	55	\$0	\$0	\$1,735,261	\$5,983,408
12	56	\$0	\$0	\$1,776,719	\$5,888,790
13	57	\$0	\$0	\$1,809,165	\$5,760,246
14	58	\$0	\$0	\$1,415,693	\$5,174,210
15	59	\$0	\$0	\$1,502,659	\$5,039,188
16	60	\$0	\$0	\$1,640,439	\$4,935,723
17	61	\$0	\$0	\$1,788,574	\$5,036,464
18	62	\$0	\$0	\$1,947,885	\$5,132,747
19	63	\$0	\$0	\$2,119,217	\$5,223,828
20	64	\$0	\$0	\$2,303,421	\$5,308,824
21	65	\$0	-\$279,845	\$2,207,127	\$5,092,395
22	66	\$0	-\$279,845	\$2,109,257	\$5,003,577
23	67	\$0	-\$279,845	\$2,009,594	\$4,904,649
24	68	\$0	-\$279,845	\$1,907,895	\$4,794,406
25	69	\$0	-\$279,845	\$1,803,923	\$4,671,590
26	70	\$0	-\$279,845	\$1,697,265	\$4,534,673
27	71	\$0	-\$279,845	\$1,593,108	\$4,188,775
28	72	\$0	-\$279,845	\$1,492,109	\$3,810,710
29	73	\$0	-\$279,845	\$1,395,898	\$3,398,859
30	74	\$0	-\$279,845	\$1,306,501	\$2,951,678
31	75	\$0	-\$279,845	\$1,226,458	\$2,467,763
32	76	\$0	-\$279,845	\$1,148,678	\$2,459,786
33	77	\$0	-\$279,845	\$1,073,333	\$2,458,049
34	78	\$0	-\$279,845	\$1,000,581	\$2,462,904
35	79	\$0	-\$279,845	\$930,568	\$2,474,697
36	80	\$0	-\$279,845	\$863,410	\$2,493,753
37	81	\$0	-\$279,845	\$798,982	\$2,520,154
38	82	\$0	-\$279,845	\$737,283	\$2,554,123
39	83	\$0	-\$279,845	\$678,277	\$2,595,857
40	84	\$0	-\$279,845	\$621,876	\$2,645,511

TOTAL CONTRIBUTION:	-\$2,000,000
TOTAL INCOME:	\$5,596,892
YEAR 40 NET CASH VALUE:	\$621,876
YEAR 40 TOTAL VALUE:	\$6,218,768

vs.
vs.
vs.



SUMMARY OF CARRIER-ILLUSTRATED STATIC RETURNS (DESIGNED TO STAY IN FORCE UNTIL AGE 120)

version | 32422

SL

PARTIAL-EQUITY INTEREST ACCRUAL

At This Index Credit Assumption, Death Benefit Lasts Until Age: **120**

5 of 10

08/27/22

Health Rating:		PREFERRED			Third Party Loan Payoff Type:		PAR LOAN		PLR:	5.14%		Initial Gross Policy Face Amount:		\$11,500,000				
YEAR	AGE	1 TOTAL POLICY PREMIUMS	2 EQUITY PREMIUMS	3 BORROWED PREMIUMS	4 CUMULATIVE PF LOAN BALANCE	5 FINANCING INTEREST RATE	6 INTEREST DUE	7 INTEREST ACCRUED	8 CLIENT CONTRIBUTION	9 (Cash) GAP COLLATERAL	10 HYPOTHETICAL INDEX CREDIT	11 POLICY DRAWDOWNS	12 GROSS POLICY CSV	13 POLICY CSV NET OF LOANS	14 DEATH BENEFIT NET OF LOANS	15 DEATH BENEFIT +YTY INCOME DRAWDOWN IRR	YEAR	AGE
1	45	\$700,000	\$200,000	\$500,000	\$500,000	4.79%	\$23,950	\$23,950	\$200,000	\$54,182	5.64%	\$0	\$503,497	\$3,497	\$11,644,545	5722.27%	1	45
2	46	\$700,000	\$200,000	\$500,000	\$1,023,950	4.89%	\$50,020	\$50,020	\$200,000	\$0	5.64%	\$0	\$1,193,958	\$170,008	\$11,797,716	619.67%	2	46
3	47	\$700,000	\$200,000	\$500,000	\$1,573,970	4.98%	\$78,447	\$78,447	\$200,000	\$0	5.64%	\$0	\$1,917,806	\$343,836	\$11,958,031	252.59%	3	47
4	48	\$700,000	\$200,000	\$500,000	\$2,152,417	5.09%	\$109,496	\$109,496	\$200,000	\$0	5.64%	\$0	\$2,676,956	\$524,539	\$12,125,107	146.72%	4	48
5	49	\$700,000	\$200,000	\$500,000	\$2,761,913	5.19%	\$143,467	\$143,467	\$200,000	\$0	5.64%	\$0	\$3,473,475	\$711,562	\$12,298,272	99.60%	5	49
6	50	\$700,000	\$200,000	\$500,000	\$3,405,379	5.31%	\$180,699	\$180,699	\$200,000	\$0	5.64%	\$0	\$4,306,346	\$900,967	\$12,473,704	73.70%	6	50
7	51	\$700,000	\$200,000	\$500,000	\$4,086,079	5.42%	\$221,578	\$221,578	\$200,000	\$0	5.64%	\$0	\$5,179,942	\$1,093,863	\$12,652,398	57.57%	7	51
8	52	\$700,000	\$200,000	\$500,000	\$4,807,656	5.54%	\$266,538	\$266,538	\$200,000	\$0	5.64%	\$0	\$6,095,962	\$1,288,306	\$12,832,466	46.67%	8	52
9	53	\$700,000	\$200,000	\$500,000	\$5,574,195	5.67%	\$316,077	\$316,077	\$200,000	\$0	5.64%	\$0	\$7,056,075	\$1,481,881	\$13,011,493	38.87%	9	53
10	54	\$700,000	\$200,000	\$500,000	\$6,390,272	5.80%	\$370,760	\$370,760	\$200,000	\$0	5.64%	\$0	\$8,061,977	\$1,671,705	\$13,186,598	33.04%	10	54
11	55	\$0	\$0	\$0	\$6,761,032	5.94%	\$401,536	\$401,536	\$0	\$0	5.64%	\$0	\$8,496,293	\$1,735,261	\$5,983,408	16.63%	11	55
12	56	\$0	\$0	\$0	\$7,162,567	6.08%	\$435,605	\$435,605	\$0	\$0	5.64%	\$0	\$8,939,286	\$1,776,719	\$5,888,790	14.36%	12	56
13	57	\$0	\$0	\$0	\$7,598,172	6.23%	\$473,391	\$473,391	\$0	\$0	5.64%	\$0	\$9,407,337	\$1,809,165	\$5,760,246	12.50%	13	57
14	58	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$8,071,563	\$1,415,693	\$1,415,693	\$5,174,210	10.08%	14	58
15	59	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,502,659	\$1,502,659	\$5,039,188	8.89%	15	59
16	60	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,640,439	\$1,640,439	\$4,935,723	7.95%	16	60
17	61	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,788,574	\$1,788,574	\$5,036,464	7.48%	17	61
18	62	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,947,885	\$1,947,885	\$5,132,747	7.08%	18	62
19	63	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,119,217	\$2,119,217	\$5,223,828	6.72%	19	63
20	64	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,303,421	\$2,303,421	\$5,308,824	6.39%	20	64
21	65	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$2,207,127	\$2,207,127	\$5,092,395	6.10%	21	65
22	66	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$2,109,257	\$2,109,257	\$5,003,577	5.99%	22	66
23	67	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$2,009,594	\$2,009,594	\$4,904,649	5.89%	23	67
24	68	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,907,895	\$1,907,895	\$4,794,406	5.80%	24	68
25	69	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,803,923	\$1,803,923	\$4,671,590	5.72%	25	69
26	70	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,697,265	\$1,697,265	\$4,534,673	5.63%	26	70
27	71	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,593,108	\$1,593,108	\$4,188,775	5.41%	27	71
28	72	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,492,109	\$1,492,109	\$3,810,710	5.19%	28	72
29	73	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,395,898	\$1,395,898	\$3,398,859	4.97%	29	73
30	74	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,306,501	\$1,306,501	\$2,951,678	4.76%	30	74
31	75	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,226,458	\$1,226,458	\$2,467,763	4.53%	31	75
32	76	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,148,678	\$1,148,678	\$2,459,786	4.64%	32	76
33	77	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,073,333	\$1,073,333	\$2,458,049	4.75%	33	77
34	78	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$1,000,581	\$1,000,581	\$2,462,904	4.85%	34	78
35	79	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$930,568	\$930,568	\$2,474,697	4.94%	35	79
36	80	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$863,410	\$863,410	\$2,493,753	5.02%	36	80
37	81	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$798,982	\$798,982	\$2,520,154	5.10%	37	81
38	82	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$737,283	\$737,283	\$2,554,123	5.18%	38	82
39	83	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$678,277	\$678,277	\$2,595,857	5.25%	39	83
40	84	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$279,845	\$621,876	\$621,876	\$2,645,511	5.32%	40	84

-\$7,000,000 -\$2,000,000 -\$5,000,000

\$3,071,563 \$3,071,563 \$2,000,000 TOTAL INCOME DRAWN: -\$5,596,892 (INCOME LASTS UNTIL AGE 90)

PREMIUM FINANCING INTEREST ASSUMPTIONS	
Date Base Rate Calculated:	8/27/2022
Base Rate Used:	1-Month CMT
Current 1-Month CMT Rate:	2.29%
CMT Compounded Annual Increase:	4.15%
Lender Spread:	2.50%
Total Rate Floor:	2.50%
GLOI \$500K - 699K Year-1 Rate:	4.79%

POLICY INDEX CREDIT ASSUMPTIONS	
AG-49 (Average of every 25-yr run over last 65 years):	5.64%
Reduced Assumed Index Credit:	5.64%

GAP COLLATERAL REQUIREMENTS		
Type Of Gap Collateral:	Cash	Index Credit
Collateral Valued At:	100.00%	Assumption (ICA)
		0.00%

The Gap Collateral (in years 3+) is calculated by the cumulative loan balance in a given year, minus 95% of the EOY Gross AV two years prior, plus the sum of the premium paid in the previous year minus policy charges, plus the new premium entering the policy in the current year minus policy charges and surrender charges in the current year + ICA. This calculation is the equivalent of assuming a 0% index credit in the previous year (whose EOY index credit would not have credited at the time of the current year's loan anniversary and the current year's EOY index credit would not have credited yet either. This value is then multiplied by the % of "Collateral Valued At" above, estimating the gap collateral required based on the type of collateral chosen. The collateral depicted is purely hypothetical and may vary.

FINANCIAL BENEFIT SUMMARY	
1ST YEAR COLLATERAL REQUIREMENT:	\$54,182
PREMIUMS PAID BY CLIENT:	-\$2,000,000
LOAN INTEREST PAID BY CLIENT:	\$0
TOTAL CLIENT OUTLAY:	-\$2,000,000
TOTAL DRAWDOWNS (excluding loan payoff):	\$5,596,892
40-YEAR PROGRAM NET CASH FLOW:	\$3,596,892
YEAR 40 NET CASH SURRENDER VALUE:	\$621,876
40-YEAR CASH GAIN (excluding death benefit):	\$4,218,768
40-YEAR NET CSV IRR:	4.58%

The rates and values shown above are not guaranteed and are subject to change by the insurer. Actual financial outcomes may be less favorable or more favorable than this hypothetical static depiction. For more information regarding Gap Collateral, see the section on the next page of this document titled "Collateral." Please see the full carrier illustration for guaranteed values and other important information. This is only a hypothetical depiction and does not imply any guarantees of outcomes whatsoever. Actual performance is subject to index returns and the carrier's underlying crediting policy charges. The insurance carrier is bound only by the terms of the life insurance contracts it issues. Additional loan fees may apply depending on the lender and lender's loan terms. Refer to lender's loan document for details.



Program Assumptions

I understand that all assumptions made in this document are hypothetical scenarios using hypothetically constructed assumptions of index returns, borrowing rates from a third party premium financing lender, carrier participating loan rates, and carrier policy charges. I understand that these assumptions are merely hypothetical and are not guaranteed by the carrier or the life insurance contract, and that such assumptions may vary based on market performance and a variety of financial variables. I attest that I have been given a copy of the full carrier illustration prior to making any decisions to purchase a life insurance policy. I also understand that this life insurance policy is not an “investment” or a “marketable securities product”; it is an insurance product.

Financing Premiums

I understand that I am purchasing a life insurance policy. My intention is to pay the premiums depicted in this document out-of-pocket, or finance such premiums through a third-party lender in the arrangement and in the amounts as shown in this document. I understand that there are certain minimum premiums that will be required to keep the policy in force. I attest that the payments depicted in this document are affordable to me and that the death benefit amounts are appropriate and suitable based on my liquid net worth, my current and future cash flow situation, and my aspirational personal financial plan. I acknowledge that I have been shown one or more premium financed options wherein a third party lender funds some or all of the premiums and interest on such third party loan is due each year (whether paid or accrued), as well as one or more non-financed options wherein I would be responsible for paying 100% of the policy premiums myself. I acknowledge that I have not been forced, coerced or incentivized to finance premiums through a lender or bank, however I understand that it is within my right as the policy owner to exercise this right, pending carrier approval and lender approval. I acknowledge that the decision to finance premiums, per carrier and lender parameters, is my own decision based on my own discernment regarding the suitability and appropriateness of such arrangement due to my current financial situation and my own projected future financial situation.

Collateral

I understand that the policy cash surrender value may be used as some or all of the collateral required in the premium financing loan, and that the third party lender will take a collateral assignment against the policy in such arrangement. I understand that the Loan-To-Value (LTV) requirement is different for each lender, and I may be required to post additional outside collateral (in addition to the policy surrender value) based on the lender's requirements. I understand that such outside collateral amounts shall be determined by the lender (prior to funding the loan in each policy year) based on the type of outside collateral I am posting, and that such collateral requirement amounts shall be fully disclosed in the official loan document. I have been made aware that such collateral amounts depicted in this document are only hypothetical and may vary in real-world scenarios based on lender requirements, actual cumulative loan balances, actual type of funds used as collateral, and actual policy cash surrender values. I acknowledge that I have been advised to analyze scenarios less favorable than the policy values illustrated in this document to anticipate the potential of greater outside collateral amounts I may need to post in this premium financing arrangement. I also acknowledge that Lionsmark Capital, its representatives, and all agents of record on this policy have recommended that I should have (or have access to) a minimum of 2.0 times the peak collateral (the maximum collateral in a given year depicted in this document) in lender-approved assets in the event of potential collateral increases. Though this recommendation is not necessarily a requirement of the lender or carrier, I understand that should the policy cash surrender value become less than what is depicted in this document due to unfavorable index performance, and/or my collateral decreases in value due to unfavorable market conditions, that I may have to post significantly more collateral than what is depicted in this document based on the lender's LTV requirements, hence the recommendation of having (or having access to) the additional collateral-approved assets in reserve.

Interest Due & Client Contributions

I understand that should I elect to borrow some or all premiums in this design, interest due on such financed premiums shall be due each year, and I attest that I intend to either pay such interest payments to the lender each year in full, or pay some premium amounts myself and accrue some or all of the interest due. Should I elect to accrue interest, I understand that this decision results in compounding debt, increasing my cumulative loan balance with the third-party lender. I have been made aware by Lionsmark Capital the fundamental risks of interest accrual, and that should the compounding debt outpace the growth of the policy cash values, I may be required to either pay down the third-party loan with outside funds earlier than what is depicted in this document, or infuse more of my own outside capital into the policy than what is depicted in this document to increase the policy cash value and/or pay for the cost of insurance in order to keep the policy in force. I acknowledge that any decision to accrue interest is my decision and my decision alone, that any such decision is NOT due to my inability to afford paying the interest, rather due to my preference of repositioning such capital in other assets that I feel would yield higher returns, and that I have not been encouraged to accrue interest as a way to reduce my financial contributions to this premium financing program. I acknowledge that Lionsmark Capital has offered me programs - both financed and non-financed life insurance solutions - wherein I would either pay all premiums or all interest due out-of-pocket. Should the carrier and lender allow me to accrue interest due to my liquidity and net worth, and should I elect to do so, I attest that Lionsmark Capital has advised me against any premium financed life insurance strategies wherein 100% of premiums are borrowed, 100% of interest is accrued, and outside collateral is merely posted (sometimes referred to as a "zero cash contribution strategy") because of the substantial risk incurred. I attest that any depiction and/or execution of this aforementioned high-risk premium financing arrangement illustrated was neither endorsed nor encouraged by Lionsmark Capital, and was designed per my specific request, and that Lionsmark Capital was merely taking direct orders from me per my specific request. Should I decide to execute such "zero cash contributions strategy" (or any strategy wherein I pay less than 20.00% of premium and I accrue 100.00% of the interest due), I acknowledge such risk and attest that I intimately understand the mathematical and financial risk associated with such financing design, and hold harmless Lionsmark Capital and the "Released Parties" mentioned later in this document.

Interest Rates & Loan Fees

I understand that there are loan fees associated with this program that may include loan origination and arrangement fees, loan document fees, and closing costs, and that such fees will be disclosed in the official loan document that shall be made available to me prior to accepting the third party loan. I understand that the borrowing rates shown in this document are purely hypothetical and do not represent any specific lender or loan agreement and do not guarantee any specific loan terms. I understand that actual borrowing rates may increase and greatly exceed borrowing rates as depicted in this document by 2x, 3x, or greater, and I am prepared to absorb such increases.

Loan Renewal

I understand that at the end of each loan term, the lender will require me to produce the most recent tax return of the policy owner or proof of filing an extension, a copy of the life insurance policy in force illustration, a copy of the most recent life insurance policy statement, an updated personal financial statement signed by the insured person or an updated corporate financial statement (if owned by a company) signed by an authorized company officer.

Loan Payoff

Should I use policy values to payoff the third-party loan, I understand that I may elect to do so using either a withdrawal, a fixed policy loan, or a participating policy loan. I acknowledge that Lionsmark Capital has explained the potential benefits and potential risks of each of these options regarding such policy loans. I understand that the example illustrated in this document is a hypothetical example of using one of these policy loan options, and that I may also elect to pay off the third-party lender using outside funds instead of policy values. I understand that the year in which the loan is paid off using policy values as illustrated in this document is a hypothetical example, and that should policy values allow, I may exercise my right to payoff the third-party lender earlier. I also understand that I may elect to pay off the loan at a later date than as illustrated in this

document. It has been communicated to me by Lionsmark Capital that exercising a loan exit strategy using policy values to payoff the third-party lender is largely due to the policy value at such time, and that I should have an inforce policy illustration run by the carrier using a conservative crediting assumption that depicts future hypothetical policy values based on this third-party payoff assumption to evaluate policy sustainability at such time. I acknowledge that it is recommended by Lionsmark Capital that such illustration be run with the goal of keeping the policy in force until it endows with no policy lapse prior to endowment, typically until age 120 (policy endowment may vary from carrier to carrier and product to product), and that this inforce illustration should be done prior to any policy drawdown. I also acknowledge that such figures depicted in any illustration are hypothetical depictions based on certain assumptions that may or may not happen in a real-world scenario, similar to any hypothetical financial projection in any insurance policy or any non-insurance based investment product.

Policy Design - Death Benefit

I understand that my policy allows for a face reduction wherein the death benefit of the life insurance policy may be intentionally designed (or redesigned after the policy is in force) to decrease after a certain number of years in order to maximize the cash value accumulation potential by reducing the cost of insurance within the policy due to a lesser death benefit amount. I understand that although this life insurance policy may to be used for cash value accumulation (as a separate asset class within my overall financial portfolio), there is a legitimate and definite insurable need congruent with the death benefit of this policy. I acknowledge that it is both my personal desire and a quantifiable need to have such death benefit amount, and that such death benefit amount is suitable for me based on my income, net worth, earning potential, and the current and future economic value of my life as it pertains to the financial sustenance of my beneficiaries.

Policy Design - Crediting Methodology

I understand that the crediting method used within this policy is based on the returns of a particular index, fixed account, or dividend scale (depending on the product design election that I have made), and that such crediting occurs after all policy charges have been deducted. It has been disclosed to me that even in such cases wherein the credit the policy receives a 0.00% credit in a given year (e.g. IUL policies with a 0.00% floor), the policy net cash surrender value may decrease due to the policy charges, despite the "0.00% floor." I understand that the static annual crediting assumption as illustrated in this document is merely a hypothetical percentage, and that actual future annual returns will vary based on market performance, resulting in a greater or lesser policy cash value, and that should policy cash values be less than illustrated in this document, that I may need to contribute more capital towards this program in the form of premium, interest, or collateral. I understand that such crediting assumptions depicted in this document are not guaranteed and are merely hypothetical depictions. I understand that should I elect to use a *Dollar Cost Averaging* method wherein not all net premium values go into the primary account receiving the annual credit, the net policy value at the policy/loan anniversary will not reflect the annual credit on 100% of the policy gross accumulated value (typically only 1/12 of the value), which may result in a greater collateral requirement than as depicted in this document.

Policy Design - Charges Methodology

I understand that there are policy charges, including but not limited to premium loads that include state taxes, cost of insurance charges, rider charges, and administrative charges. There may also be asset-based charges should I elect to purchase certain crediting/multiplier/high-cap enhancements/bonuses (if available) that may not depicted in this premium financing document. Such enhancements/bonuses and their associated charges have been transparently articulated to me by Lionsmark Capital. I understand that some of these charges are fixed and some are variable, all of which are disclosed in the full carrier illustration, which I have received. In such cases wherein multiplier or high-cap options that may enhance the annual crediting are available, it has been disclosed to me how such associated asset-based charges may affect outcomes, relative to the crediting

enhancements. I understand that should I elect to purchase such enhancement riders in the policy, that in a given year wherein the policy receives a 0.00% index credit, both the standard policy charges AND the additional asset-based charges would cause the net cash surrender value to decrease in such given year despite a 0.00% floor (if one exists in the policy design). Should I elect any such credit enhancement options, I acknowledge that I have been made aware of such scenarios wherein this cash surrender value loss may occur. I also attest that I have been provided a report that depicts a hypothetical scenario in which similar charges and credits are applied to a hypothetical synthetic asset during different periods wherein volatility exists. I understand that such report does NOT depict a re-creation of this life insurance policy I am purchasing, but rather a proxy - a made up, fictitious asset whose crediting and charges methodology is similar (but not exact) to the crediting method used in this policy, and that such proxy/report is for educational purposes only, used to explain the methodology of how certain credits and charges are calculated. It has been explained to me that such report is NOT a projection or assumption that the future outcomes of the life insurance policy I am purchasing will be similar to the outcomes depicted in the hypothetical synthetic asset (the proxy).

Crediting & Drawdown Assumptions

I acknowledge that the crediting assumption made in this document has been restricted to "AG 49-A" (Actuarial Guideline 49A) which is a guideline created by the *National Association of Insurance Commissioners (NAIC)*, which limits the maximum allowable index credit to the average of every 25-year period over the last 65 years. It has been explained to me that any *Participating Loan Rate (PLR)* depicted in the carrier illustration cannot be less than 0.50% less than the illustrated crediting assumption despite what the actual current, future, or guaranteed carrier participating loan rate is. I understand that in reality, the potential positive or negative arbitrage between the actual policy crediting rate in a given year and the participating loan rate in a given year may result in a more favorable result or a more less favorable result than as depicted in this document.

Election To Modify The Program

I understand that there may be a cash surrender value within the policy during certain years, and that I may exercise my right to either make tax-free withdrawals up to basis, and/or tax-free policy loans on my own volition (AFTER the third party loan is paid off completely, or per the lender's approval during the term of the loan). I also understand that the policy - in general - is not designed to take significant withdrawals or policy loans within the first 1-10 years of the policy, regardless of the premiums being financed or not, and that doing so poses great risk to the sustainability of the policy. I understand that the scheduled premium payments as shown in the carrier illustration are one of many ways to fund this life insurance policy. I understand that I may exercise my right to decrease the face amount (death benefit) of the policy and decrease the annual premiums after a certain number of years should I choose to do so, but that by doing so, the cash value of the policy may be substantially less than the numbers as illustrated in this document. I also understand that I may exercise my right to skip premium payments and/or end annual premium payments earlier in the policy than the scheduled premium payments as shown in the carrier illustration, however should I choose to do so, the cash value accumulation and death benefit may not perform as well as depicted in this document and may put the policy in jeopardy of lapsing. I understand that such benefits should be re-evaluated at the time of such policy alterations, and I understand that it is advisable that I should consult my financial professionals including but not limited to my life insurance agent, my financial advisor, and my estate planning attorney when appropriate, prior to independently making such changes despite my right to make such changes independent of any outside counsel. I attest that should I make any modifications to the as-illustrated program that result in any adverse results, including but not limited to reducing or increasing premium amounts funded in any given year, type of collateral posted, dollar cost averaging premium contributions, a different crediting method, a different index or underlying account, accruing more interest than as depicted, or changing the loan terms with a lender, I hereby hold harmless Lionsmark Capital, Darren Sugiyama as an individual, and any entities Darren Sugiyama has a beneficial interest in (hereinafter referred to as the "Released Parties") from any and all claims, causes of action, damages, demands, liens, rights, controversies, losses, costs and expenses (including without limitation attorneys' fees and costs) or charges of whatever nature. I also, on behalf of my agents, attorneys, executors, administrators, legal representative, successors, heirs, next of kin, assigns, and the like, agree to never institute any action or any suit at law or in equity against the Released Parties, or institute or prosecute, or in any way aid in the institution or

prosecution of any claim arising from any unfavorable outcomes that may result from any changes made to the policy design or the third party loan design as illustrated in this document. I also hold harmless the Released Parties for negative outcomes that may come from poor market performance; policy changes instituted by insurance carriers; any future financial hardships incurred by either my business, myself as an individual person or my estate; or any other unforeseen factors that my contribute to an outcome less desirable that what is depicted in this document.

Acknowledgement Of Suitability

I attest that the Released Parties have not attempted to influence my decision regarding the size of this policy, the death benefit amount, nor the decision to finance premiums versus paying premiums out-of-pocket. I also attest that the overall program depicted in this document, including but not limited to the death benefit amount, the annual program contribution amounts (the premium paid out-of-pocket requirements and/or the interest paid out-of-pocket), the risk of any future borrowing rate increases at the end of each loan term, the risk of interest accrual (should I elect to accrue any interest), the type of life insurance product and its chassis design, the way in which the policy's crediting and charges methods are designed, the third party lender loan terms which I have read in the term sheet and the entire loan document provided to me by the third party lender, and any other assumptions made in this document were designed based on my own requests, my own sound mind and judgement, as well as any outside counsel I may have received from my attorney, CPA, and/or trusted advisors, and not by the Released Parties. I attest that Lionsmark Capital and Darren T. Sugiyama as an individual have merely designed and modeled this program based on my own personal requests and I am purchasing this life insurance policy using the knowledge I have personally procured through my own independent research and due diligence. I attest that I have been given ample time to consult my attorney, CPA and/or my trusted advisors that manage and/or advise me on my estate and financial matters prior to making any decision to purchase this life insurance policy.

PROPOSED INSURED:
M45 - PEIA Income



X

Signature *Date Signed*

ADDITIONAL INSURED (if applicable):

N/A



X

Signature *Date Signed*

POLICY OWNER:

,


X

Signature *Date Signed*

As the soliciting agent, I acknowledge that I am not an employee, contractor, partner, representative, nor agent of Lionsmark Capital, and that I am acting on behalf of myself as an independent, licensed insurance agent with my own E&O coverage. I irrevocably and unconditionally release and discharge the Released Parties from all liabilities that may result from my independent actions.

SOLICITING AGENT:
Darren Sugiyama



X

Signature *Date Signed*

This document is only valid if it bears the signature of Darren Sugiyama. Any and all other versions of life insurance designs modeled for or discussed with the proposed insured before the date signed below are not valid and are not approved Lionsmark Capital documents. Lionsmark Capital and the Released Parties shall not be held liable for any representations made or data illustrated in such invalid documents.

LIONSMARK CAPITAL:
Darren Sugiyama



X

Signature *Date Signed*

HYPOTHETICAL SYNTHETIC PROXIES: BACKTESTING REPORT

BEST CAGR IN 40-YEAR PERIOD*

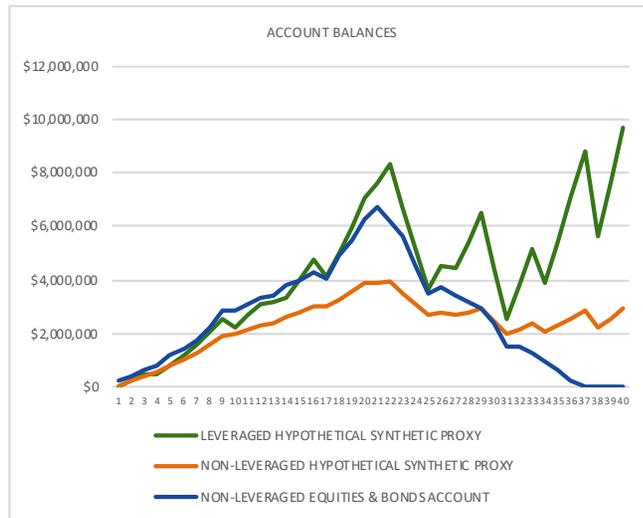
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED EQUITIES & BONDS ACCOUNT



BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

BACKTESTING MODELS FOR:

1. LEVERAGED HYPOTHETICAL SYNTHETIC PROXY
2. NON-LEVERAGED HYPOTHETICAL SYNTHETIC PROXY
3. NON-LEVERAGED HYPOTHETICAL EQUITIES & BONDS ACCOUNT

WORST CAGR IN 40-YEAR PERIOD*

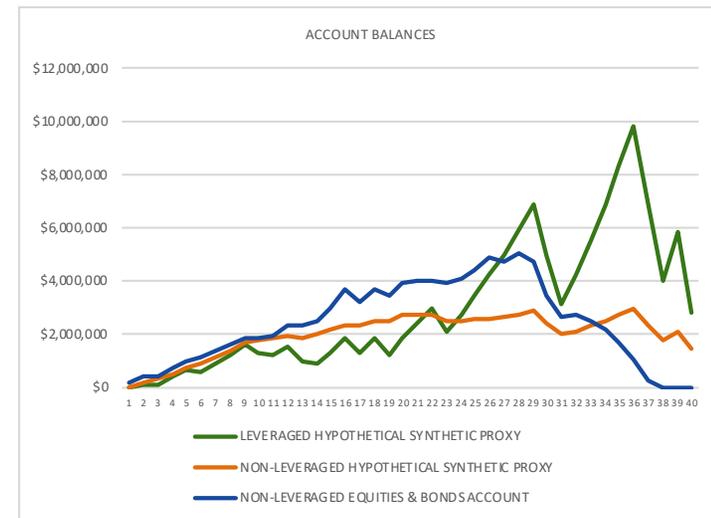
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



NON-LEVERAGED EQUITIES & BONDS ACCOUNT



WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

SYNTHETICALLY MODELED FOR: M45 - PEIA Income
 ADVISOR: Darren Sugiyama
 DATE CREATED: 8/27/2022

*The following report is a hypothetical proxy that behaves similar to some real-world products, but is not an exact depiction of any specific real-world product and is for educational purposes only. All financial outcomes in this document are hypothetical and are not projections, assumptions, or guarantees of any specific real-world investment or insurance product. The "Best 40" is the historical 40-year period that produced the best Compounded Annual Growth Rate out of 121 different historical 40-year periods analyzed. The "Worst 40" is the historical 40-year period that produced the worst Compounded Annual Growth Rate out of the same 121 different historical 40-year periods analyzed. For an explanation of how these hypothetical backtesting assumptions were created, please refer to the "Backtesting" explanation on page 3 of this document.

PURPOSE OF THIS DOCUMENT

The purpose of this document is to educate interested parties how different charges and crediting methods may affect financial outcomes during various historical 40-year sequences of returns with volatility as opposed to the same static average return in each given year. To do so, we have created a "proxy" that behaves similar to some real-world products, but is not an exact depiction of any product. This report is analogous to a scientific experiment wherein one may want to study the behavior of the sun, the behavior of the electromagnetic fields around the sun, and the solar wind. If one was to build a "proxy" for the sun in a laboratory (similar to what the University of Wisconsin-Madison did in their plasma physics laboratory in 2010), some of these behaviors could be observed, creating a better understanding of solar phenomena. At Lionsmark Capital, we have created a "proxy" in our "laboratory" to better understand how certain charges and crediting methods commonly used in real-world indexed products and investment accounts may affect outcomes during different types of 40-year sequences. This report is merely a "laboratory-produced proxy" and is not an actual product or investment. We call this a "Hypothetical Synthetic Proxy." Lionsmark Capital is a third-party analytics company - not an insurance agency, insurance brokerage, investment advisory firm, CPA firm, law firm, or tax advisor - and does not receive any revenue or commission from any insured person or insurance policy owner, and assumes no liability for any financial outcomes related to the purchase of any investments, insurance products, or financial instruments. Lionsmark Capital does not endorse any tax strategies that may include the purchase of a life insurance policy.

LEVERAGED HYPOTHETICAL SYNTHETIC PROXY

This hypothetical proxy may be funded with client capital, or a third-party lender's capital, or a combination of both. Its returns are correlated with the S&P 500 and models actual historical returns of the S&P 500 (not including dividends) using these parameters:

0.00% Protective Floor
8.25% Cap

In this hypothetical asset, the *Protective Floor* is the minimum gross return in a given year, excluding any additional bonuses that may exist. The *cap* is the maximum return allowable in a given year, excluding any additional bonuses that may exist. In some real-world products, floors and caps may not be guaranteed and may increase or decrease within the parameters of the contract.

In some cases, there may be a multiplier bonus factor applied to the after-floor/cap return explained above, depending on the hypothetical charges and crediting design of this fictitious account. For example, if the multiplier bonus factor was 2.00x and the S&P 500 produced a 5.00% return in a given year, the after-floor/cap/multiplier index credit would be 10.00% (5.00% multiplied by 2.00x equals 10.00%). In some real-world products, such bonus features may not be guaranteed and may change over time within the parameters of the contract.

There are account charges applied to this hypothetical model. Some charges are applied in-full at BOY, and some charges are applied monthly. Some charges are static charges, while others may be asset-based charges (a percentage charged to the monthly value of the account). Not all models will include asset-based charges and not all models will include a multiplier bonus credit either. For more information about these variables, go to the *Account Charges+Credits+Bonuses* section of this document.

The *Hypothetical Synthetic Proxy* also allows the client to take loans against the asset's value. In this report, the borrowed amount continues to earn a return that is also correlated with the S&P 500 using the same floor/cap/multiplier crediting method used in the primary index account. The borrowed amount is charged an interest rate (referred to as the *Participating Loan Rate*) and is explained in the *Account Loans* section of this document.

INTEREST ACCRUAL

Interest accrual is the act of not paying the interest due and capitalizing (rolling) such amount into the cumulative loan balance. Should the client exercise any sort of interest accrual in a real-world situation, they should be aware that the element of compound debt - as a result of accruing any interest due - introduces an additional variable of risk that should be considered - relative to their net worth, liquidity, and risk tolerance. It is recommended that all clients consult their financial professional(s) on such risk factors to determine whether or not interest accrual is appropriate and suitable for their unique situation. Lionsmark Capital may model the concept and hypothetical outcomes of doing so upon the client's request, however should the client decide to accrue interest in any of their own financial strategies, they do so on their own volition at their own risk and hold harmless Lionsmark Capital and all of its principals from any unfavorable outcomes that may arise. Interest accrual does introduce an additional element of risk that may or may not be suitable for some clients, however each client may make their own independent decision to do so based on their relationship with the lender regardless of Lionsmark Capital's subjective opinion on this issue, which is to either pay the interest out-of-pocket each year or pay a minimum of 20% of the premium out-of-pocket if accruing interest. It is important to understand that even paying 20% of the premium does not completely eliminate the risk of accruing interest resulting in compound debt.

WHAT THIS DOCUMENT IS NOT

This document is not intended to model any specific investment fund, index fund, life insurance policy, annuity policy, or any real-world financial instrument/product. This is merely a tool to teach interested parties how different hypothetical crediting methods, charges, volatility, sequence of returns, drawdowns, and tax consequences may affect outcomes for the purpose of enriching all interest parties' understanding of how these features may affect future financial outcomes. This is not a projection tool for any specific product or a re-creation of any prospectus or insurance illustration whatsoever. This is not intended to be a "sales tool" to sell any specific product or validate any specific product's viability. This report is purely for educational purposes only.

BACKTESTING

In many hypothetical projections of accumulation/insurance/investment/retirement products, an average rate of return is assumed and credited each year into perpetuity. This assumption of a static (and perpetually positive) annual return is not realistic, for volatility is everpresent in most products. Historically speaking, any type of underlying investment/index/bond portfolio will experience volatility and negative return years. This report models such volatility throughout several different 40-year periods of historical market performance.

In order to illustrate outcomes that may exist in these different market scenarios, we have analyzed 121 different 40-year scenarios using historical returns of a particular index. Such backtested models in the following pages are hypothetical synthetic assets with various charges and crediting methods that may be similar to some real-world products, however these models are purely proxies and are not exact depictions of any specific real-world products. These models are merely constructed to analyze the general concept of how volatility may positively or negatively affect accumulation values over time using hypothetical crediting methods, fixed charges, and asset-based charges in these hypothetically constructed assets.

We have backtested 121 different 40-year historical periods in various annual point-to-point segments using different monthly starting and ending points.

The Compounded Annual Growth Rates (CAGR) has been calculated during each of these 121 different 40-year periods analyzed. This report highlights two of these 40-year periods: The 40-year period with the best CAGR, and the 40-year period with the worst CAGR.

1 BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

Out of every 121 different 40-year period of S&P 500 performance we analyzed, this 40-year period had the best compounded annual growth rate.

9.02% Compounded Annual Growth Rate (CAGR) of the raw S&P 500 during this 40-year annual point-to-point period

2 WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

Out of every 121 different 40-year period of S&P 500 performance we analyzed, this 40-year period had the worst compounded annual growth rate.

6.30% Compounded Annual Growth Rate (CAGR) of the raw S&P 500 during this 40-year annual point-to-point period

3 MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

This is the most recent calendar-year annual point-to-point 40-year period, rolling back 40 years from the most recent December 31st date.

9.99% Compounded Annual Growth Rate (CAGR) of the raw S&P 500 during this 40-year annual point-to-point period

It is important to note that the "Worst 40" only depicts the 40-year period with the worst CAGR of the 121 periods analyzed. It is possible that future 40-year periods could in fact produce an even worse outcome than this "Worst 40" period analyzed, and that this period analyzed is not the "absolute worst case scenario that could ever happen." It is only the 40-year period that produced the worst CAGR of the 40-year periods analyzed in this particular report.

It is also possible that future 40-year periods could in fact produce an even better outcome than the "Best 40" period analyzed.

Neither the "Best 40" nor the "Worst 40" are meant to be benchmarks, expectations, projections, or guarantees of future outcomes, rather they are meant to demonstrate a range of hypothetical outcomes for the purposes of educating all interested parties.

In both 40-year scenarios modeled, in any hypothetical year wherein the EOY INDEX VALUE NET OF INT & EXT LOANS displays a negative balance, in a real-world scenario, the client may be required to post additional collateral, pay additional policy premiums, or pay down the loan balance.

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

PARTIAL-EQUITY INTEREST ACCRUAL

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/11/1978)

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

PAGE 5

		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	(Cash) GAP COLLATERAL	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	45	\$700,000	\$200,000	\$500,000	\$500,000		4.79%	\$23,950	\$23,950	\$200,000	\$54,182	1978	11.97%	8.25%	8.25%	\$0	\$653,135	\$12,088
2	46	\$700,000	\$200,000	\$500,000	\$1,023,950		4.89%	\$50,020	\$50,020	\$200,000	\$0	1979	14.24%	8.25%	10.90%	\$0	\$1,380,382	\$228,725
3	47	\$700,000	\$200,000	\$500,000	\$1,573,970		4.98%	\$78,447	\$78,447	\$200,000	\$0	1980	13.48%	8.25%	10.90%	\$0	\$2,172,104	\$483,939
4	48	\$700,000	\$200,000	\$500,000	\$2,152,417		5.09%	\$109,496	\$109,496	\$200,000	\$0	1981	-7.06%	0.00%	0.00%	\$0	\$2,736,372	\$483,387
5	49	\$700,000	\$200,000	\$500,000	\$2,761,913		5.19%	\$143,467	\$143,467	\$200,000	\$0	1982	20.68%	8.25%	10.90%	\$0	\$3,647,325	\$798,702
6	50	\$700,000	\$200,000	\$500,000	\$3,405,379		5.31%	\$180,699	\$180,699	\$200,000	\$0	1983	12.46%	8.25%	10.90%	\$0	\$4,637,451	\$1,159,335
7	51	\$700,000	\$200,000	\$500,000	\$4,086,079		5.42%	\$221,578	\$221,578	\$200,000	\$0	1984	9.93%	8.25%	10.90%	\$0	\$5,716,711	\$1,572,098
8	52	\$700,000	\$200,000	\$500,000	\$4,807,656		5.54%	\$266,538	\$266,538	\$200,000	\$0	1985	17.90%	8.25%	10.90%	\$0	\$6,893,192	\$2,041,375
9	53	\$700,000	\$200,000	\$500,000	\$5,574,195		5.67%	\$316,077	\$316,077	\$200,000	\$0	1986	29.42%	8.25%	10.90%	\$0	\$8,175,572	\$2,571,765
10	54	\$700,000	\$200,000	\$500,000	\$6,390,272		5.80%	\$370,760	\$370,760	\$200,000	\$0	1987	-6.21%	0.00%	0.00%	\$0	\$8,632,377	\$2,227,213
11	55	\$0	\$0	\$0	\$6,761,032		5.94%	\$401,536	\$401,536	\$0	\$0	1988	15.72%	8.25%	10.90%	\$0	\$9,421,306	\$2,660,274
12	56	\$0	\$0	\$0	\$7,162,567		6.08%	\$435,605	\$435,605	\$0	\$0	1989	10.63%	8.25%	10.90%	\$0	\$10,286,411	\$3,123,843
13	57	\$0	\$0	\$0	\$7,598,172		6.23%	\$473,391	\$473,391	\$0	\$0	1990	4.51%	4.51%	6.54%	\$0	\$10,793,876	\$3,195,704
14	58	\$0	\$0	\$0	\$0	-\$8,071,563	0.00%	\$0	\$0	\$0	\$0	1991	18.86%	8.25%	10.90%	\$0	\$11,791,654	\$3,316,513
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	7.34%	7.34%	10.64%	\$0	\$12,856,574	\$3,957,676
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	9.76%	8.25%	10.90%	\$0	\$14,100,095	\$4,756,252
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$13,944,531	\$4,133,496
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	35.20%	8.25%	10.90%	\$0	\$15,292,870	\$4,991,283
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	23.61%	8.25%	10.90%	\$0	\$16,772,437	\$5,955,771
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	24.69%	8.25%	10.90%	\$0	\$18,396,062	\$7,038,562
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	30.54%	8.25%	10.90%	-\$563,085	\$20,177,774	\$7,661,160
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	8.97%	8.25%	10.90%	-\$612,893	\$22,131,843	\$8,345,861
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-2.04%	0.00%	0.00%	-\$667,669	\$21,888,827	\$6,712,494
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-17.26%	0.00%	0.00%	-\$537,000	\$21,645,546	\$5,146,546
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	-24.29%	0.00%	0.00%	-\$411,724	\$21,401,582	\$3,645,322
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	32.19%	8.25%	10.90%	-\$291,626	\$23,462,373	\$4,512,093
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	4.43%	4.43%	6.43%	-\$360,967	\$24,687,436	\$4,410,627
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.36%	8.25%	10.90%	-\$352,850	\$27,070,716	\$5,409,573
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	12.36%	8.25%	10.90%	-\$432,766	\$29,689,245	\$6,490,641
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-4.15%	0.00%	0.00%	-\$519,251	\$29,366,511	\$4,462,763
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-40.09%	0.00%	0.00%	-\$357,021	\$29,051,616	\$2,527,809
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	30.03%	8.25%	10.90%	-\$202,225	\$31,868,946	\$3,806,613
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	19.76%	8.25%	10.90%	-\$304,529	\$34,958,051	\$5,172,846
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2011	2.04%	2.04%	2.96%	-\$413,828	\$35,601,021	\$3,892,036
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2012	14.15%	8.25%	10.90%	-\$311,363	\$39,045,685	\$5,424,320
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2013	18.99%	8.25%	10.90%	-\$433,946	\$42,821,716	\$7,063,640
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2014	11.92%	8.25%	10.90%	-\$565,091	\$46,960,586	\$8,821,260
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2015	-2.74%	0.00%	0.00%	-\$705,701	\$46,435,488	\$5,648,210
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2016	17.45%	8.25%	10.90%	-\$451,857	\$50,911,774	\$7,610,682
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2017	23.91%	8.25%	10.90%	-\$608,855	\$55,816,634	\$9,711,191
		\$2,000,000	\$5,000,000					\$3,071,563	\$3,071,563	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$455,212	BEST 40			

BORROWING INTEREST ASSUMPTIONS	
GLO1 \$500K-699K	1-Month CMT Rate: 2.29%
	Lender Spread: 2.50%
Starting Borrowing Rate: 4.79%	
Compounded Annual Base Rate Increase: 4.15%	
Total Rate Floor: 2.50%	
RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%
THIRD PARTY LENDER PAYOFF ASSUMPTIONS	
Payoff Loan In Full In Year:	14
Payoff Amount:	\$8,071,563
Third Party Loan Paid Off With:	PAR LOAN

GAP COLLATERAL REQUIREMENTS	
Type Of Gap Collateral:	Cash
Credit Assumption:	0.00%
Collateral Valued At:	100.00%
The Gap Collateral amount (in years 3+) is only an estimation and is calculated by the cumulative loan balance in a given year, minus 95% of (the EOY AV two years prior, plus the Total Index Contribution in the previous year minus all charges, plus the Total Index Contribution in the current year minus all charges and early termination fees associated with current year's Total Index Contribution with the ICA listed above). This calculation is the equivalent of assuming a 0% index credit in the previous year (since the EOY index credit in the previous year would not have credited at the time of the current year's loan anniversary. The current year's EOY index credit would obviously not have credited yet either. This value is then multiplied by the % of "Collateral Valued At" above, estimating the gap collateral required based on the "Type Of Gap Collateral" assumed. This is just a hypothetical calculation. Each lender has different collateral	

CASH FLOW SUMMARY	
1ST YEAR COLLATERAL REQUIREMENT:	\$54,182
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$455,212
TOTAL INCOME DRAWDOWN:	\$9,104,245
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$9,711,191
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$18,815,435
RAW S&P 500 CAGR:	9.02%
40-YEAR NET ACCOUNT IRR:	8.16%

BEST 40-YEAR S&P CAGR PERIOD (OF 121 PERIODS ANALYZED)

The hypothetical models in this document assume certain crediting methods and index account charges that are purely hypothetical and do not represent any particular investment, life insurance policy or index fund. Hypothetical crediting methods, charges, values and returns are not guaranteed. Hypothetical returns used in this document are based on historical index returns that do not include dividends and are purely modeled as a hypothetical example of index volatility over a period of time for educational purposes and are not intended to convince someone to purchase any particular product.



WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

PARTIAL-EQUITY INTEREST ACCRUAL

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	(Cash) GAP COLLATERAL	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	45	\$700,000	\$200,000	\$500,000	\$500,000		4.79%	\$23,950	\$23,950	\$200,000	\$54,182	1971	12.42%	8.25%	8.25%	\$0	\$653,135	\$12,088
2	46	\$700,000	\$200,000	\$500,000	\$1,023,950		4.89%	\$50,020	\$50,020	\$200,000	\$0	1972	-1.92%	0.00%	0.00%	\$0	\$1,244,709	\$93,052
3	47	\$700,000	\$200,000	\$500,000	\$1,573,970		4.98%	\$78,447	\$78,447	\$200,000	\$0	1973	-41.40%	0.00%	0.00%	\$0	\$1,824,298	\$136,133
4	48	\$700,000	\$200,000	\$500,000	\$2,152,417		5.09%	\$109,496	\$109,496	\$200,000	\$0	1974	32.00%	8.25%	10.90%	\$0	\$2,652,777	\$399,792
5	49	\$700,000	\$200,000	\$500,000	\$2,761,913		5.19%	\$143,467	\$143,467	\$200,000	\$0	1975	25.48%	8.25%	10.90%	\$0	\$3,555,545	\$706,922
6	50	\$700,000	\$200,000	\$500,000	\$3,405,379		5.31%	\$180,699	\$180,699	\$200,000	\$0	1976	-8.28%	0.00%	0.00%	\$0	\$4,090,790	\$612,673
7	51	\$700,000	\$200,000	\$500,000	\$4,086,079		5.42%	\$221,578	\$221,578	\$200,000	\$0	1977	6.23%	6.23%	9.03%	\$0	\$5,030,148	\$885,534
8	52	\$700,000	\$200,000	\$500,000	\$4,807,656		5.54%	\$266,538	\$266,538	\$200,000	\$0	1978	6.61%	6.61%	9.59%	\$0	\$6,066,746	\$1,214,929
9	53	\$700,000	\$200,000	\$500,000	\$5,574,195		5.67%	\$316,077	\$316,077	\$200,000	\$0	1979	14.76%	8.25%	10.90%	\$0	\$7,268,209	\$1,664,402
10	54	\$700,000	\$200,000	\$500,000	\$6,390,272		5.80%	\$370,760	\$370,760	\$200,000	\$0	1980	-7.40%	0.00%	0.00%	\$0	\$7,734,088	\$1,328,923
11	55	\$0	\$0	\$0	\$6,761,032		5.94%	\$401,536	\$401,536	\$0	\$0	1981	3.65%	3.65%	5.29%	\$0	\$8,008,504	\$1,247,472
12	56	\$0	\$0	\$0	\$7,162,567		6.08%	\$435,605	\$435,605	\$0	\$0	1982	37.91%	8.25%	10.90%	\$0	\$8,735,281	\$1,572,714
13	57	\$0	\$0	\$0	\$7,598,172		6.23%	\$473,391	\$473,391	\$0	\$89,644	1983	0.02%	0.02%	0.03%	\$0	\$8,597,613	\$999,441
14	58	\$0	\$0	\$0	\$0	-\$8,071,563	0.00%	\$0	\$0	\$0	\$0	1984	9.62%	8.25%	10.90%	\$0	\$9,380,356	\$905,214
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1985	27.04%	8.25%	10.90%	\$0	\$10,239,233	\$1,340,335
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1986	39.13%	8.25%	10.90%	\$0	\$11,226,490	\$1,882,647
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1987	-15.51%	0.00%	0.00%	\$0	\$11,099,662	\$1,288,627
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1988	28.41%	8.25%	10.90%	\$0	\$12,169,460	\$1,867,873
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	-12.34%	0.00%	0.00%	\$0	\$12,031,753	\$1,215,086
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	26.73%	8.25%	10.90%	\$0	\$13,191,217	\$1,833,717
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	7.72%	7.72%	10.90%	-\$146,697	\$14,463,323	\$2,383,916
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	9.84%	8.25%	10.90%	-\$190,713	\$15,857,890	\$2,974,263
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	0.82%	0.82%	1.19%	-\$237,941	\$15,864,851	\$2,087,206
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	26.30%	8.25%	10.90%	-\$166,976	\$17,391,127	\$2,749,273
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	17.61%	8.25%	10.90%	-\$219,942	\$19,063,385	\$3,458,500
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	37.82%	8.25%	10.90%	-\$276,680	\$20,895,243	\$4,219,600
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	7.36%	7.36%	10.67%	-\$337,568	\$22,859,657	\$4,995,786
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	26.13%	8.25%	10.90%	-\$399,663	\$25,063,979	\$5,887,268
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	11.99%	8.25%	10.90%	-\$470,981	\$27,486,028	\$6,855,951
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-27.54%	0.00%	0.00%	-\$548,476	\$27,185,327	\$4,947,846
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-21.68%	0.00%	0.00%	-\$395,828	\$26,892,243	\$3,127,269
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	22.16%	8.25%	10.90%	-\$250,182	\$29,498,150	\$4,282,237
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	11.91%	8.25%	10.90%	-\$342,579	\$32,355,130	\$5,518,713
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	10.25%	8.25%	10.90%	-\$441,497	\$35,487,215	\$6,845,405
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.71%	8.25%	10.90%	-\$547,632	\$38,920,736	\$8,271,422
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	14.29%	8.25%	10.90%	-\$661,746	\$42,684,533	\$9,808,340
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-23.61%	0.00%	0.00%	-\$784,667	\$42,209,172	\$6,865,269
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-9.37%	0.00%	0.00%	-\$549,221	\$41,731,588	\$4,043,807
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	7.96%	7.96%	10.90%	-\$323,505	\$45,747,315	\$5,835,465
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	-0.86%	0.00%	0.00%	-\$466,837	\$45,217,785	\$2,820,163
		\$2,000,000	\$5,000,000					\$3,071,563	\$3,071,563	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$387,967	WORST 40			

BORROWING INTEREST ASSUMPTIONS	
GLO1 \$500K-699K	1-Month CMT Rate: 2.29%
	Lender Spread: 2.50%
Starting Borrowing Rate: 4.79%	
Compounded Annual Base Rate Increase: 4.15%	
Total Rate Floor: 2.50%	
RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%
THIRD PARTY LENDER PAYOFF ASSUMPTIONS	
Payoff Loan In Full In Year:	14
Payoff Amount:	\$8,071,563
Third Party Loan Paid Off With:	PAR LOAN

GAP COLLATERAL REQUIREMENTS	
Type Of Gap Collateral:	Cash
Credit Assumption:	0.00%
Collateral Valued At:	100.00%
The Gap Collateral amount (in years 3+) is only an estimation and is calculated by the cumulative loan balance in a given year, minus 95% of (the EOY AV two years prior, plus the Total Index Contribution in the previous year minus all charges, plus the Total Index Contribution in the current year minus all charges and early termination fees associated with current year's Total Index Contribution with the ICA listed above). This calculation is the equivalent of assuming a 0% index credit in the previous year (since the EOY index credit in the previous year would not have credited at the time of the current year's loan anniversary. The current year's EOY index credit would obviously not have credited yet either. This value is then multiplied by the % of "Collateral Valued At" above, estimating the gap collateral required based on the "Type Of Gap Collateral" assumed. This is just a hypothetical calculation. Each lender has different collateral	

1ST YEAR COLLATERAL REQUIREMENT:	\$54,182
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$387,967
TOTAL INCOME DRAWDOWN:	\$7,759,332
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,820,163
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$10,579,496
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 6.07%

WORST 40-YEAR S&P CAGR PERIOD (OF 121 PERIODS ANALYZED)

The hypothetical models in this document assume certain crediting methods and index account charges that are purely hypothetical and do not represent any particular investment, life insurance policy or index fund. Hypothetical crediting methods, charges, values and returns are not guaranteed. Hypothetical returns used in this document are based on historical index returns that do not include dividends and are purely modeled as a hypothetical example of index volatility over a period of time for educational purposes and are not intended to convince someone to purchase any particular product.

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)
PARTIAL-EQUITY INTEREST ACCRUAL

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	GAP COLLATERAL (Cash)	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWNINGS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	45	\$700,000	\$200,000	\$500,000	\$500,000		9.40%	\$47,000	\$47,000	\$200,000	\$54,182	1982	20.68%	8.25%	8.25%	\$0	\$653,135	\$12,088
2	46	\$700,000	\$200,000	\$500,000	\$1,047,000		9.40%	\$98,418	\$98,418	\$200,000	\$14,513	1983	12.46%	8.25%	10.90%	\$0	\$1,380,382	\$205,675
3	47	\$700,000	\$200,000	\$500,000	\$1,645,418		9.15%	\$150,556	\$150,556	\$200,000	\$0	1984	9.93%	8.25%	10.90%	\$0	\$2,172,104	\$412,491
4	48	\$700,000	\$200,000	\$500,000	\$2,295,974		7.90%	\$181,382	\$181,382	\$200,000	\$0	1985	17.90%	8.25%	10.90%	\$0	\$3,034,636	\$638,095
5	49	\$700,000	\$200,000	\$500,000	\$2,977,356		5.90%	\$175,664	\$175,664	\$200,000	\$0	1986	29.42%	8.25%	10.90%	\$0	\$3,974,792	\$910,726
6	50	\$700,000	\$200,000	\$500,000	\$3,653,020		7.15%	\$261,191	\$261,191	\$200,000	\$0	1987	-6.21%	0.00%	0.00%	\$0	\$4,505,844	\$780,087
7	51	\$700,000	\$200,000	\$500,000	\$4,414,211		8.90%	\$392,865	\$392,865	\$200,000	\$0	1988	15.72%	8.25%	10.90%	\$0	\$5,572,219	\$1,099,473
8	52	\$700,000	\$200,000	\$500,000	\$5,307,075		9.90%	\$525,400	\$525,400	\$200,000	\$0	1989	10.63%	8.25%	10.90%	\$0	\$6,734,552	\$1,383,316
9	53	\$700,000	\$200,000	\$500,000	\$6,332,476		8.40%	\$531,928	\$531,928	\$200,000	\$7,144	1990	4.51%	4.51%	6.54%	\$0	\$7,687,061	\$1,324,973
10	54	\$700,000	\$200,000	\$500,000	\$7,364,404		6.90%	\$508,144	\$508,144	\$200,000	\$0	1991	18.86%	8.25%	10.90%	\$0	\$9,036,966	\$1,657,669
11	55	\$0	\$0	\$0	\$7,872,548		4.40%	\$346,392	\$346,392	\$0	\$101,137	1992	7.34%	7.34%	10.64%	\$0	\$9,842,505	\$1,969,957
12	56	\$0	\$0	\$0	\$8,218,940		4.65%	\$382,181	\$382,181	\$0	\$0	1993	9.76%	8.25%	10.90%	\$0	\$10,748,849	\$2,529,909
13	57	\$0	\$0	\$0	\$8,601,120		4.65%	\$399,952	\$399,952	\$0	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$10,588,794	\$1,987,674
14	58	\$0	\$0	\$0	\$0	-\$9,001,072	0.00%	\$0	\$0	\$0	\$0	1995	35.20%	8.25%	10.90%	\$0	\$11,566,493	\$2,115,367
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	23.61%	8.25%	10.90%	\$0	\$12,639,415	\$2,715,732
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	24.69%	8.25%	10.90%	\$0	\$13,861,674	\$3,441,807
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	30.54%	8.25%	10.90%	\$0	\$15,202,720	\$4,261,860
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	8.97%	8.25%	10.90%	\$0	\$16,674,248	\$5,186,345
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-2.04%	0.00%	0.00%	\$0	\$16,491,493	\$4,429,195
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-17.26%	0.00%	0.00%	\$0	\$16,309,838	\$3,644,425
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	-24.29%	0.00%	0.00%	-\$291,554	\$16,129,205	\$2,524,390
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	32.19%	8.25%	10.90%	-\$201,951	\$17,686,878	\$3,189,774
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	4.43%	4.43%	6.43%	-\$255,182	\$18,612,368	\$3,122,467
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.36%	8.25%	10.90%	-\$249,797	\$20,407,653	\$3,880,970
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	12.36%	8.25%	10.90%	-\$310,478	\$22,375,259	\$4,696,240
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-4.15%	0.00%	0.00%	-\$375,699	\$22,120,273	\$3,162,819
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-40.09%	0.00%	0.00%	-\$253,026	\$21,867,811	\$1,696,807
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	30.03%	8.25%	10.90%	-\$135,745	\$23,975,021	\$2,652,935
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	19.76%	8.25%	10.90%	-\$212,235	\$26,290,450	\$3,679,414
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2011	2.04%	2.04%	2.96%	-\$294,353	\$26,772,394	\$2,721,735
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2012	14.15%	8.25%	10.90%	-\$217,739	\$29,370,135	\$3,888,317
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2013	18.99%	8.25%	10.90%	-\$311,065	\$32,218,652	\$5,136,125
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2014	11.92%	8.25%	10.90%	-\$410,890	\$35,341,997	\$6,473,909
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2015	-2.74%	0.00%	0.00%	-\$517,913	\$34,956,290	\$4,100,989
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2016	17.45%	8.25%	10.90%	-\$328,079	\$38,337,828	\$5,595,279
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2017	23.91%	8.25%	10.90%	-\$447,622	\$42,044,553	\$7,194,873
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2018	-4.41%	0.00%	0.00%	-\$575,590	\$41,575,591	\$4,379,058
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2019	31.74%	8.25%	10.90%	-\$350,325	\$45,584,716	\$6,160,516
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2020	18.38%	8.25%	10.90%	-\$492,841	\$49,977,703	\$8,064,809
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2021	28.83%	8.25%	10.90%	-\$645,185	\$54,791,109	\$10,105,126
		\$2,000,000	\$5,000,000					\$4,001,072	\$4,001,072	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:			\$343,863		MOST RECENT 40	

BORROWING INTEREST ASSUMPTIONS	
Hypothetical Loan Rate	Prime: 2.29%
	Lender Spread: -1.60%
Starting Borrowing Rate:	0.69%
Borrowing Rate Volatility:	HistoricalRates
RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%
THIRD PARTY LENDER PAYOFF ASSUMPTIONS	
Payoff Loan In Full In Year:	14
Payoff Amount:	\$9,001,072
Third Party Loan Paid Off With:	PAR LOAN

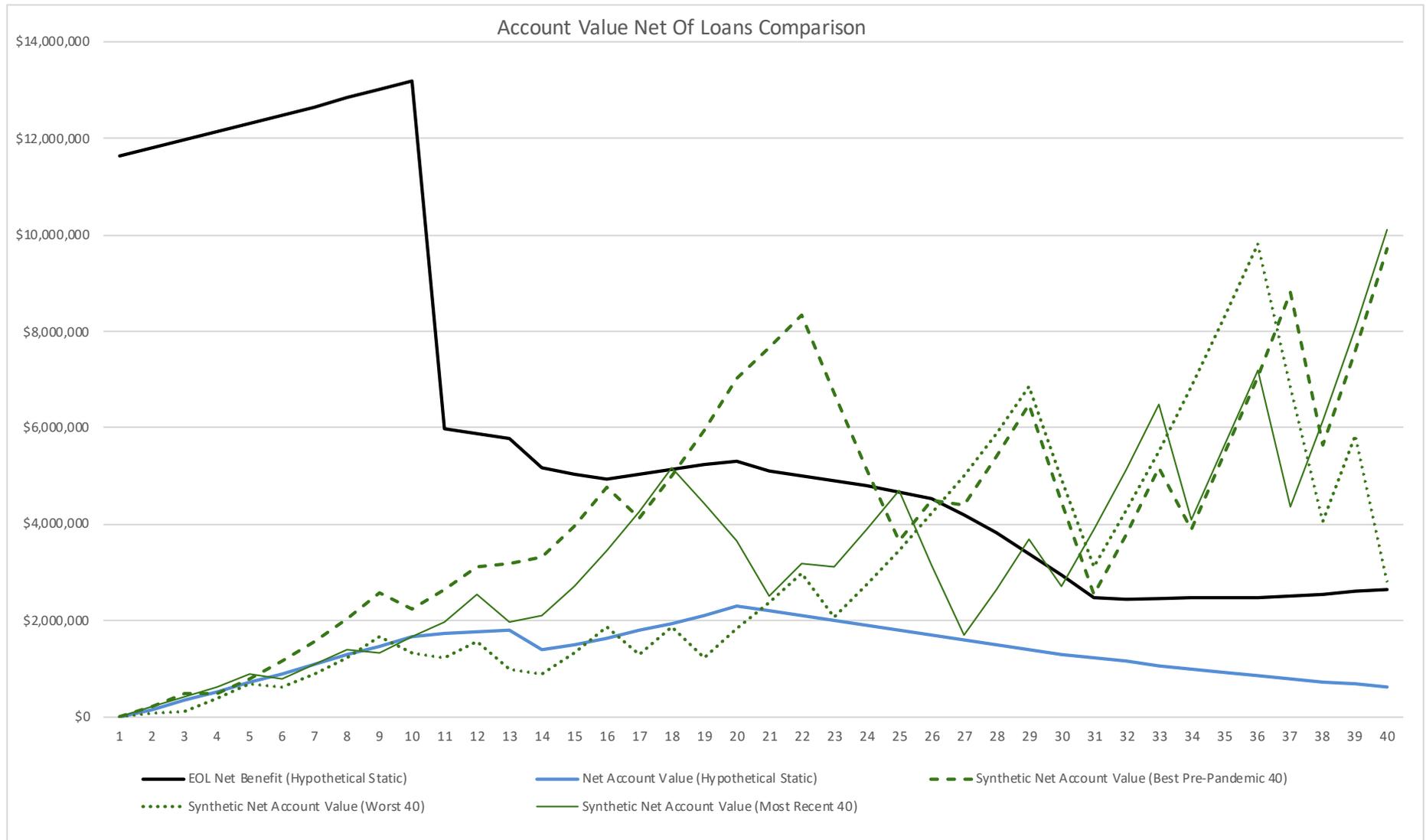
GAP COLLATERAL REQUIREMENTS	
Type Of Gap Collateral:	Cash
Credit Assumption:	0.00%
Collateral Valued At:	100.00%
The Gap Collateral amount (in years 3+) is only an estimation and is calculated by the cumulative loan balance in a given year, minus 95% of (the EOY AV two years prior, plus the Total Index Contribution in the previous year minus all charges, plus the Total Index Contribution in the current year minus all charges and early termination fees associated with current year's Total Index Contribution with the ICA listed above). This calculation is the equivalent of assuming a 0% index credit in the previous year (since the EOY index credit in the previous year would not have credited at the time of the current year's loan anniversary. The current year's EOY index credit would obviously not have credited yet either. This value is then multiplied by the % of "Collateral Valued At" above, estimating the gap collateral required based on the "Type Of Gap Collateral" assumed. This is just a hypothetical calculation. Each lender has different collateral	

1ST YEAR COLLATERAL REQUIREMENT:	\$54,182
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$343,863
TOTAL INCOME DRAWDOWN:	\$6,877,268
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$10,105,126
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$16,982,394
RAW S&P 500 CAGR: 9.99%	40-YEAR NET ACCOUNT IRR: 7.19%

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

The hypothetical models in this document assume certain crediting methods and index account charges that are purely hypothetical and do not represent any particular investment, life insurance policy or index fund. Hypothetical crediting methods, charges, values and returns are not guaranteed. Hypothetical returns used in this document are based on historical index returns that do not include dividends and are purely modeled as a hypothetical example of index volatility over a period of time for educational purposes and are not intended to convince someone to purchase any particular product.





SCENARIO MODELED	PAYOFF YEAR	TOTAL OUTLAY	TOTAL INCOME DRAWDOWN	NET ACCOUNT VALUE IN YEAR 40	RETURNS DEPICTED	VOLATILITY MODELED	CAGR	PAR LOAN RATE	40-YEAR IRR
— Hypothetical Static:	14	-\$2,000,000	\$5,596,892	\$621,876	hypothetical static	no	5.64%	5.14%	4.58%
- - - Synthetic Best 40*:	14	-\$2,000,000	\$9,104,245	\$9,711,191	actual historical*	yes	9.02%	5.00%	8.16%
..... Synthetic Worst 40*:	14	-\$2,000,000	\$7,759,332	\$2,820,163	actual historical*	yes	6.30%	5.00%	6.07%
— Synthetic (1982-2021):	14	-\$2,000,000	\$6,877,268	\$10,105,126	actual historical*	yes	9.99%	5.00%	7.19%

*In modeling every 40-year annual point-to-point period between 1/1/1970 and 12/31/2019, there were 121 different 40-year periods. Each of these 121 different 40-year periods have been analyzed and ranked based on their Compounded Annual Growth Rate (CAGR). This report highlights the Best and Worst 40-year periods limited to this sampling of 121 different 40-year periods. In real-world scenarios, it is possible for a 40-year period to produce a worse CAGR than the Worst 40 in this report. In such case, outcomes could be significantly worse than as depicted in this hypothetical report.

ACCOUNT CHARGES + INDEX CREDITS + BONUSES

AN ANNUAL EXPLANATION OF POSITIVE & NEGATIVE ARBITRAGE

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,972	-\$89,670	1978	11.97%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,777	-\$96,642	-\$46,865	\$603,358	\$653,135	\$12,088
2	1.00%	-\$12,632	-\$95,794	1979	14.24%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$135,673	-\$108,426	\$27,247	\$1,244,709	\$1,380,382	\$228,725
3	1.00%	-\$19,874	-\$101,893	1980	13.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$213,489	-\$121,767	\$91,722	\$1,958,615	\$2,172,104	\$483,939
4	1.00%	-\$27,761	-\$107,971	1981	-7.06%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$135,732	-\$135,732	\$2,736,372	\$2,736,372	\$483,387
5	1.00%	-\$33,373	-\$114,158	1982	20.68%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$358,484	-\$147,531	\$210,953	\$3,288,841	\$3,647,325	\$798,702
6	1.00%	-\$42,437	-\$123,236	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$455,800	-\$165,673	\$290,127	\$4,181,651	\$4,637,451	\$1,159,335
7	1.00%	-\$52,303	-\$130,314	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$561,877	-\$182,617	\$379,260	\$5,154,835	\$5,716,711	\$1,572,098
8	1.00%	-\$63,057	-\$137,972	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$677,509	-\$201,029	\$476,480	\$6,215,682	\$6,893,192	\$2,041,375
9	1.00%	-\$74,780	-\$146,390	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$803,550	-\$221,170	\$582,380	\$7,372,022	\$8,175,572	\$2,571,765
10	1.00%	-\$87,558	-\$155,637	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$243,195	-\$243,195	\$8,632,377	\$8,632,377	\$2,227,213
11	1.00%	-\$86,069	-\$50,992	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$925,990	-\$137,061	\$788,929	\$8,495,317	\$9,421,306	\$2,660,274
12	1.00%	-\$93,953	-\$51,960	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,011,018	-\$145,913	\$865,105	\$9,275,393	\$10,286,411	\$3,123,843
13	1.00%	-\$102,600	-\$52,830	1990	4.51%	4.51%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$662,895	-\$155,430	\$507,465	\$10,130,981	\$10,793,876	\$3,195,704
14	1.00%	-\$107,671	-\$53,514	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,158,963	-\$161,185	\$997,778	\$10,632,690	\$11,791,654	\$3,316,513
15	1.00%	-\$117,647	-\$53,970	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$1,236,537	-\$171,617	\$1,064,920	\$11,620,037	\$12,856,574	\$3,957,676
16	1.00%	-\$128,497	-\$13,835	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,385,852	-\$142,332	\$1,243,521	\$12,714,242	\$14,100,095	\$4,756,252
17	1.00%	-\$140,928	-\$14,636	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$155,564	-\$155,564	\$13,944,531	\$13,944,531	\$4,133,496
18	1.00%	-\$139,368	-\$15,379	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,503,086	-\$154,747	\$1,348,339	\$13,789,784	\$15,292,870	\$4,991,283
19	1.00%	-\$152,848	-\$16,093	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,648,508	-\$168,941	\$1,479,567	\$15,123,929	\$16,772,437	\$5,955,771
20	1.00%	-\$167,640	-\$18,824	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,808,089	-\$184,464	\$1,623,625	\$16,587,973	\$18,396,062	\$7,038,562
21	1.00%	-\$183,873	-\$17,623	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,983,208	-\$201,496	\$1,781,712	\$18,194,566	\$20,177,774	\$6,661,160
22	1.00%	-\$201,680	-\$19,518	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,175,267	-\$221,198	\$1,954,069	\$19,956,576	\$22,131,843	\$8,345,861
23	1.00%	-\$221,209	-\$21,806	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$243,015	-\$243,015	\$21,888,827	\$21,888,827	\$6,712,494
24	1.00%	-\$218,766	-\$24,516	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$243,282	-\$243,282	\$21,645,546	\$21,645,546	\$5,146,546
25	1.00%	-\$216,317	-\$27,647	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$243,964	-\$243,964	\$21,401,582	\$21,401,582	\$3,645,322
26	1.00%	-\$213,859	-\$31,390	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,306,040	-\$245,249	\$2,060,791	\$21,156,333	\$23,462,373	\$4,512,093
27	1.00%	-\$234,467	-\$31,417	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$1,490,947	-\$265,884	\$1,225,063	\$23,196,489	\$24,687,436	\$4,410,627
28	1.00%	-\$246,721	-\$30,692	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,660,693	-\$277,413	\$2,383,280	\$24,410,023	\$27,070,716	\$5,409,573
29	1.00%	-\$270,562	-\$28,968	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,918,059	-\$299,530	\$2,618,529	\$26,771,186	\$29,689,245	\$6,490,641
30	1.00%	-\$296,763	-\$25,971	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$322,734	-\$322,734	\$29,366,511	\$29,366,511	\$4,462,763
31	1.00%	-\$293,558	-\$21,337	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$314,895	-\$314,895	\$29,051,616	\$29,051,616	\$2,527,809
32	1.00%	-\$290,393	-\$24,571	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,132,295	-\$314,964	\$2,817,331	\$28,736,651	\$31,868,946	\$3,806,613
33	1.00%	-\$318,548	-\$28,260	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,435,913	-\$346,808	\$3,089,105	\$31,522,138	\$34,958,051	\$5,172,846
34	1.00%	-\$349,418	-\$32,449	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$1,024,837	-\$381,867	\$642,970	\$34,576,184	\$35,601,021	\$3,892,036
35	1.00%	-\$355,824	-\$37,185	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,837,673	-\$393,009	\$3,444,664	\$35,208,012	\$39,045,685	\$5,424,320
36	1.00%	-\$390,244	-\$42,532	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,208,807	-\$432,776	\$3,776,031	\$38,612,909	\$42,821,716	\$7,063,640
37	1.00%	-\$427,973	-\$48,760	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,615,603	-\$476,733	\$4,138,870	\$42,344,983	\$46,960,586	\$8,821,260
38	1.00%	-\$469,327	-\$55,771	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$525,098	-\$525,098	\$46,435,488	\$46,435,488	\$5,648,210
39	1.00%	-\$464,037	-\$63,630	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$5,003,952	-\$527,667	\$4,476,286	\$45,907,821	\$50,911,774	\$7,610,682
40	1.00%	-\$508,756	-\$72,419	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$5,486,035	-\$581,175	\$4,904,861	\$50,330,599	\$55,816,634	\$9,711,191

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

ASSET-BASED CHARGES (%) Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.

ASSET-BASED CHARGES (\$) The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).

FIXED CHARGES (\$) Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.

INDEX CREDIT The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.

MULTIPLIER BONUS (x) A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.

INDEX CREDIT w/ MULTIPLIER The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)

PERSISTENCY BONUS (+) A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)

TOTAL INDEX CREDIT (%) The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).

TOTAL INDEX CREDITS (\$) The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.

TOTAL CHARGES (\$) The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).

YEAR-END GAIN/LOSS (\$) The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.

EOY VALUE AFTER CHARGES B4 CREDIT The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.

EOY GROSS INDEX ACCUMULATED VALUE The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.

EOY INDEX VALUE NET OF INT & EXT LOANS The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,972	-\$89,670	1971	12.42%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,777	-\$96,642	-\$46,865	\$603,358	\$653,135	\$12,088
2	1.00%	-\$12,632	-\$95,794	1972	-1.92%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$108,426	-\$108,426	\$1,244,709	\$1,244,709	\$93,052
3	1.00%	-\$18,518	-\$101,893	1973	-41.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$120,411	-\$120,411	\$1,824,298	\$1,824,298	\$136,133
4	1.00%	-\$24,283	-\$107,971	1974	32.00%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$260,733	-\$132,254	\$128,479	\$2,392,044	\$2,652,777	\$399,792
5	1.00%	-\$32,537	-\$114,158	1975	25.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$349,463	-\$146,695	\$202,768	\$3,206,082	\$3,555,545	\$706,922
6	1.00%	-\$41,519	-\$123,236	1976	-8.28%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$164,755	-\$164,755	\$4,090,790	\$4,090,790	\$612,673
7	1.00%	-\$46,836	-\$130,314	1977	6.23%	6.23%	x 1.45	= 9.03%	+ 0.00%	= 9.03%	\$416,509	-\$177,150	\$239,358	\$4,613,639	\$5,030,148	\$885,534
8	1.00%	-\$56,192	-\$137,972	1978	6.61%	6.61%	x 1.45	= 9.59%	+ 0.00%	= 9.59%	\$530,761	-\$194,164	\$336,598	\$5,535,984	\$6,066,746	\$1,214,929
9	1.00%	-\$66,516	-\$146,390	1979	14.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$714,369	-\$212,906	\$501,463	\$6,553,840	\$7,268,209	\$1,664,402
10	1.00%	-\$78,484	-\$155,637	1980	-7.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$234,121	-\$234,121	\$7,734,088	\$7,734,088	\$1,328,923
11	1.00%	-\$77,086	-\$50,992	1981	3.65%	3.65%	x 1.45	= 5.29%	+ 0.00%	= 5.29%	\$402,494	-\$128,078	\$274,416	\$7,606,010	\$8,008,504	\$1,247,472
12	1.00%	-\$79,825	-\$51,960	1982	37.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$858,562	-\$131,785	\$726,777	\$7,876,718	\$8,735,281	\$1,572,714
13	1.00%	-\$87,089	-\$52,830	1983	0.02%	0.02%	x 1.45	= 0.03%	+ 0.00%	= 0.03%	\$2,251	-\$139,919	-\$137,667	\$8,595,362	\$8,597,613	\$999,441
14	1.00%	-\$85,709	-\$53,514	1984	9.62%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$921,965	-\$139,223	\$782,742	\$8,458,391	\$9,380,356	\$905,214
15	1.00%	-\$93,534	-\$53,970	1985	27.04%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,006,381	-\$147,504	\$858,877	\$9,232,852	\$10,239,233	\$1,340,335
16	1.00%	-\$102,323	-\$13,835	1986	39.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,103,415	-\$116,158	\$987,257	\$10,123,075	\$11,226,490	\$1,882,647
17	1.00%	-\$112,192	-\$14,636	1987	-15.51%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$126,828	-\$126,828	\$11,099,662	\$11,099,662	\$1,288,627
18	1.00%	-\$110,920	-\$15,379	1988	28.41%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,196,097	-\$126,299	\$1,069,798	\$10,973,363	\$12,169,460	\$1,867,873
19	1.00%	-\$121,614	-\$16,093	1989	-12.34%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$137,707	-\$137,707	\$12,031,753	\$12,031,753	\$1,215,086
20	1.00%	-\$120,233	-\$16,824	1990	26.73%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,296,522	-\$137,057	\$1,159,464	\$11,894,695	\$13,191,217	\$1,833,717
21	1.00%	-\$131,824	-\$17,623	1991	7.72%	7.72%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,421,553	-\$149,447	\$1,272,106	\$13,041,770	\$14,463,323	\$2,383,916
22	1.00%	-\$144,536	-\$19,518	1992	9.84%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,558,620	-\$164,054	\$1,394,567	\$14,299,269	\$15,857,890	\$2,974,263
23	1.00%	-\$158,470	-\$21,806	1993	0.82%	0.82%	x 1.45	= 1.19%	+ 0.00%	= 1.19%	\$187,238	-\$180,276	\$6,962	\$15,677,614	\$15,864,851	\$2,087,206
24	1.00%	-\$158,526	-\$24,516	1994	26.30%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,709,317	-\$183,042	\$1,526,275	\$15,681,809	\$17,391,127	\$2,749,273
25	1.00%	-\$173,773	-\$27,647	1995	17.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,873,678	-\$201,420	\$1,672,258	\$17,189,707	\$19,063,385	\$3,458,500
26	1.00%	-\$190,477	-\$31,390	1996	37.82%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,053,725	-\$221,867	\$1,831,859	\$18,841,518	\$20,895,243	\$4,219,600
27	1.00%	-\$208,795	-\$31,417	1997	7.36%	7.36%	x 1.45	= 10.67%	+ 0.00%	= 10.67%	\$2,204,626	-\$240,212	\$1,964,414	\$20,655,031	\$22,859,657	\$4,995,786
28	1.00%	-\$228,443	-\$30,692	1998	26.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,463,457	-\$259,135	\$2,204,322	\$22,600,522	\$25,063,979	\$5,887,268
29	1.00%	-\$250,495	-\$28,968	1999	11.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,701,512	-\$279,463	\$2,422,049	\$24,784,516	\$27,486,028	\$6,855,951
30	1.00%	-\$274,730	-\$25,971	2000	-27.54%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$300,701	-\$300,701	\$27,185,327	\$27,185,327	\$4,947,846
31	1.00%	-\$271,747	-\$21,337	2001	-21.68%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$293,084	-\$293,084	\$26,892,243	\$26,892,243	\$3,127,269
32	1.00%	-\$268,800	-\$24,571	2002	22.16%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,899,277	-\$293,371	\$2,605,907	\$26,598,873	\$29,498,150	\$4,282,237
33	1.00%	-\$294,840	-\$28,260	2003	11.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,180,080	-\$323,100	\$2,856,980	\$29,175,050	\$32,355,130	\$5,518,713
34	1.00%	-\$323,389	-\$32,449	2004	10.25%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,487,923	-\$355,838	\$3,132,085	\$31,999,292	\$35,487,215	\$6,845,405
35	1.00%	-\$354,686	-\$37,185	2005	8.71%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,825,392	-\$391,871	\$3,433,521	\$35,095,344	\$38,920,736	\$8,271,822
36	1.00%	-\$388,995	-\$42,532	2006	14.29%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,195,324	-\$431,527	\$3,763,797	\$38,489,209	\$42,684,533	\$9,808,340
37	1.00%	-\$426,602	-\$48,760	2007	-23.61%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$475,362	-\$475,362	\$42,209,172	\$42,209,172	\$6,865,269
38	1.00%	-\$421,813	-\$55,771	2008	-9.37%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$477,584	-\$477,584	\$41,731,588	\$41,731,588	\$4,043,807
39	1.00%	-\$416,998	-\$63,630	2009	7.96%	7.96%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,496,355	-\$480,628	\$4,015,727	\$41,250,960	\$45,747,315	\$5,835,465
40	1.00%	-\$457,111	-\$72,419	2010	-0.86%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$529,530	-\$529,530	\$45,217,785	\$45,217,785	\$2,820,163

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

ASSET-BASED CHARGES (%) Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.

ASSET-BASED CHARGES (\$) The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).

FIXED CHARGES (\$) Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.

INDEX CREDIT The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.

MULTIPLIER BONUS (x) A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.

INDEX CREDIT w/ MULTIPLIER The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)

PERSISTENCY BONUS (+) A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)

TOTAL INDEX CREDIT (%) The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).

TOTAL INDEX CREDITS (\$) The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.

TOTAL CHARGES (\$) The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).

YEAR-END GAIN/LOSS (\$) The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.

EOY VALUE AFTER CHARGES B4 CREDIT The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.

EOY GROSS INDEX ACCUMULATED VALUE The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.

EOY INDEX VALUE NET OF INT & EXT LOANS The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

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CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,972	-\$89,670	1982	20.68%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,777	-\$96,642	-\$46,865	\$603,358	\$653,135	\$12,088
2	1.00%	-\$12,632	-\$95,794	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$135,673	-\$108,426	\$27,247	\$1,244,709	\$1,380,382	\$205,675
3	1.00%	-\$19,874	-\$101,893	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$213,489	-\$121,767	\$91,722	\$1,958,615	\$2,172,104	\$412,491
4	1.00%	-\$27,761	-\$107,971	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$298,265	-\$135,732	\$162,532	\$2,736,372	\$3,034,636	\$638,095
5	1.00%	-\$36,356	-\$114,158	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$390,669	-\$150,514	\$240,156	\$3,584,123	\$3,974,792	\$910,726
6	1.00%	-\$45,712	-\$123,236	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$168,948	-\$168,948	\$4,505,844	\$4,505,844	\$780,087
7	1.00%	-\$50,987	-\$130,314	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$547,675	-\$181,301	\$366,374	\$5,024,544	\$5,572,219	\$1,099,473
8	1.00%	-\$61,612	-\$137,972	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$661,917	-\$199,584	\$462,333	\$6,072,634	\$6,734,552	\$1,383,316
9	1.00%	-\$73,194	-\$146,390	1990	4.51%	4.51%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$472,093	-\$219,584	\$252,509	\$7,214,968	\$7,687,061	\$1,324,973
10	1.00%	-\$82,672	-\$155,637	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$888,214	-\$238,309	\$649,904	\$8,148,752	\$9,036,966	\$1,657,669
11	1.00%	-\$90,115	-\$50,992	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$946,646	-\$141,107	\$805,539	\$8,895,859	\$9,842,505	\$1,969,957
12	1.00%	-\$98,165	-\$51,960	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,056,469	-\$150,125	\$906,344	\$9,692,379	\$10,748,849	\$2,529,909
13	1.00%	-\$107,224	-\$52,830	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$160,054	-\$160,054	\$10,588,794	\$10,588,794	\$1,987,674
14	1.00%	-\$105,620	-\$53,514	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,136,833	-\$159,134	\$977,699	\$10,429,660	\$11,566,493	\$2,115,367
15	1.00%	-\$115,395	-\$53,970	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,242,287	-\$169,365	\$1,072,922	\$11,397,128	\$12,639,415	\$2,715,732
16	1.00%	-\$126,325	-\$13,835	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,362,419	-\$140,160	\$1,222,259	\$12,499,255	\$13,861,674	\$3,441,807
17	1.00%	-\$138,544	-\$14,636	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,494,226	-\$153,180	\$1,341,046	\$13,708,494	\$15,202,720	\$4,261,860
18	1.00%	-\$151,950	-\$15,379	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,638,858	-\$167,329	\$1,471,528	\$15,035,391	\$16,674,248	\$5,186,345
19	1.00%	-\$166,662	-\$16,093	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$182,755	-\$182,755	\$16,491,493	\$16,491,493	\$4,429,195
20	1.00%	-\$164,831	-\$16,824	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$181,655	-\$181,655	\$16,309,838	\$16,309,838	\$3,644,425
21	1.00%	-\$163,010	-\$17,623	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$180,633	-\$180,633	\$16,129,205	\$16,129,205	\$2,524,390
22	1.00%	-\$161,194	-\$19,518	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,738,386	-\$180,712	\$1,557,673	\$15,948,493	\$17,686,878	\$3,189,774
23	1.00%	-\$176,760	-\$21,806	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$1,124,056	-\$198,566	\$925,490	\$17,488,313	\$18,612,368	\$3,122,467
24	1.00%	-\$186,001	-\$24,516	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,005,802	-\$210,517	\$1,795,285	\$18,401,851	\$20,407,653	\$3,880,970
25	1.00%	-\$203,938	-\$27,647	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,199,191	-\$231,585	\$1,967,606	\$20,176,068	\$22,375,259	\$4,696,240
26	1.00%	-\$223,596	-\$31,390	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$254,986	-\$254,986	\$22,120,273	\$22,120,273	\$3,162,819
27	1.00%	-\$221,046	-\$31,417	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$252,463	-\$252,463	\$21,867,811	\$21,867,811	\$1,696,807
28	1.00%	-\$218,525	-\$30,692	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,356,427	-\$249,217	\$2,107,210	\$21,618,594	\$23,975,021	\$2,652,935
29	1.00%	-\$239,605	-\$28,968	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,584,003	-\$268,573	\$2,315,429	\$23,706,448	\$26,290,450	\$3,679,414
30	1.00%	-\$262,775	-\$25,971	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$770,690	-\$288,746	\$481,944	\$26,001,705	\$26,772,394	\$2,721,735
31	1.00%	-\$267,617	-\$21,337	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,886,695	-\$288,954	\$2,597,741	\$26,483,440	\$29,370,135	\$3,888,317
32	1.00%	-\$293,578	-\$24,571	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,166,666	-\$318,149	\$2,848,517	\$29,051,986	\$32,218,652	\$5,136,125
33	1.00%	-\$322,045	-\$28,260	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,473,650	-\$350,305	\$3,123,345	\$31,868,347	\$35,341,997	\$6,473,909
34	1.00%	-\$353,258	-\$32,449	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$385,707	-\$385,707	\$34,956,290	\$34,956,290	\$4,100,989
35	1.00%	-\$349,377	-\$37,185	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,768,100	-\$386,562	\$3,381,538	\$34,569,728	\$38,337,828	\$5,595,279
36	1.00%	-\$383,166	-\$42,532	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,132,422	-\$425,698	\$3,706,725	\$37,912,131	\$42,044,553	\$7,194,873
37	1.00%	-\$420,202	-\$48,760	2018	-4.41%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$468,962	-\$468,962	\$41,575,591	\$41,575,591	\$4,379,058
38	1.00%	-\$415,477	-\$55,771	2019	31.74%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,480,373	-\$471,248	\$4,009,125	\$41,104,343	\$45,584,716	\$6,160,516
39	1.00%	-\$455,529	-\$63,630	2020	18.38%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,912,146	-\$519,159	\$4,392,987	\$45,065,557	\$49,977,703	\$8,064,809
40	1.00%	-\$499,415	-\$72,419	2021	28.83%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$5,385,240	-\$571,834	\$4,813,406	\$49,405,869	\$54,791,109	\$10,105,126

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

ASSET-BASED CHARGES (%) Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.

ASSET-BASED CHARGES (\$) The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).

FIXED CHARGES (\$) Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.

INDEX CREDIT The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.

MULTIPLIER BONUS (x) A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.

INDEX CREDIT w/ MULTIPLIER The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)

PERSISTENCY BONUS (+) A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)

TOTAL INDEX CREDIT (%) The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).

TOTAL INDEX CREDITS (\$) The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.

TOTAL CHARGES (\$) The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).

YEAR-END GAIN/LOSS (\$) The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.

EOY VALUE AFTER CHARGES B4 CREDIT The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.

EOY GROSS INDEX ACCUMULATED VALUE The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.

EOY INDEX VALUE NET OF INT & EXT LOANS The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

ACCOUNT LOANS

AN ANNUAL EXPLANATION OF INDEX LOAN DEBT ACCRUAL

INTERNAL ACCOUNT LOANS: PARTICIPATING										PLR: 5.00%	
YEAR	3RD PARTY PAYOFF USING PARTICIPATING LOAN	INCOME DRAWDOWNS PARTICIPATING LOANS	CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	ACCRUED INTERNAL LOAN INTEREST	INDEX CREDIT AFTER CHARGES	CUMULATIVE INTERNAL DEBT BALANCE	CUMULATIVE INDEXED LOAN ACCOUNT VALUE	CUMULATIVE PAR LOAN GAIN/LOSS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS	
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$653,135	\$12,088	
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,380,382	\$228,725	
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,172,104	\$483,939	
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,736,372	\$483,387	
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,647,325	\$798,702	
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,637,451	\$1,159,335	
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,716,711	\$1,572,098	
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,893,192	\$2,041,375	
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,175,572	\$2,571,765	
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,632,377	\$2,227,213	
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,421,306	\$2,660,274	
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,286,411	\$3,123,843	
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,793,876	\$3,195,704	
14	-\$8,071,563	\$0	-\$8,071,563	-\$403,578	\$655,960	-\$8,475,141	\$8,817,692	\$342,551	\$11,791,654	\$3,316,513	
15	\$0	\$0	-\$8,475,141	-\$423,757	\$637,704	-\$8,898,898	\$9,614,030	\$715,132	\$12,856,574	\$3,957,676	
16	\$0	\$0	-\$8,898,898	-\$444,945	\$784,377	-\$9,343,843	\$10,543,924	\$1,200,081	\$14,100,095	\$4,756,252	
17	\$0	\$0	-\$9,343,843	-\$467,192	\$0	-\$9,811,035	\$10,427,595	\$616,560	\$13,944,531	\$4,133,496	
18	\$0	\$0	-\$9,811,035	-\$490,552	\$850,730	-\$10,301,587	\$11,435,871	\$1,134,284	\$15,292,870	\$4,991,283	
19	\$0	\$0	-\$10,301,587	-\$515,079	\$933,037	-\$10,816,666	\$12,542,277	\$1,725,611	\$16,772,437	\$5,955,771	
20	\$0	\$0	-\$10,816,666	-\$540,833	\$1,023,358	-\$11,357,500	\$13,756,409	\$2,398,910	\$18,396,062	\$7,038,562	
21	\$0	-\$563,085	-\$11,920,585	-\$596,029	\$1,168,419	-\$12,516,614	\$15,706,379	\$3,189,765	\$20,177,774	\$7,661,160	
22	\$0	-\$612,893	-\$13,129,507	-\$656,475	\$1,331,581	-\$13,785,982	\$17,899,673	\$4,113,691	\$22,131,843	\$8,345,861	
23	\$0	-\$667,669	-\$14,453,651	-\$722,683	\$0	-\$15,176,333	\$18,363,466	\$3,187,133	\$21,888,827	\$6,712,494	
24	\$0	-\$537,000	-\$15,713,333	-\$785,667	\$0	-\$16,499,000	\$18,690,398	\$2,191,398	\$21,645,546	\$5,146,546	
25	\$0	-\$411,724	-\$16,910,723	-\$845,536	\$0	-\$17,756,259	\$18,886,824	\$1,130,564	\$21,401,582	\$3,645,322	
26	\$0	-\$291,626	-\$18,047,885	-\$902,394	\$1,564,091	-\$18,950,279	\$21,025,172	\$2,074,893	\$23,462,373	\$4,512,093	
27	\$0	-\$360,967	-\$19,311,247	-\$965,562	\$937,248	-\$20,276,809	\$22,502,795	\$2,225,985	\$24,687,436	\$4,410,627	
28	\$0	-\$352,850	-\$20,629,659	-\$1,031,483	\$1,864,402	-\$21,661,142	\$25,062,087	\$3,400,944	\$27,070,716	\$5,409,573	
29	\$0	-\$432,766	-\$22,093,908	-\$1,104,695	\$2,080,053	-\$23,198,604	\$27,960,950	\$4,762,346	\$29,689,245	\$6,490,641	
30	\$0	-\$519,251	-\$23,717,855	-\$1,185,893	\$0	-\$24,903,748	\$28,170,610	\$3,266,862	\$29,366,511	\$4,462,763	
31	\$0	-\$357,021	-\$25,260,769	-\$1,263,038	\$0	-\$26,523,807	\$28,221,731	\$1,697,924	\$29,051,616	\$2,527,809	
32	\$0	-\$202,225	-\$26,726,032	-\$1,336,302	\$2,319,553	-\$28,062,334	\$31,180,418	\$3,118,084	\$31,868,946	\$3,806,613	
33	\$0	-\$304,529	-\$28,366,863	-\$1,418,343	\$2,569,241	-\$29,785,206	\$34,536,830	\$4,751,624	\$34,958,051	\$5,172,846	
34	\$0	-\$413,828	-\$30,199,033	-\$1,509,952	\$706,635	-\$31,708,985	\$35,593,492	\$3,884,507	\$35,601,021	\$3,892,036	
35	\$0	-\$311,363	-\$32,020,348	-\$1,601,017	\$2,929,451	-\$33,621,365	\$39,378,917	\$5,757,551	\$39,045,685	\$5,424,320	
36	\$0	-\$433,946	-\$34,055,311	-\$1,702,766	\$3,248,156	-\$35,758,076	\$43,663,085	\$7,905,009	\$42,821,716	\$7,063,640	
37	\$0	-\$565,091	-\$36,323,168	-\$1,816,158	\$3,608,202	-\$38,139,326	\$48,502,986	\$10,363,660	\$46,960,586	\$8,821,260	
38	\$0	-\$705,701	-\$38,845,027	-\$1,942,251	\$0	-\$40,787,278	\$48,658,451	\$7,871,173	\$46,435,488	\$5,648,210	
39	\$0	-\$451,857	-\$41,239,135	-\$2,061,957	\$4,005,560	-\$43,301,092	\$53,844,441	\$10,543,349	\$50,911,774	\$7,610,682	
40	\$0	-\$608,855	-\$43,909,946	-\$2,195,497	\$4,441,115	-\$46,105,444	\$59,699,347	\$13,593,904	\$55,816,634	\$9,711,191	

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

INTERNAL ACCOUNT LOANS: PARTICIPATING

PLR: 5.00%

3RD PARTY PAYOFF USING PARTICIPATING LOAN The index value used to payoff the 3rd party premium financing loan. This can be done with either a withdrawal or a participating loan.

INCOME DRAWDOWNS PARTICIPATING LOANS These are drawdown modeling requests made by the client for supplemental retirement income. These can be done with either fixed loans or participating loans.

CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL The running YTD total internal loan, including all drawdowns, plus the accrued interest on the drawdowns.

ACCRUED INTERNAL LOAN INTEREST The interest due each year on the internal loans, including the drawdown principal AND the accrued/compounded interest from previous years.

INDEX CREDIT AFTER CHARGES The net dollar interest gained each year on the funds moved to the INDEX LOAN ACCOUNT (after charges) assuming participating loans are credited based on the INDEX CREDIT with no bonuses.

CUMULATIVE INTERNAL DEBT BALANCE The running YTD total of accrued internal debt from internal loans, including the accrued interest.

CUMULATIVE INDEXED LOAN ACCOUNT VALUE The running YTD total of accumulated funds in the INDEX LOAN ACCOUNT as a result of the participating loans leaving the primary index account, including index credit gains, minus charges on these particular funds.

CUMULATIVE PAR LOAN GAIN/LOSS The running YTD cumulative net gain or loss as a result of Participating Loans (the CUMULATIVE INTERNAL DEBT BALANCE plus the CUMULATIVE INDEXED LOAN ACCOUNT VALUE).

EOY GROSS INDEX ACCUMULATED VALUE The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.

EOY INDEX VALUE NET OF INT & EXT LOANS The indexed accumulated value, minus any surrender charges, internal loans, and 3rd party lender debt.

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%										
1	2	3	4	5	6	7	8	9	10	
YEAR	3RD PARTY PAYOFF USING PARTICIPATING LOAN	INCOME DRAWDOWNS PARTICIPATING LOANS	CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	ACCRUED INTERNAL LOAN INTEREST	INDEX CREDIT AFTER CHARGES	CUMULATIVE INTERNAL DEBT BALANCE	CUMULATIVE INDEXED LOAN ACCOUNT VALUE	CUMULATIVE PAR LOAN GAIN/LOSS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$653,135	\$12,088
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,244,709	\$93,052
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,824,298	\$136,133
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,652,777	\$399,792
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,555,545	\$706,922
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,090,790	\$612,673
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,030,148	\$885,534
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,066,746	\$1,214,929
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,268,209	\$1,664,402
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,734,088	\$1,328,923
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,008,504	\$1,247,472
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,735,281	\$1,572,714
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,597,613	\$999,441
14	-\$8,071,563	\$0	-\$8,071,563	-\$403,578	\$655,121	-\$8,475,141	\$8,806,412	\$331,271	\$9,380,356	\$905,214
15	\$0	\$0	-\$8,475,141	-\$423,757	\$715,105	-\$8,898,898	\$9,612,739	\$713,840	\$10,239,233	\$1,340,335
16	\$0	\$0	-\$8,898,898	-\$444,945	\$784,054	-\$9,343,843	\$10,539,590	\$1,195,747	\$11,226,490	\$1,882,647
17	\$0	\$0	-\$9,343,843	-\$467,192	\$0	-\$9,811,035	\$10,420,522	\$609,487	\$11,099,662	\$1,288,627
18	\$0	\$0	-\$9,811,035	-\$490,552	\$849,911	-\$10,301,587	\$11,424,864	\$1,123,277	\$12,169,460	\$1,867,873
19	\$0	\$0	-\$10,301,587	-\$515,079	\$0	-\$10,816,666	\$11,295,582	\$478,916	\$12,031,753	\$1,215,086
20	\$0	\$0	-\$10,816,666	-\$540,833	\$921,270	-\$11,357,500	\$12,384,104	\$1,026,604	\$13,191,217	\$1,833,717
21	\$0	-\$146,697	-\$11,504,197	-\$575,210	\$956,329	-\$12,079,407	\$13,739,219	\$1,659,813	\$14,463,323	\$2,383,916
22	\$0	-\$190,713	-\$12,270,120	-\$613,506	\$1,136,184	-\$12,883,626	\$15,273,069	\$2,389,443	\$15,857,890	\$2,974,263
23	\$0	-\$237,941	-\$13,121,567	-\$656,078	\$126,305	-\$13,777,646	\$15,517,820	\$1,740,174	\$15,864,851	\$2,087,206
24	\$0	-\$166,976	-\$13,944,622	-\$697,231	\$1,279,066	-\$14,641,853	\$17,193,750	\$2,551,896	\$17,391,127	\$2,749,273
25	\$0	-\$219,942	-\$14,861,795	-\$743,090	\$1,419,991	-\$15,604,885	\$19,088,119	\$3,483,234	\$19,063,385	\$3,458,500
26	\$0	-\$276,680	-\$15,881,565	-\$794,078	\$1,579,003	-\$16,675,643	\$21,225,622	\$4,549,979	\$20,895,243	\$4,219,600
27	\$0	-\$337,568	-\$17,013,211	-\$850,661	\$1,569,035	-\$17,863,872	\$23,590,399	\$5,726,527	\$22,859,657	\$4,995,786
28	\$0	-\$399,663	-\$18,263,534	-\$913,177	\$1,956,744	-\$19,176,711	\$26,303,387	\$7,126,676	\$25,063,979	\$5,887,268
29	\$0	-\$470,981	-\$19,647,693	-\$982,385	\$2,184,256	-\$20,630,077	\$29,361,700	\$8,731,623	\$27,486,028	\$6,855,951
30	\$0	-\$548,476	-\$21,178,553	-\$1,058,928	\$0	-\$22,237,481	\$29,582,955	\$7,345,474	\$27,185,327	\$4,947,846
31	\$0	-\$395,828	-\$22,633,309	-\$1,131,665	\$0	-\$23,764,974	\$29,655,583	\$5,890,608	\$26,892,243	\$3,127,269
32	\$0	-\$250,182	-\$24,015,156	-\$1,200,758	\$2,440,310	-\$25,215,913	\$32,803,686	\$7,587,773	\$29,498,150	\$4,282,237
33	\$0	-\$342,579	-\$25,558,492	-\$1,277,925	\$2,704,615	-\$26,836,417	\$36,356,576	\$9,520,159	\$32,355,130	\$5,518,713
34	\$0	-\$441,497	-\$27,277,914	-\$1,363,896	\$3,002,453	-\$28,641,810	\$40,360,249	\$11,718,440	\$35,487,215	\$6,845,405
35	\$0	-\$547,632	-\$29,189,442	-\$1,459,472	\$3,337,633	-\$30,648,914	\$44,865,873	\$14,216,959	\$38,920,736	\$8,271,822
36	\$0	-\$661,746	-\$31,310,660	-\$1,565,533	\$3,714,384	-\$32,876,193	\$49,930,329	\$17,054,136	\$42,684,533	\$9,808,340
37	\$0	-\$784,667	-\$33,660,860	-\$1,683,043	\$0	-\$35,343,903	\$50,150,202	\$14,806,299	\$42,209,172	\$6,865,269
38	\$0	-\$549,221	-\$35,893,125	-\$1,794,656	\$0	-\$37,687,781	\$50,125,775	\$12,437,994	\$41,731,588	\$4,043,807
39	\$0	-\$323,505	-\$38,011,286	-\$1,900,564	\$3,968,401	-\$39,911,850	\$55,303,889	\$15,392,039	\$45,747,315	\$5,835,465
40	\$0	-\$466,837	-\$40,378,687	-\$2,018,934	\$0	-\$42,397,621	\$55,125,174	\$12,727,552	\$45,217,785	\$2,820,163

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

3RD PARTY PAYOFF USING PARTICIPATING LOAN The index value used to payoff the 3rd party premium financing loan. This can be done with either a withdrawal or a participating loan.

INCOME DRAWDOWNS PARTICIPATING LOANS These are drawdown modeling requests made by the client for supplemental retirement income. These can be done with either fixed loans or participating loans.

CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL The running YTD total internal loan, including all drawdowns, plus the accrued interest on the drawdowns.

ACCRUED INTERNAL LOAN INTEREST The interest due each year on the internal loans, including the drawdown principal AND the accrued/compounded interest from previous years.

INDEX CREDIT AFTER CHARGES The net dollar interest gained each year on the funds moved to the INDEX LOAN ACCOUNT (after charges) assuming participating loans are credited based on the INDEX CREDIT with no bonuses.

CUMULATIVE INTERNAL DEBT BALANCE The running YTD total of accrued internal debt from internal loans, including the accrued interest.

CUMULATIVE INDEXED LOAN ACCOUNT VALUE The running YTD total of accumulated funds in the INDEX LOAN ACCOUNT as a result of the participating loans leaving the primary index account, including index credit gains, minus charges on these particular funds.

CUMULATIVE PAR LOAN GAIN/LOSS The running YTD cumulative net gain or loss as a result of Participating Loans (the CUMULATIVE INTERNAL DEBT BALANCE plus the CUMULATIVE INDEXED LOAN ACCOUNT VALUE).

EOY GROSS INDEX ACCUMULATED VALUE The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.

EOY INDEX VALUE NET OF INT & EXT LOANS The indexed accumulated value, minus any surrender charges, internal loans, and 3rd party lender debt.

HYPOTHETICAL SYNTHETIC PROXY

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

INTERNAL ACCOUNT LOANS: PARTICIPATING										PLR: 5.00%	
1	2	3	4	5	6	7	8	9	10		
YEAR	3RD PARTY PAYOFF USING PARTICIPATING LOAN	INCOME DRAWDOWNS PARTICIPATING LOANS	CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	ACCRUED INTERNAL LOAN INTEREST	INDEX CREDIT AFTER CHARGES	CUMULATIVE INTERNAL DEBT BALANCE	CUMULATIVE INDEXED LOAN ACCOUNT VALUE	CUMULATIVE PAR LOAN GAIN/LOSS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS	
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$653,135	\$12,088	
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,380,382	\$205,675	
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,172,104	\$412,491	
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,034,636	\$638,095	
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,974,792	\$910,726	
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,505,844	\$780,087	
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,572,219	\$1,099,473	
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,734,552	\$1,383,316	
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,687,061	\$1,324,973	
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,036,966	\$1,657,669	
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,842,505	\$1,969,957	
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,748,849	\$2,529,909	
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,588,794	\$1,987,674	
14	-\$9,001,072	\$0	-\$9,001,072	-\$450,054	\$731,428	-\$9,451,126	\$9,832,171	\$381,045	\$11,566,493	\$2,115,367	
15	\$0	\$0	-\$9,451,126	-\$472,556	\$799,277	-\$9,923,682	\$10,744,215	\$820,533	\$12,639,415	\$2,715,732	
16	\$0	\$0	-\$9,923,682	-\$496,184	\$876,568	-\$10,419,867	\$11,783,204	\$1,363,338	\$13,861,674	\$3,441,807	
17	\$0	\$0	-\$10,419,867	-\$520,993	\$961,372	-\$10,940,860	\$12,923,169	\$1,982,310	\$15,202,720	\$4,261,860	
18	\$0	\$0	-\$10,940,860	-\$547,043	\$1,054,427	-\$11,487,903	\$14,174,051	\$2,686,149	\$16,674,248	\$5,186,345	
19	\$0	\$0	-\$11,487,903	-\$574,395	\$0	-\$12,062,298	\$14,018,699	\$1,956,401	\$16,491,493	\$4,429,195	
20	\$0	\$0	-\$12,062,298	-\$603,115	\$0	-\$12,665,413	\$13,864,283	\$1,198,870	\$16,309,838	\$3,644,425	
21	\$0	-\$291,554	-\$12,956,967	-\$647,848	\$0	-\$13,604,815	\$13,999,059	\$394,244	\$16,129,205	\$2,524,390	
22	\$0	-\$201,951	-\$13,806,766	-\$690,338	\$1,158,457	-\$14,497,105	\$15,572,469	\$1,075,364	\$17,686,878	\$3,189,774	
23	\$0	-\$255,182	-\$14,752,287	-\$737,614	\$693,721	-\$15,489,901	\$16,655,854	\$1,165,953	\$18,612,368	\$3,122,467	
24	\$0	-\$249,797	-\$15,739,698	-\$786,985	\$1,378,941	-\$16,526,683	\$18,536,312	\$2,009,629	\$20,407,653	\$3,880,970	
25	\$0	-\$310,478	-\$16,837,161	-\$841,858	\$1,537,216	-\$17,679,019	\$20,663,905	\$2,984,886	\$22,375,259	\$4,696,240	
26	\$0	-\$375,699	-\$18,054,718	-\$902,736	\$0	-\$18,957,454	\$20,799,839	\$1,842,385	\$22,120,273	\$3,162,819	
27	\$0	-\$253,026	-\$19,210,480	-\$960,524	\$0	-\$20,171,004	\$20,812,585	\$641,581	\$21,867,811	\$1,696,807	
28	\$0	-\$135,745	-\$20,306,748	-\$1,015,337	\$1,708,541	-\$21,322,086	\$22,966,937	\$1,644,852	\$23,975,021	\$2,652,935	
29	\$0	-\$212,235	-\$21,534,320	-\$1,076,716	\$1,890,860	-\$22,611,036	\$25,417,741	\$2,806,704	\$26,290,450	\$3,679,414	
30	\$0	-\$294,353	-\$22,905,389	-\$1,145,269	\$519,818	-\$24,050,659	\$26,183,436	\$2,132,777	\$26,772,394	\$2,721,735	
31	\$0	-\$217,739	-\$24,268,398	-\$1,213,420	\$2,154,589	-\$25,481,818	\$28,962,896	\$3,481,078	\$29,370,135	\$3,888,317	
32	\$0	-\$311,065	-\$25,792,883	-\$1,289,644	\$2,388,940	-\$27,082,527	\$32,113,150	\$5,030,623	\$32,218,652	\$5,136,125	
33	\$0	-\$410,890	-\$27,493,417	-\$1,374,671	\$2,654,059	-\$28,868,088	\$35,676,990	\$6,808,902	\$35,341,997	\$6,473,909	
34	\$0	-\$517,913	-\$29,386,001	-\$1,469,300	\$0	-\$30,855,301	\$35,799,888	\$4,944,587	\$34,956,290	\$4,100,989	
35	\$0	-\$328,079	-\$31,183,380	-\$1,559,169	\$2,947,597	-\$32,742,549	\$39,622,849	\$6,880,300	\$38,337,828	\$5,595,279	
36	\$0	-\$447,622	-\$33,190,171	-\$1,659,509	\$3,269,107	-\$34,849,680	\$43,944,718	\$9,095,038	\$42,044,553	\$7,194,873	
37	\$0	-\$575,590	-\$35,425,270	-\$1,771,263	\$0	-\$37,196,533	\$44,023,731	\$6,827,198	\$41,575,591	\$4,379,058	
38	\$0	-\$350,325	-\$37,546,858	-\$1,877,343	\$3,619,365	-\$39,424,201	\$48,653,037	\$9,228,836	\$45,584,716	\$6,160,516	
39	\$0	-\$492,841	-\$39,917,042	-\$1,995,852	\$4,008,358	-\$41,912,894	\$53,882,053	\$11,969,159	\$49,977,703	\$8,064,809	
40	\$0	-\$645,185	-\$42,558,079	-\$2,127,904	\$4,447,026	-\$44,685,983	\$59,778,814	\$15,092,831	\$54,791,109	\$10,105,126	

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

INTERNAL ACCOUNT LOANS: PARTICIPATING

PLR: 5.00%

3RD PARTY PAYOFF USING PARTICIPATING LOAN The index value used to payoff the 3rd party premium financing loan. This can be done with either a withdrawal or a participating loan.

INCOME DRAWDOWNS PARTICIPATING LOANS These are drawdown modeling requests made by the client for supplemental retirement income. These can be done with either fixed loans or participating loans.

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ACCRUED INTERNAL LOAN INTEREST The interest due each year on the internal loans, including the drawdown principal AND the accrued/compounded interest from previous years.

INDEX CREDIT AFTER CHARGES The net dollar interest gained each year on the funds moved to the INDEX LOAN ACCOUNT (after charges) assuming participating loans are credited based on the INDEX CREDIT with no bonuses.

CUMULATIVE INTERNAL DEBT BALANCE The running YTD total of accrued internal debt from internal loans, including the accrued interest.

CUMULATIVE INDEXED LOAN ACCOUNT VALUE The running YTD total of accumulated funds in the INDEX LOAN ACCOUNT as a result of the participating loans leaving the primary index account, including index credit gains, minus charges on these particular funds.

CUMULATIVE PAR LOAN GAIN/LOSS The running YTD cumulative net gain or loss as a result of Participating Loans (the CUMULATIVE INTERNAL DEBT BALANCE plus the CUMULATIVE INDEXED LOAN ACCOUNT VALUE).

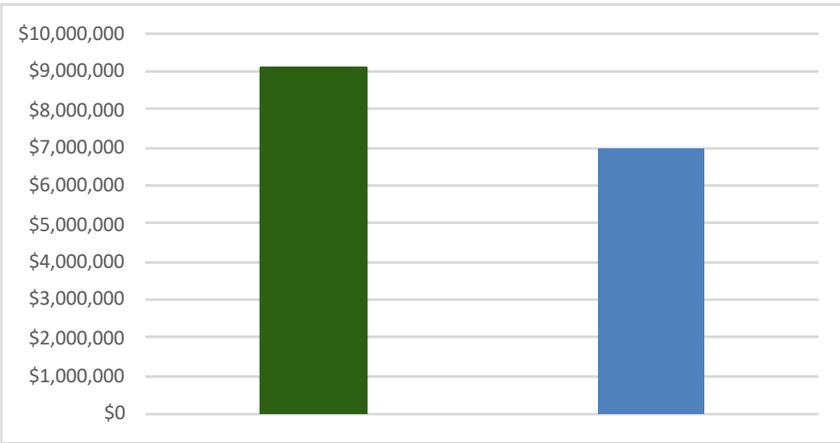
EOY GROSS INDEX ACCUMULATED VALUE The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.

EOY INDEX VALUE NET OF INT & EXT LOANS The indexed accumulated value, minus any surrender charges, internal loans, and 3rd party lender debt.

PARTIAL-EQUITY INTEREST ACCRUAL vs. EQUITIES & BONDS PORTFOLIO

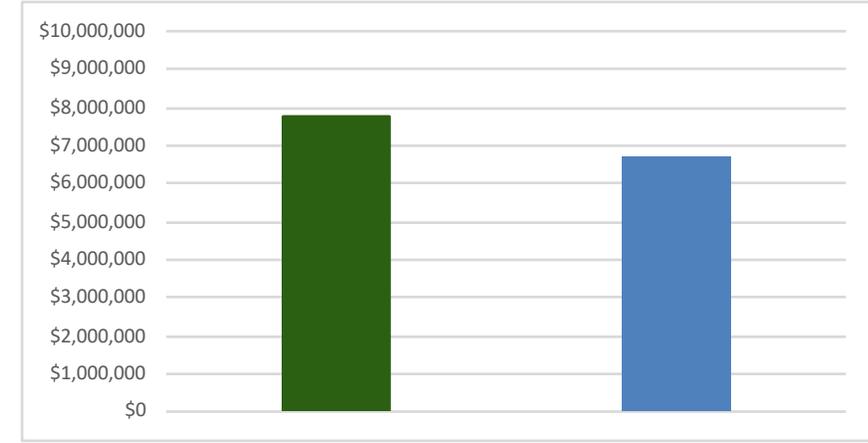
AN INCOME DRAWDOWN & ACCOUNT VALUE COMPARISON

BEST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



	BEST 40: PARTIAL-EQUITY INTEREST ACCRUAL	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:	\$455,212	\$411,617
TOTAL INCOME:	\$9,104,245	\$6,997,495
YR 40 ACCOUNT VALUE:	\$9,711,191	\$0

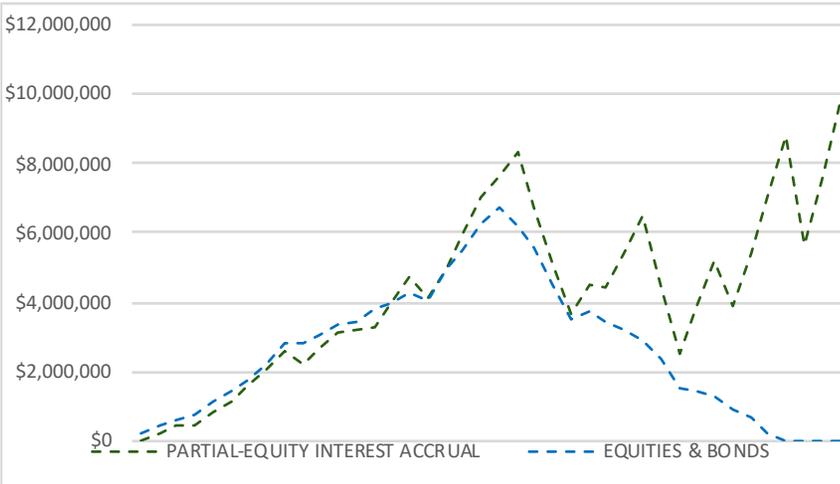
WORST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



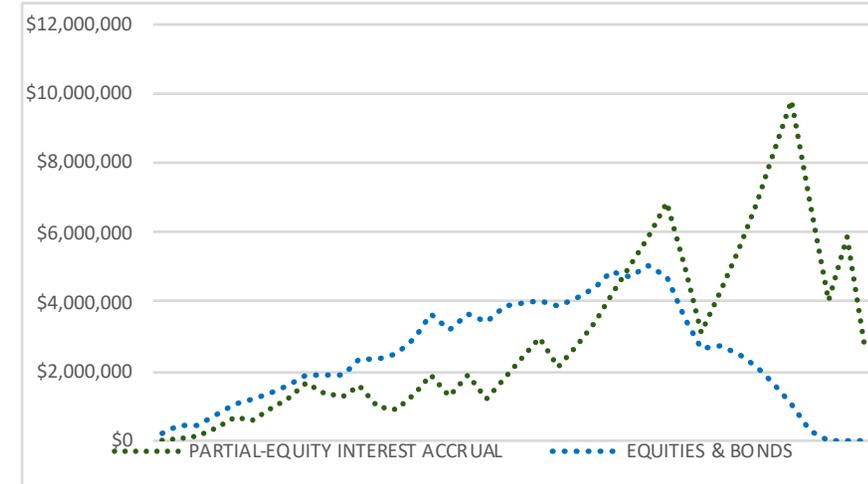
	WORST 40: PARTIAL-EQUITY INTEREST ACCRUAL	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:	\$387,967	\$370,868
TOTAL INCOME:	\$7,759,332	\$6,675,632
YR 40 ACCOUNT VALUE:	\$2,820,163	\$0

NET ACCOUNT VALUE (COMPARISON)

BEST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



WORST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year T-Bond Returns during the January 1st to December 31st period. The taxation and investment fees are merely hypothetical based on certain assumptions, and would vary from client situation to client situation based on a number of factors and variables. Such variables may be changed and modeled per the client or advisor's request. The assumptions made in this document are purely hypothetical and do not represent any specific investment, fund or asset in particular. The purpose of this document is for educational purposes only.

HYPOTHETICAL EQUITIES & BONDS ACCOUNT vs. PARTIAL-EQUITY INTEREST ACCRUAL

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

EQUITIES <AGE 56: **70.00%** BONDS AGE 56+: **30.00%**
 Current Adjusted Gross Income (AGI): **\$250,000**
 Current Income Tax Rate: **37.10%**
 Long-Term Capital Gains Tax Rate: **28.10%**
 State of Residence: **CA**
 % of Equities Taxed at STCG Tax Rates: **0.00%**
 % of Equities Taxed at LTCG Tax Rates: **100.00%**
 % of Bonds Taxed at STCG Tax Rates: **100.00%**

Advisor Fee: **0.50%**
 Fund Manager Fee: **0.70%**
 Broker Dealer Fee: **0.15%**
Investment Fees (All-In): 1.35%

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
YEAR	AGE	ANNUAL INVESTED	CALENDAR YEAR	GROSS EQUITIES RETURN	AFTER-FEE EQUITIES RETURN	AFTER-FEE & TAX EQUITIES RETURN	CALENDAR YEAR	GROSS BOND RETURN	AFTER-FEE BOND RETURN	AFTER-FEE & TAX BOND RETURN	TOTAL CHARGES	NET RETURN	INCOME DRAWDOWNS	AFTER-TAX ACCOUNT VALUE	LEVERAGED SYNTHETIC ACCOUNT VALUE	LEVERAGED SYNTHETIC INCREASE
1	45	\$200,000	1978	13.97%	12.62%	9.07%	1978	-7.81%	-9.16%	-9.16%	1.35%	3.60%	\$0	\$207,202	vs	\$12,088
2	46	\$200,000	1979	16.24%	14.89%	10.71%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.24%	\$0	\$424,448	vs	\$228,725
3	47	\$200,000	1980	15.48%	14.13%	10.16%	1980	-14.57%	-15.92%	-15.92%	1.35%	2.34%	\$0	\$639,045	vs	\$483,939
4	48	\$200,000	1981	-5.06%	-6.41%	-6.41%	1981	-1.94%	-3.29%	-3.29%	1.35%	-5.47%	\$0	\$793,110	vs	\$483,387
5	49	\$200,000	1982	22.68%	21.33%	15.34%	1982	25.14%	23.79%	14.96%	1.35%	15.23%	\$0	\$1,144,315	vs	\$798,702
6	50	\$200,000	1983	14.46%	13.11%	9.43%	1983	-0.01%	-1.36%	-1.36%	1.35%	6.19%	\$0	\$1,427,550	vs	\$1,159,335
7	51	\$200,000	1984	11.93%	10.58%	7.60%	1984	9.04%	7.69%	4.84%	1.35%	6.77%	\$0	\$1,737,812	vs	\$1,572,098
8	52	\$200,000	1985	19.90%	18.55%	13.34%	1985	21.41%	20.06%	12.62%	1.35%	13.12%	\$0	\$2,192,054	vs	\$2,041,375
9	53	\$200,000	1986	31.42%	30.07%	21.62%	1986	21.97%	20.62%	12.97%	1.35%	19.02%	\$0	\$2,847,112	vs	\$2,571,765
10	54	\$200,000	1987	-4.21%	-5.56%	-5.56%	1987	-8.32%	-9.67%	-9.67%	1.35%	-6.79%	\$0	\$2,840,201	vs	\$2,227,213
11	55	\$0	1988	17.72%	16.37%	11.77%	1988	3.98%	2.63%	1.66%	1.35%	8.73%	\$0	\$3,088,255	vs	\$2,660,274
12	56	\$0	1989	12.63%	11.28%	8.11%	1989	12.27%	10.92%	6.87%	1.35%	7.74%	\$0	\$3,327,186	vs	\$3,123,843
13	57	\$0	1990	6.51%	5.16%	3.71%	1990	0.79%	-0.56%	-0.56%	1.35%	2.43%	\$0	\$3,195,704	vs	\$3,195,704
14	58	\$0	1991	20.86%	19.51%	14.02%	1991	10.33%	8.98%	5.65%	1.35%	11.51%	\$0	\$3,800,434	vs	\$3,316,513
15	59	\$0	1992	9.34%	7.99%	5.74%	1992	6.15%	4.80%	3.02%	1.35%	4.93%	\$0	\$3,987,642	vs	\$3,957,676
16	60	\$0	1993	11.76%	10.41%	7.49%	1993	10.94%	9.59%	6.03%	1.35%	7.05%	\$0	\$4,268,727	vs	\$4,756,252
17	61	\$0	1994	-0.32%	-1.67%	-1.67%	1994	-10.37%	-11.72%	-11.72%	1.35%	-4.69%	\$0	\$4,068,587	vs	\$4,133,496
18	62	\$0	1995	37.20%	35.85%	25.78%	1995	20.11%	18.76%	11.80%	1.35%	21.58%	\$0	\$4,946,785	vs	\$4,991,283
19	63	\$0	1996	25.61%	24.26%	17.44%	1996	-1.46%	-2.81%	-2.81%	1.35%	11.37%	\$0	\$5,508,997	vs	\$5,955,771
20	64	\$0	1997	26.69%	25.34%	18.22%	1997	7.43%	6.08%	3.82%	1.35%	13.90%	\$0	\$6,274,836	vs	\$7,038,562
21	65	\$0	1998	32.54%	31.19%	22.42%	1998	13.16%	11.81%	7.43%	1.35%	17.93%	-\$563,085	\$6,735,667	vs	\$7,661,160
22	66	\$0	1999	10.97%	9.62%	6.92%	1999	-10.22%	-11.57%	-11.57%	1.35%	1.37%	-\$612,893	\$6,206,813	vs	\$8,345,861
23	67	\$0	2000	-0.04%	-1.39%	-1.39%	2000	12.84%	11.49%	7.23%	1.35%	1.20%	-\$667,669	\$5,605,387	vs	\$6,712,494
24	68	\$0	2001	-15.26%	-16.61%	-16.61%	2001	2.67%	1.32%	0.83%	1.35%	-11.38%	-\$537,000	\$4,491,620	vs	\$5,146,546
25	69	\$0	2002	-22.29%	-23.64%	-23.64%	2002	13.32%	11.97%	7.53%	1.35%	-14.29%	-\$411,724	\$3,496,967	vs	\$3,645,322
26	70	\$0	2003	34.19%	32.84%	23.61%	2003	-1.85%	-3.20%	-3.20%	1.35%	15.57%	-\$291,626	\$3,704,298	vs	\$4,512,093
27	71	\$0	2004	6.43%	5.08%	3.65%	2004	1.77%	0.42%	0.26%	1.35%	2.64%	-\$360,967	\$3,431,483	vs	\$4,410,627
28	72	\$0	2005	10.36%	9.01%	6.48%	2005	-0.51%	-1.86%	-1.86%	1.35%	3.98%	-\$352,850	\$3,201,153	vs	\$5,409,573
29	73	\$0	2006	14.36%	13.01%	9.35%	2006	-1.23%	-2.58%	-2.58%	1.35%	5.77%	-\$432,766	\$2,928,208	vs	\$6,490,641
30	74	\$0	2007	-2.15%	-3.50%	-3.50%	2007	7.15%	5.80%	3.65%	1.35%	-1.36%	-\$519,251	\$2,376,313	vs	\$4,462,763
31	75	\$0	2008	-38.09%	-39.44%	-39.44%	2008	15.66%	14.31%	9.00%	1.35%	-24.91%	-\$357,021	\$1,516,327	vs	\$2,527,809
32	76	\$0	2009	32.03%	30.68%	22.06%	2009	-10.80%	-12.15%	-12.15%	1.35%	11.80%	-\$202,225	\$1,469,101	vs	\$3,806,613
33	77	\$0	2010	21.76%	20.41%	14.68%	2010	6.71%	5.36%	3.37%	1.35%	11.29%	-\$304,529	\$1,296,015	vs	\$5,172,846
34	78	\$0	2011	4.04%	2.69%	1.94%	2011	12.48%	11.13%	7.00%	1.35%	3.46%	-\$413,828	\$912,685	vs	\$3,892,036
35	79	\$0	2012	16.15%	14.80%	10.64%	2012	0.88%	-0.47%	-0.47%	1.35%	7.31%	-\$311,363	\$645,271	vs	\$5,424,320
36	80	\$0	2013	20.99%	19.64%	14.12%	2013	-10.42%	-11.77%	-11.77%	1.35%	6.35%	-\$433,946	\$224,754	vs	\$7,063,640
37	81	\$0	2014	13.92%	12.57%	9.03%	2014	8.98%	7.63%	4.80%	1.35%	7.76%	-\$224,754	\$0	vs	\$8,821,260
38	82	\$0	2015	-0.74%	-2.09%	-2.09%	2015	1.16%	-0.19%	-0.19%	1.35%	-1.52%	\$0	\$0	vs	\$5,648,210
39	83	\$0	2016	19.45%	18.10%	13.02%	2016	-0.56%	-1.91%	-1.91%	1.35%	8.54%	\$0	\$0	vs	\$7,610,682
40	84	\$0	2017	25.91%	24.56%	17.66%	2017	0.66%	-0.69%	-0.69%	1.35%	12.15%	\$0	\$0	vs	\$9,711,191

Average Equities Return: **12.23%** Average T-Bond Return: **3.94%** Average Net Portfolio Return: **5.16%**

BEST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$411,617

DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year T-Bond Returns during the January 1st to December 31st period. The taxation and investment fees are merely hypothetical based on certain assumptions, and would vary from client situation to client situation based on a number of factors and variables. Such variables may be changed and modeled per the client or advisor's request. The assumptions made in this document are purely hypothetical and do not represent any specific investment, fund or asset in particular. The purpose of this document is for educational purposes only.

HYPOTHETICAL EQUITIES & BONDS ACCOUNT vs. PARTIAL-EQUITY INTEREST ACCRUAL

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

EQUITIES	BONDS	Current Adjusted Gross Income (AGI):	\$250,000	% of Equities Taxed at STCG Tax Rates:	0.00%	Advisor Fee:	0.50%	
<AGE 56:	70.00%	30.00%	Current Income Tax Rate:	37.10%	% of Equities Taxed at LTCG Tax Rates:	100.00%	Fund Manager Fee:	0.70%
AGE 56+:	70.00%	30.00%	Long-Term Capital Gains Tax Rate:	28.10%	% of Bonds Taxed at STCG Tax Rates:	100.00%	Broker Dealer Fee:	0.15%
			State of Residence:	CA			Investment Fees (All-In):	1.35%

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
YEAR	ANNUAL INVESTED	CALENDAR YEAR	GROSS EQUITIES RETURN	AFTER-FEE EQUITIES RETURN	AFTER-FEE & TAX EQUITIES RETURN	CALENDAR YEAR	GROSS BOND RETURN	AFTER-FEE BOND RETURN	AFTER-FEE & TAX BOND RETURN	TOTAL CHARGES	NET RETURN	INCOME DRAWDOWNS	AFTER-TAX ACCOUNT VALUE	LEVERAGED SYNTHETIC ACCOUNT VALUE	LEVERAGED SYNTHETIC INCREASE
1	45	\$200,000	1971	14.42%	13.07%	9.39%	1971	5.27%	3.92%	2.46%	1.35%	7.32%	\$0	\$214,631	vs \$12,088
2	46	\$200,000	1972	0.08%	-1.27%	-1.27%	1972	-0.44%	-1.79%	-1.79%	1.35%	-1.42%	\$0	\$408,726	vs \$93,052
3	47	\$200,000	1973	-39.40%	-40.75%	-40.75%	1973	-2.37%	-3.72%	-3.72%	1.35%	-29.64%	\$0	\$428,289	vs \$136,133
4	48	\$200,000	1974	34.00%	32.65%	23.47%	1974	-8.16%	-9.51%	-9.51%	1.35%	13.58%	\$0	\$713,588	vs \$399,792
5	49	\$200,000	1975	27.48%	26.13%	18.79%	1975	-5.07%	-6.42%	-6.42%	1.35%	11.22%	\$0	\$1,016,129	vs \$706,922
6	50	\$200,000	1976	-6.28%	-7.63%	-7.63%	1976	9.68%	8.33%	5.24%	1.35%	-3.77%	\$0	\$1,170,331	vs \$612,673
7	51	\$200,000	1977	8.23%	6.88%	4.94%	1977	-4.89%	-6.24%	-6.24%	1.35%	1.59%	\$0	\$1,392,087	vs \$885,534
8	52	\$200,000	1978	8.61%	7.26%	5.22%	1978	-7.81%	-9.16%	-9.16%	1.35%	0.91%	\$0	\$1,606,515	vs \$1,214,929
9	53	\$200,000	1979	16.76%	15.41%	11.08%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.50%	\$0	\$1,887,789	vs \$1,664,402
10	54	\$200,000	1980	-5.40%	-6.75%	-6.75%	1980	-14.57%	-15.92%	-15.92%	1.35%	-9.50%	\$0	\$1,889,504	vs \$1,328,923 -29.67%
11	55	\$0	1981	5.65%	4.30%	3.09%	1981	-1.94%	-3.29%	-3.29%	1.35%	1.18%	\$0	\$1,911,768	vs \$1,247,472 -34.75%
12	56	\$0	1982	39.91%	38.56%	27.72%	1982	25.14%	23.79%	14.96%	1.35%	23.90%	\$0	\$2,368,608	vs \$1,572,714 -33.60%
13	57	\$0	1983	2.02%	0.67%	0.48%	1983	-0.01%	-1.36%	-1.36%	1.35%	-0.07%	\$0	\$2,366,895	vs \$999,441 -57.77%
14	58	\$0	1984	11.62%	10.27%	7.38%	1984	9.04%	7.69%	4.84%	1.35%	6.62%	\$0	\$2,523,609	vs \$905,214 -64.13%
15	59	\$0	1985	29.04%	27.69%	19.91%	1985	21.41%	20.06%	12.62%	1.35%	17.72%	\$0	\$2,970,864	vs \$1,340,335 -54.88%
16	60	\$0	1986	41.13%	39.78%	28.60%	1986	21.97%	20.62%	12.97%	1.35%	23.91%	\$0	\$3,681,225	vs \$1,882,647 -48.86%
17	61	\$0	1987	-13.51%	-14.86%	-14.86%	1987	-8.32%	-9.67%	-9.67%	1.35%	-13.30%	\$0	\$3,191,477	vs \$1,288,627 -59.62%
18	62	\$0	1988	30.41%	29.06%	20.89%	1988	3.98%	2.63%	1.66%	1.35%	15.12%	\$0	\$3,674,061	vs \$1,867,873 -49.16%
19	63	\$0	1989	-10.34%	-11.69%	-11.69%	1989	12.27%	10.92%	6.87%	1.35%	-6.12%	\$0	\$3,449,040	vs \$1,215,086 -64.77%
20	64	\$0	1990	28.73%	27.38%	19.69%	1990	0.79%	-0.56%	-0.56%	1.35%	13.61%	\$0	\$3,918,598	vs \$1,833,717 -53.20%
21	65	\$0	1991	9.72%	8.37%	6.02%	1991	10.33%	8.98%	5.65%	1.35%	5.91%	-\$146,697	\$3,994,713	vs \$2,383,916 -38.89%
22	66	\$0	1992	11.84%	10.49%	7.55%	1992	6.15%	4.80%	3.02%	1.35%	6.19%	-\$190,713	\$4,039,352	vs \$2,974,263 -24.34%
23	67	\$0	1993	2.82%	1.47%	1.06%	1993	10.94%	9.59%	6.03%	1.35%	2.55%	-\$237,941	\$3,898,372	vs \$2,087,206 -40.48%
24	68	\$0	1994	28.30%	26.95%	19.38%	1994	-10.37%	-11.72%	-11.72%	1.35%	10.05%	-\$166,976	\$4,106,313	vs \$2,749,273 -27.99%
25	69	\$0	1995	19.61%	18.26%	13.13%	1995	20.11%	18.76%	11.80%	1.35%	12.73%	-\$219,942	\$4,381,143	vs \$3,458,500 -17.27%
26	70	\$0	1996	39.82%	38.47%	27.66%	1996	-1.46%	-2.81%	-2.81%	1.35%	18.52%	-\$276,680	\$4,864,574	vs \$4,219,600 -10.57%
27	71	\$0	1997	9.36%	8.01%	5.76%	1997	7.43%	6.08%	3.82%	1.35%	5.18%	-\$337,568	\$4,761,454	vs \$4,995,786 3.70%
28	72	\$0	1998	28.13%	26.78%	19.25%	1998	13.16%	11.81%	7.43%	1.35%	15.71%	-\$399,663	\$5,046,837	vs \$5,887,268 11.97%
29	73	\$0	1999	13.99%	12.64%	9.09%	1999	-10.22%	-11.57%	-11.57%	1.35%	2.89%	-\$470,981	\$4,708,154	vs \$6,855,951 30.02%
30	74	\$0	2000	-25.54%	-26.89%	-26.89%	2000	12.84%	11.49%	7.23%	1.35%	-16.65%	-\$548,476	\$3,467,018	vs \$4,947,846 22.91%
31	75	\$0	2001	-19.68%	-21.03%	-21.03%	2001	2.67%	1.32%	0.83%	1.35%	-14.47%	-\$395,828	\$2,626,766	vs \$3,127,269 8.32%
32	76	\$0	2002	24.16%	22.81%	16.40%	2002	13.32%	11.97%	7.53%	1.35%	13.74%	-\$250,182	\$2,703,135	vs \$4,282,237 24.89%
33	77	\$0	2003	13.91%	12.56%	9.03%	2003	-1.85%	-3.20%	-3.20%	1.35%	5.36%	-\$342,579	\$2,487,084	vs \$5,518,713 46.85%
34	78	\$0	2004	12.25%	10.90%	7.84%	2004	1.77%	0.42%	0.26%	1.35%	5.56%	-\$441,497	\$2,159,401	vs \$6,845,405 71.16%
35	79	\$0	2005	10.71%	9.36%	6.73%	2005	-0.51%	-1.86%	-1.86%	1.35%	4.15%	-\$547,632	\$1,678,720	vs \$8,271,822 99.11%
36	80	\$0	2006	16.29%	14.94%	10.74%	2006	-1.23%	-2.58%	-2.58%	1.35%	6.75%	-\$661,746	\$1,085,589	vs \$9,808,340 129.79%
37	81	\$0	2007	-21.61%	-22.96%	-22.96%	2007	7.15%	5.80%	3.65%	1.35%	-14.97%	-\$784,667	\$255,863	vs \$6,865,269 99.01%
38	82	\$0	2008	-7.37%	-8.72%	-8.72%	2008	15.66%	14.31%	9.00%	1.35%	-3.40%	-\$255,863	\$0	vs \$4,043,807 64.97%
39	83	\$0	2009	9.96%	8.61%	6.19%	2009	-10.80%	-12.15%	-12.15%	1.35%	0.69%	\$0	\$0	vs \$5,835,465 96.65%
40	84	\$0	2010	1.14%	-0.21%	-0.21%	2010	6.71%	5.36%	3.37%	1.35%	0.87%	\$0	\$0	vs \$2,820,163 58.48%

Average Equities Return: 10.02% Average T-Bond Return: 3.46% Average Net Portfolio Return: 3.62%

WORST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$370,868

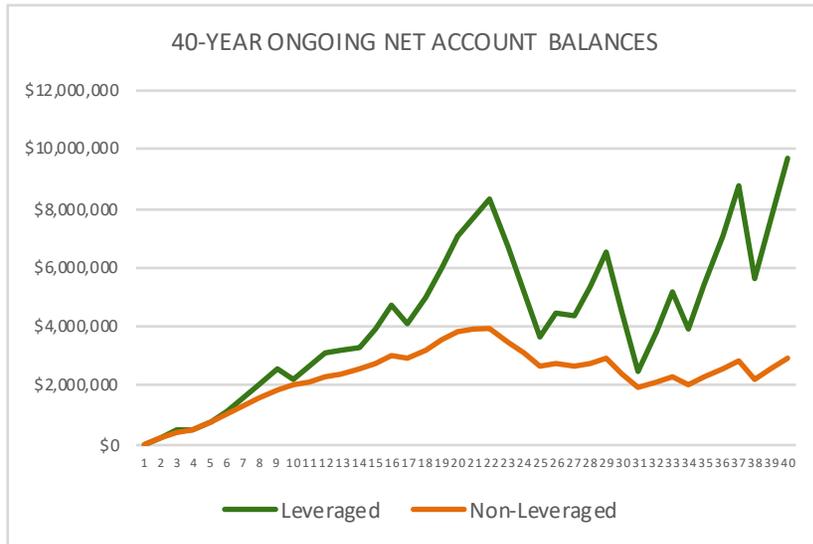
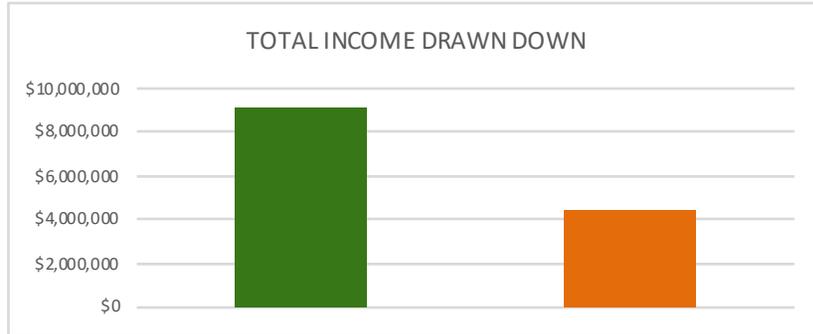
DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year T-Bond Returns during the January 1st to December 31st period. The taxation and investment fees are merely hypothetical based on certain assumptions, and would vary from client situation to client situation based on a number of factors and variables. Such variables may be changed and modeled per the client or advisor's request. The assumptions made in this document are purely hypothetical and do not represent any specific investment, fund or asset in particular. The purpose of this document is for educational purposes only.

BEST CAGR IN 40-YEAR PERIOD*

LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

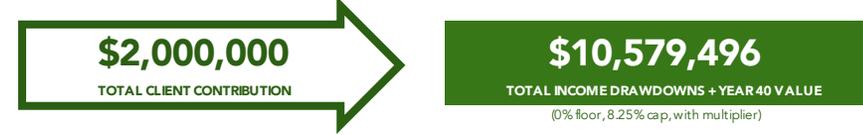


NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

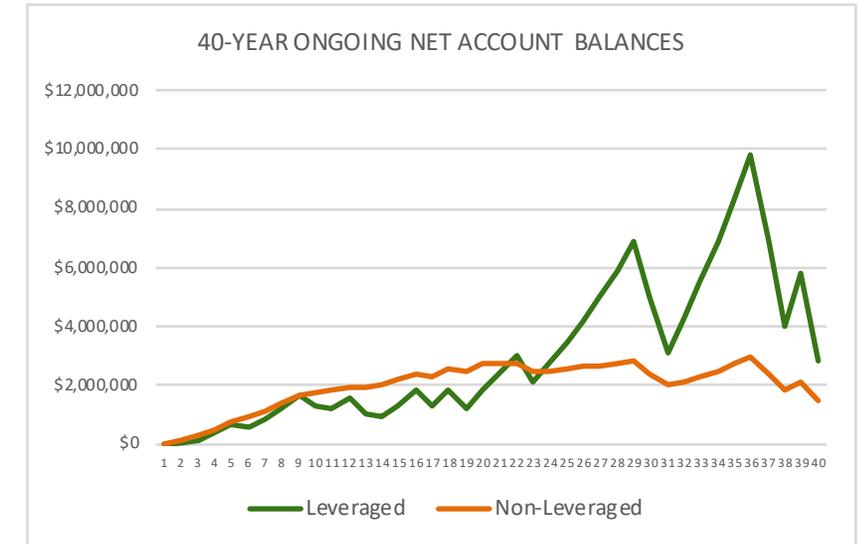
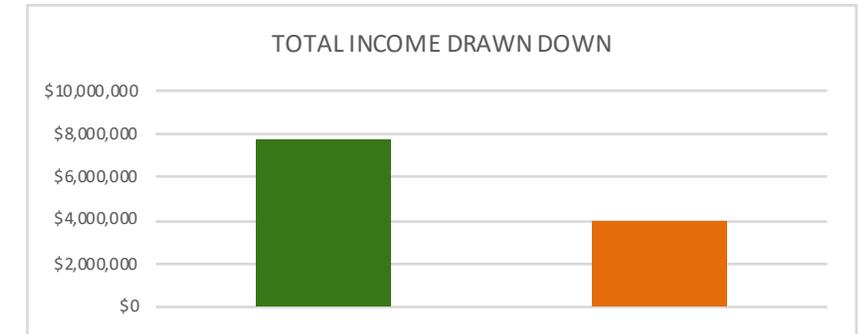


WORST CAGR IN 40-YEAR PERIOD*

LEVERAGED HYPOTHETICAL SYNTHETIC ASSET



NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET



*40-year periods with the best and worst CAGR out of 121 different 40-year periods analyzed
HYPOTHETICAL SYNTHETIC BACKTESTING REPORT - DOCUMENT 20.22.07.14

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

NON-FINANCED HYPOTHETICAL SYNTHETIC ASSET

NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

Current Pre-Bonus Cap: **8.75%**

Current Post-Bonus Max Cap: **10.90%**

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Participation Rate: **100.00%**

Floor Modeled: **0.00%**

Pre-Bonus Cap Modeled: **8.25%**

Post-Bonus Max Cap Modeled: **10.90%**

8/27/2022

#	YEAR	AGE	TOTAL INDEX CONTRIBUTION	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	45		\$200,000	1978	11.97%	8.25%	8.25%	\$0	\$158,837	\$17,789
2	46		\$200,000	1979	14.24%	8.25%	10.90%	\$0	\$334,898	\$207,191
3	47		\$200,000	1980	13.48%	8.25%	10.90%	\$0	\$525,225	\$411,030
4	48		\$200,000	1981	-7.06%	0.00%	0.00%	\$0	\$659,498	\$558,931
5	49		\$200,000	1982	20.68%	8.25%	10.90%	\$0	\$876,052	\$789,342
6	50		\$200,000	1983	12.46%	8.25%	10.90%	\$0	\$1,108,449	\$1,035,711
7	51		\$200,000	1984	9.93%	8.25%	10.90%	\$0	\$1,360,336	\$1,301,801
8	52		\$200,000	1985	17.90%	8.25%	10.90%	\$0	\$1,633,247	\$1,589,087
9	53		\$200,000	1986	29.42%	8.25%	10.90%	\$0	\$1,928,704	\$1,899,092
10	54		\$200,000	1987	-6.21%	0.00%	0.00%	\$0	\$2,027,344	\$2,012,451
11	55		\$0	1988	15.72%	8.25%	10.90%	\$0	\$2,174,280	\$2,174,280
12	56		\$0	1989	10.63%	8.25%	10.90%	\$0	\$2,334,169	\$2,334,169
13	57		\$0	1990	4.51%	4.51%	6.54%	\$0	\$2,409,710	\$2,409,710
14	58		\$0	1991	18.86%	8.25%	10.90%	\$0	\$2,589,744	\$2,589,744
15	59		\$0	1992	7.34%	7.34%	10.64%	\$0	\$2,779,494	\$2,779,494
16	60		\$0	1993	9.76%	8.25%	10.90%	\$0	\$3,031,827	\$3,031,827
17	61		\$0	1994	-2.32%	0.00%	0.00%	\$0	\$2,982,858	\$2,982,858
18	62		\$0	1995	35.20%	8.25%	10.90%	\$0	\$3,253,395	\$3,253,395
19	63		\$0	1996	23.61%	8.25%	10.90%	\$0	\$3,549,575	\$3,549,575
20	64		\$0	1997	24.69%	8.25%	10.90%	\$0	\$3,873,801	\$3,873,801
21	65		\$0	1998	30.54%	8.25%	10.90%	-\$309,904	\$4,228,605	\$3,903,205
22	66		\$0	1999	8.97%	8.25%	10.90%	-\$312,256	\$4,616,706	\$3,947,167
23	67		\$0	2000	-2.04%	0.00%	0.00%	-\$315,773	\$4,545,599	\$3,511,022
24	68		\$0	2001	-17.26%	0.00%	0.00%	-\$280,882	\$4,473,396	\$3,092,163
25	69		\$0	2002	-24.29%	0.00%	0.00%	-\$247,373	\$4,399,933	\$2,689,898
26	70		\$0	2003	32.19%	8.25%	10.90%	-\$215,192	\$4,796,339	\$2,774,850
27	71		\$0	2004	4.43%	4.43%	6.43%	-\$221,988	\$5,019,843	\$2,664,193
28	72		\$0	2005	8.36%	8.25%	10.90%	-\$213,135	\$5,475,742	\$2,778,517
29	73		\$0	2006	12.36%	8.25%	10.90%	-\$222,281	\$5,976,263	\$2,910,781
30	74		\$0	2007	-4.15%	0.00%	0.00%	-\$232,862	\$5,884,858	\$2,421,597
31	75		\$0	2008	-40.09%	0.00%	0.00%	-\$193,728	\$5,795,465	\$1,955,627
32	76		\$0	2009	30.03%	8.25%	10.90%	-\$156,450	\$6,331,104	\$2,135,001
33	77		\$0	2010	19.76%	8.25%	10.90%	-\$170,800	\$6,922,338	\$2,337,090
34	78		\$0	2011	2.04%	2.04%	2.96%	-\$186,967	\$7,033,794	\$2,022,968
35	79		\$0	2012	14.15%	8.25%	10.90%	-\$161,837	\$7,704,374	\$2,273,077
36	80		\$0	2013	18.99%	8.25%	10.90%	-\$181,846	\$8,447,842	\$2,554,041
37	81		\$0	2014	11.92%	8.25%	10.90%	-\$204,323	\$9,264,516	\$2,861,486
38	82		\$0	2015	-2.74%	0.00%	0.00%	-\$228,919	\$9,161,014	\$2,197,468
39	83		\$0	2016	17.45%	8.25%	10.90%	-\$175,797	\$10,044,250	\$2,547,939
40	84		\$0	2017	23.91%	8.25%	10.90%	-\$203,835	\$11,012,087	\$2,926,934

AVERAGE ANNUAL INCOME DRAWDOWN: **\$221,808**

BEST 40

RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%

CASH FLOW SUMMARY	
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$221,808
TOTAL INCOME DRAWDOWN:	\$4,436,151
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,926,934
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$7,363,085
RAW S&P 500 CAGR:	9.02%
40-YEAR NET ACCOUNT IRR:	4.86%

BEST 40-YEAR S&P CAGR PERIOD (OF 121 PERIODS ANALYZED)

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WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

NON-FINANCED HYPOTHETICAL SYNTHETIC ASSET

NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

Current Pre-Bonus Cap: **8.75%**

Current Post-Bonus Max Cap: **10.90%**

Participation Rate: **100.00%**

Floor Modeled: **0.00%**

Pre-Bonus Cap Modeled: **8.25%**

Post-Bonus Max Cap Modeled: **10.90%**

#	YEAR	AGE	TOTAL INDEX CONTRIBUTION	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	45		\$200,000	1971	12.42%	8.25%	8.25%	\$0	\$158,837	\$17,789
2	46		\$200,000	1972	-1.92%	0.00%	0.00%	\$0	\$301,982	\$174,275
3	47		\$200,000	1973	-41.40%	0.00%	0.00%	\$0	\$441,016	\$326,821
4	48		\$200,000	1974	32.00%	8.25%	10.90%	\$0	\$638,929	\$538,361
5	49		\$200,000	1975	25.48%	8.25%	10.90%	\$0	\$853,469	\$766,759
6	50		\$200,000	1976	-8.28%	0.00%	0.00%	\$0	\$977,146	\$904,408
7	51		\$200,000	1977	6.23%	6.23%	9.03%	\$0	\$1,195,645	\$1,137,110
8	52		\$200,000	1978	6.61%	6.61%	9.59%	\$0	\$1,435,241	\$1,391,081
9	53		\$200,000	1979	14.76%	8.25%	10.90%	\$0	\$1,711,312	\$1,681,700
10	54		\$200,000	1980	-7.40%	0.00%	0.00%	\$0	\$1,812,125	\$1,797,233
11	55		\$0	1981	3.65%	3.65%	5.29%	\$0	\$1,839,985	\$1,839,985
12	56		\$0	1982	37.91%	8.25%	10.90%	\$0	\$1,967,144	\$1,967,144
13	57		\$0	1983	0.02%	0.02%	0.03%	\$0	\$1,898,862	\$1,898,862
14	58		\$0	1984	9.62%	8.25%	10.90%	\$0	\$2,028,879	\$2,028,879
15	59		\$0	1985	27.04%	8.25%	10.90%	\$0	\$2,170,211	\$2,170,211
16	60		\$0	1986	39.13%	8.25%	10.90%	\$0	\$2,362,889	\$2,362,889
17	61		\$0	1987	-15.51%	0.00%	0.00%	\$0	\$2,320,609	\$2,320,609
18	62		\$0	1988	28.41%	8.25%	10.90%	\$0	\$2,526,306	\$2,526,306
19	63		\$0	1989	-12.34%	0.00%	0.00%	\$0	\$2,480,880	\$2,480,880
20	64		\$0	1990	26.73%	8.25%	10.90%	\$0	\$2,700,470	\$2,700,470
21	65		\$0	1991	7.72%	7.72%	10.90%	-\$216,038	\$2,940,393	\$2,713,554
22	66		\$0	1992	9.84%	8.25%	10.90%	-\$217,084	\$3,202,366	\$2,736,246
23	67		\$0	1993	0.82%	0.82%	1.19%	-\$218,900	\$3,182,968	\$2,463,697
24	68		\$0	1994	26.30%	8.25%	10.90%	-\$197,096	\$3,464,949	\$2,502,765
25	69		\$0	1995	17.61%	8.25%	10.90%	-\$200,221	\$3,772,343	\$2,551,816
26	70		\$0	1996	37.82%	8.25%	10.90%	-\$204,145	\$4,107,301	\$2,611,396
27	71		\$0	1997	7.36%	7.36%	10.67%	-\$208,912	\$4,465,161	\$2,675,103
28	72		\$0	1998	26.13%	8.25%	10.90%	-\$214,008	\$4,866,750	\$2,762,481
29	73		\$0	1999	11.99%	8.25%	10.90%	-\$220,998	\$5,307,645	\$2,866,114
30	74		\$0	2000	-27.54%	0.00%	0.00%	-\$229,289	\$5,222,927	\$2,418,566
31	75		\$0	2001	-21.68%	0.00%	0.00%	-\$193,485	\$5,140,153	\$1,992,414
32	76		\$0	2002	22.16%	8.25%	10.90%	-\$159,393	\$5,611,631	\$2,139,142
33	77		\$0	2003	11.91%	8.25%	10.90%	-\$171,131	\$6,132,421	\$2,306,620
34	78		\$0	2004	10.25%	8.25%	10.90%	-\$184,530	\$6,708,669	\$2,497,822
35	79		\$0	2005	8.71%	8.25%	10.90%	-\$199,826	\$7,347,416	\$2,716,210
36	80		\$0	2006	14.29%	8.25%	10.90%	-\$217,297	\$8,055,934	\$2,965,006
37	81		\$0	2007	-23.61%	0.00%	0.00%	-\$237,200	\$7,965,948	\$2,371,413
38	82		\$0	2008	-9.37%	0.00%	0.00%	-\$189,713	\$7,875,432	\$1,801,971
39	83		\$0	2009	7.96%	7.96%	10.90%	-\$144,158	\$8,632,796	\$2,104,297
40	84		\$0	2010	-0.86%	0.00%	0.00%	-\$168,344	\$8,532,406	\$1,500,721

AVERAGE ANNUAL INCOME DRAWDOWN: **\$199,588**

WORST 40

RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%

TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$199,588
TOTAL INCOME DRAWDOWN:	\$3,991,768
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$1,500,721
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$5,492,489
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 3.83%

WORST 40-YEAR S&P CAGR PERIOD (OF 121 PERIODS ANALYZED)

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MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)
NON-FINANCED HYPOTHETICAL SYNTHETIC ASSET

NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

Current Pre-Bonus Cap: **8.75%**

Current Post-Bonus Max Cap: **10.90%**

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Participation Rate: **100.00%**

Floor Modeled: **0.00%**

Pre-Bonus Cap Modeled: **8.25%**

Post-Bonus Max Cap Modeled: **10.90%**

8/27/2022

#	YEAR	AGE	TOTAL INDEX CONTRIBUTION	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1	45	\$200,000	1982	20.68%	8.25%	8.25%	\$0	\$158,837	\$17,789
2	2	46	\$200,000	1983	12.46%	8.25%	10.90%	\$0	\$334,898	\$207,191
3	3	47	\$200,000	1984	9.93%	8.25%	10.90%	\$0	\$525,225	\$411,030
4	4	48	\$200,000	1985	17.90%	8.25%	10.90%	\$0	\$731,383	\$630,816
5	5	49	\$200,000	1986	29.42%	8.25%	10.90%	\$0	\$954,975	\$868,265
6	6	50	\$200,000	1987	-6.21%	0.00%	0.00%	\$0	\$1,077,637	\$1,004,900
7	7	51	\$200,000	1988	15.72%	8.25%	10.90%	\$0	\$1,326,507	\$1,267,972
8	8	52	\$200,000	1989	10.63%	8.25%	10.90%	\$0	\$1,596,106	\$1,551,946
9	9	53	\$200,000	1990	4.51%	4.51%	6.54%	\$0	\$1,813,759	\$1,784,147
10	10	54	\$200,000	1991	18.86%	8.25%	10.90%	\$0	\$2,122,125	\$2,107,233
11	11	55	\$0	1992	7.34%	7.34%	10.64%	\$0	\$2,273,029	\$2,273,029
12	12	56	\$0	1993	9.76%	8.25%	10.90%	\$0	\$2,442,587	\$2,442,587
13	13	57	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$2,369,054	\$2,369,054
14	14	58	\$0	1995	35.20%	8.25%	10.90%	\$0	\$2,545,107	\$2,545,107
15	15	59	\$0	1996	23.61%	8.25%	10.90%	\$0	\$2,736,982	\$2,736,982
16	16	60	\$0	1997	24.69%	8.25%	10.90%	\$0	\$2,985,153	\$2,985,153
17	17	61	\$0	1998	30.54%	8.25%	10.90%	\$0	\$3,256,745	\$3,256,745
18	18	62	\$0	1999	8.97%	8.25%	10.90%	\$0	\$3,554,099	\$3,554,099
19	19	63	\$0	2000	-2.04%	0.00%	0.00%	\$0	\$3,498,396	\$3,498,396
20	20	64	\$0	2001	-17.26%	0.00%	0.00%	\$0	\$3,442,390	\$3,442,390
21	21	65	\$0	2002	-24.29%	0.00%	0.00%	-\$275,391	\$3,385,892	\$3,096,732
22	22	66	\$0	2003	32.19%	8.25%	10.90%	-\$247,739	\$3,691,484	\$3,127,740
23	23	67	\$0	2004	4.43%	4.43%	6.43%	-\$250,219	\$3,862,923	\$3,008,261
24	24	68	\$0	2005	8.36%	8.25%	10.90%	-\$240,661	\$4,211,478	\$3,061,390
25	25	69	\$0	2006	12.36%	8.25%	10.90%	-\$244,911	\$4,591,964	\$3,127,214
26	26	70	\$0	2007	-4.15%	0.00%	0.00%	-\$250,177	\$4,515,033	\$2,714,360
27	27	71	\$0	2008	-40.09%	0.00%	0.00%	-\$217,149	\$4,438,187	\$2,319,474
28	28	72	\$0	2009	30.03%	8.25%	10.90%	-\$185,558	\$4,837,136	\$2,417,651
29	29	73	\$0	2010	19.76%	8.25%	10.90%	-\$193,412	\$5,275,131	\$2,531,590
30	30	74	\$0	2011	2.04%	2.04%	2.96%	-\$202,527	\$5,344,591	\$2,251,219
31	31	75	\$0	2012	14.15%	8.25%	10.90%	-\$180,098	\$5,834,006	\$2,396,863
32	32	76	\$0	2013	18.99%	8.25%	10.90%	-\$191,749	\$6,373,419	\$2,563,082
33	33	77	\$0	2014	11.92%	8.25%	10.90%	-\$205,047	\$6,968,796	\$2,752,643
34	34	78	\$0	2015	-2.74%	0.00%	0.00%	-\$220,211	\$6,877,308	\$2,219,125
35	35	79	\$0	2016	17.45%	8.25%	10.90%	-\$177,530	\$7,532,566	\$2,455,068
36	36	80	\$0	2017	23.91%	8.25%	10.90%	-\$196,405	\$8,259,211	\$2,721,613
37	37	81	\$0	2018	-4.41%	0.00%	0.00%	-\$217,729	\$8,167,193	\$2,124,099
38	38	82	\$0	2019	31.74%	8.25%	10.90%	-\$169,928	\$8,954,803	\$2,431,130
39	39	83	\$0	2020	18.38%	8.25%	10.90%	-\$194,490	\$9,817,848	\$2,763,777
40	40	84	\$0	2021	28.83%	8.25%	10.90%	-\$221,102	\$10,763,519	\$3,124,586

AVERAGE ANNUAL INCOME DRAWDOWN: **\$214,102**

MOST RECENT 40

RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%

TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$214,102
TOTAL INCOME DRAWDOWN:	\$4,282,034
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$3,124,586
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$7,406,620
RAW S&P 500 CAGR: 9.99%	40-YEAR NET ACCOUNT IRR: 4.77%

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

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ACCOUNT CHARGES + INDEX CREDITS + BONUSES

AN ANNUAL EXPLANATION OF POSITIVE & NEGATIVE ARBITRAGE

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$2,164	-\$51,104	1978	11.97%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$12,105	-\$53,268	-\$41,163	\$146,732	\$158,837	\$17,789
2	1.00%	-\$2,899	-\$53,956	1979	14.24%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$32,916	-\$56,855	-\$23,939	\$301,982	\$334,898	\$207,191
3	1.00%	-\$4,646	-\$56,650	1980	13.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$51,623	-\$61,296	-\$9,673	\$473,603	\$525,225	\$411,030
4	1.00%	-\$6,536	-\$59,191	1981	-7.06%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$65,727	-\$65,727	\$659,498	\$659,498	\$558,931
5	1.00%	-\$7,867	-\$61,684	1982	20.68%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$86,104	-\$69,551	\$16,554	\$789,947	\$876,052	\$789,342
6	1.00%	-\$10,008	-\$66,541	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$108,946	-\$76,549	\$32,397	\$999,503	\$1,108,449	\$1,035,711
7	1.00%	-\$12,317	-\$69,499	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$133,703	-\$81,816	\$51,887	\$1,226,633	\$1,360,336	\$1,301,801
8	1.00%	-\$14,819	-\$72,796	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$160,527	-\$87,615	\$72,911	\$1,472,720	\$1,633,247	\$1,589,087
9	1.00%	-\$17,530	-\$76,579	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$189,566	-\$94,109	\$95,457	\$1,739,138	\$1,928,704	\$1,899,092
10	1.00%	-\$20,463	-\$80,898	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$101,361	-\$101,361	\$2,027,344	\$2,027,344	\$2,012,451
11	1.00%	-\$20,040	-\$46,727	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$213,703	-\$66,767	\$146,936	\$1,960,577	\$2,174,280	\$2,174,280
12	1.00%	-\$21,503	-\$48,026	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$229,418	-\$69,529	\$159,889	\$2,104,751	\$2,334,169	\$2,334,169
13	1.00%	-\$23,095	-\$49,354	1990	4.51%	4.51%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$147,990	-\$72,449	\$75,541	\$2,261,720	\$2,409,710	\$2,409,710
14	1.00%	-\$23,844	-\$50,660	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$254,537	-\$74,504	\$180,034	\$2,335,206	\$2,589,744	\$2,589,744
15	1.00%	-\$25,638	-\$51,942	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$267,330	-\$77,580	\$189,750	\$2,512,164	\$2,779,494	\$2,779,494
16	1.00%	-\$27,705	-\$17,950	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$297,988	-\$45,655	\$252,333	\$2,733,839	\$3,031,827	\$3,031,827
17	1.00%	-\$30,225	-\$18,745	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$48,970	-\$48,970	\$2,982,858	\$2,982,858	\$2,982,858
18	1.00%	-\$29,731	-\$19,497	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$319,766	-\$49,228	\$270,538	\$2,933,630	\$3,253,395	\$3,253,395
19	1.00%	-\$32,433	-\$20,264	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$348,876	-\$52,697	\$296,180	\$3,200,699	\$3,549,575	\$3,549,575
20	1.00%	-\$35,390	-\$21,127	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$380,743	-\$56,517	\$324,226	\$3,493,058	\$3,873,801	\$3,873,801
21	1.00%	-\$38,627	-\$22,185	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$415,616	-\$60,812	\$354,804	\$3,812,989	\$4,228,605	\$3,903,205
22	1.00%	-\$42,169	-\$23,491	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$453,761	-\$65,660	\$388,101	\$4,162,945	\$4,616,706	\$3,947,167
23	1.00%	-\$46,042	-\$25,065	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$71,107	-\$71,107	\$4,545,599	\$4,545,599	\$3,511,022
24	1.00%	-\$45,322	-\$26,882	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$72,204	-\$72,204	\$4,473,396	\$4,473,396	\$3,092,163
25	1.00%	-\$44,590	-\$28,873	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$73,463	-\$73,463	\$4,399,933	\$4,399,933	\$2,689,898
26	1.00%	-\$43,843	-\$31,167	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$471,417	-\$75,010	\$396,406	\$4,324,923	\$4,796,339	\$2,774,850
27	1.00%	-\$47,804	-\$31,855	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$303,163	-\$79,659	\$223,504	\$4,716,680	\$5,019,843	\$2,664,193
28	1.00%	-\$50,037	-\$32,257	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$538,193	-\$82,294	\$455,899	\$4,937,549	\$5,475,742	\$2,778,517
29	1.00%	-\$54,596	-\$32,270	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$587,387	-\$86,866	\$500,521	\$5,388,876	\$5,976,263	\$2,910,781
30	1.00%	-\$59,604	-\$31,801	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$91,405	-\$91,405	\$5,884,858	\$5,884,858	\$2,421,597
31	1.00%	-\$58,695	-\$30,698	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$89,393	-\$89,393	\$5,795,465	\$5,795,465	\$1,955,627
32	1.00%	-\$57,811	-\$28,814	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$622,264	-\$86,625	\$535,639	\$5,708,841	\$6,331,104	\$2,135,001
33	1.00%	-\$63,181	-\$25,959	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$680,374	-\$89,140	\$591,234	\$6,241,964	\$6,922,338	\$2,337,090
34	1.00%	-\$69,114	-\$21,910	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$202,480	-\$91,024	\$111,456	\$6,831,314	\$7,033,794	\$2,022,968
35	1.00%	-\$70,256	-\$16,402	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$757,238	-\$86,658	\$670,580	\$6,947,136	\$7,704,374	\$2,273,077
36	1.00%	-\$76,994	-\$9,849	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$830,311	-\$86,843	\$743,467	\$7,617,531	\$8,447,842	\$2,554,041
37	1.00%	-\$84,431	-\$9,474	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$910,579	-\$93,905	\$816,674	\$8,353,937	\$9,264,516	\$2,861,486
38	1.00%	-\$92,591	-\$10,911	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$103,502	-\$103,502	\$9,161,014	\$9,161,014	\$2,197,468
39	1.00%	-\$91,548	-\$12,433	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$987,217	-\$103,981	\$883,236	\$9,057,033	\$10,044,250	\$2,547,939
40	1.00%	-\$100,372	-\$14,133	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,082,342	-\$114,505	\$967,837	\$9,929,745	\$11,012,087	\$2,926,934

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

- ASSET-BASED CHARGES (%)** Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.
- ASSET-BASED CHARGES (\$)** The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).
- FIXED CHARGES (\$)** Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.
- INDEX CREDIT** The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.
- MULTIPLIER BONUS (x)** A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.
- INDEX CREDIT w/ MULTIPLIER** The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)
- PERSISTENCY BONUS (+)** A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)
- TOTAL INDEX CREDIT (%)** The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).
- TOTAL INDEX CREDITS (\$)** The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.
- TOTAL CHARGES (\$)** The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).
- YEAR-END GAIN/LOSS (\$)** The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.
- EOY VALUE AFTER CHARGES B4 CREDIT** The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.
- EOY GROSS INDEX ACCUMULATED VALUE** The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.
- EOY INDEX VALUE NET OF INT & EXT LOANS** The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALU	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$2,164	-\$51,104	1971	12.42%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$12,105	-\$53,268	-\$41,163	\$146,732	\$158,837	\$17,789
2	1.00%	-\$2,899	-\$53,956	1972	-1.92%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$56,855	-\$56,855	\$301,982	\$301,982	\$174,275
3	1.00%	-\$4,317	-\$56,650	1973	-41.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$60,967	-\$60,967	\$441,016	\$441,016	\$326,821
4	1.00%	-\$5,694	-\$59,191	1974	32.00%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$62,798	-\$64,885	-\$2,087	\$576,131	\$638,929	\$538,361
5	1.00%	-\$7,661	-\$61,684	1975	25.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$83,885	-\$69,345	\$14,540	\$769,584	\$853,469	\$766,759
6	1.00%	-\$9,782	-\$66,541	1976	-8.28%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$76,323	-\$76,323	\$977,146	\$977,146	\$904,408
7	1.00%	-\$11,004	-\$69,499	1977	6.23%	6.23%	x 1.45	= 9.03%	+ 0.00%	= 9.03%	\$99,002	-\$80,503	\$18,499	\$1,096,643	\$1,195,645	\$1,137,110
8	1.00%	-\$13,172	-\$72,796	1978	6.61%	6.61%	x 1.45	= 9.59%	+ 0.00%	= 9.59%	\$125,565	-\$85,968	\$39,596	\$1,309,676	\$1,435,241	\$1,391,081
9	1.00%	-\$15,550	-\$76,579	1979	14.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$168,199	-\$92,129	\$76,071	\$1,543,113	\$1,711,312	\$1,681,700
10	1.00%	-\$18,289	-\$80,898	1980	-7.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$99,187	-\$99,187	\$1,812,125	\$1,812,125	\$1,797,233
11	1.00%	-\$17,888	-\$46,727	1981	3.65%	3.65%	x 1.45	= 5.29%	+ 0.00%	= 5.29%	\$92,475	-\$64,615	\$27,860	\$1,747,511	\$1,839,985	\$1,839,985
12	1.00%	-\$18,160	-\$48,026	1982	37.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$193,344	-\$66,186	\$127,158	\$1,773,800	\$1,967,144	\$1,967,144
13	1.00%	-\$19,425	-\$49,354	1983	0.02%	0.02%	x 1.45	= 0.03%	+ 0.00%	= 0.03%	\$497	-\$68,779	-\$68,281	\$1,898,365	\$1,898,862	\$1,898,862
14	1.00%	-\$18,735	-\$50,660	1984	9.62%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$199,412	-\$69,395	\$130,017	\$1,829,467	\$2,028,879	\$2,028,879
15	1.00%	-\$20,029	-\$51,942	1985	27.04%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$213,303	-\$71,971	\$141,332	\$1,956,908	\$2,170,211	\$2,170,211
16	1.00%	-\$21,612	-\$17,950	1986	39.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$232,241	-\$39,562	\$192,678	\$2,130,649	\$2,362,889	\$2,362,889
17	1.00%	-\$23,535	-\$18,745	1987	-15.51%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$42,280	-\$42,280	\$2,320,609	\$2,320,609	\$2,320,609
18	1.00%	-\$23,109	-\$19,497	1988	28.41%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$248,302	-\$42,606	\$205,697	\$2,278,003	\$2,526,306	\$2,526,306
19	1.00%	-\$25,162	-\$20,264	1989	-12.34%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$45,426	-\$45,426	\$2,480,880	\$2,480,880	\$2,480,880
20	1.00%	-\$24,703	-\$21,127	1990	26.73%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$265,420	-\$45,830	\$219,590	\$2,435,050	\$2,700,470	\$2,700,470
21	1.00%	-\$26,894	-\$22,185	1991	7.72%	7.72%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$289,002	-\$49,079	\$239,923	\$2,651,392	\$2,940,393	\$2,940,393
22	1.00%	-\$29,286	-\$23,491	1992	9.84%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$314,750	-\$52,777	\$261,973	\$2,887,616	\$3,202,366	\$2,736,246
23	1.00%	-\$31,898	-\$25,065	1993	0.82%	0.82%	x 1.45	= 1.19%	+ 0.00%	= 1.19%	\$37,566	-\$56,963	-\$19,398	\$3,145,403	\$3,182,968	\$2,463,697
24	1.00%	-\$31,695	-\$26,882	1994	26.30%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$340,559	-\$58,577	\$281,981	\$3,124,391	\$3,464,949	\$2,502,765
25	1.00%	-\$34,505	-\$28,873	1995	17.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$370,771	-\$63,378	\$307,393	\$3,401,571	\$3,772,343	\$2,551,816
26	1.00%	-\$37,568	-\$31,167	1996	37.82%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$403,693	-\$68,735	\$334,959	\$3,703,608	\$4,107,301	\$2,611,396
27	1.00%	-\$40,914	-\$31,855	1997	7.36%	7.36%	x 1.45	= 10.67%	+ 0.00%	= 10.67%	\$430,628	-\$72,769	\$357,859	\$4,034,533	\$4,465,161	\$2,675,103
28	1.00%	-\$44,490	-\$32,257	1998	26.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$478,337	-\$76,747	\$401,590	\$4,388,413	\$4,866,750	\$2,762,481
29	1.00%	-\$48,506	-\$32,270	1999	11.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$521,671	-\$80,776	\$440,895	\$4,785,974	\$5,307,645	\$2,866,114
30	1.00%	-\$52,917	-\$31,801	2000	-27.54%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$84,718	-\$84,718	\$5,222,927	\$5,222,927	\$2,418,566
31	1.00%	-\$52,076	-\$30,698	2001	-21.68%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$82,774	-\$82,774	\$5,140,153	\$5,140,153	\$1,992,414
32	1.00%	-\$51,257	-\$28,814	2002	22.16%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$551,549	-\$80,071	\$471,477	\$5,060,082	\$5,611,631	\$2,139,142
33	1.00%	-\$55,987	-\$25,959	2003	11.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$602,736	-\$81,946	\$520,790	\$5,529,685	\$6,132,421	\$2,306,620
34	1.00%	-\$61,215	-\$21,910	2004	10.25%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$659,373	-\$83,125	\$576,249	\$6,049,296	\$6,708,669	\$2,497,822
35	1.00%	-\$67,005	-\$16,402	2005	8.71%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$722,154	-\$83,407	\$638,747	\$6,625,263	\$7,347,416	\$2,716,210
36	1.00%	-\$73,425	-\$9,849	2006	14.29%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$791,792	-\$83,274	\$708,518	\$7,264,142	\$8,055,934	\$2,965,006
37	1.00%	-\$80,512	-\$9,474	2007	-23.61%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$89,986	-\$89,986	\$7,965,948	\$7,965,948	\$2,371,413
38	1.00%	-\$79,605	-\$10,911	2008	-9.37%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$90,516	-\$90,516	\$7,875,432	\$7,875,432	\$1,801,971
39	1.00%	-\$78,692	-\$12,433	2009	7.96%	7.96%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$848,489	-\$91,125	\$757,364	\$7,784,307	\$8,632,796	\$2,104,297
40	1.00%	-\$86,257	-\$14,133	2010	-0.86%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$100,390	-\$100,390	\$8,532,406	\$8,532,406	\$1,500,721

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

- ASSET-BASED CHARGES (%)** Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.
- ASSET-BASED CHARGES (\$)** The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).
- FIXED CHARGES (\$)** Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.
- INDEX CREDIT** The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.
- MULTIPLIER BONUS (x)** A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.
- INDEX CREDIT w/ MULTIPLIER** The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)
- PERSISTENCY BONUS (+)** A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)
- TOTAL INDEX CREDIT (%)** The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).
- TOTAL INDEX CREDITS (\$)** The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.
- TOTAL CHARGES (\$)** The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).
- YEAR-END GAIN/LOSS (\$)** The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.
- EOY VALUE AFTER CHARGES B4 CREDIT** The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.
- EOY GROSS INDEX ACCUMULATED VALUE** The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.
- EOY INDEX VALUE NET OF INT & EXT LOANS** The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$2,164	-\$51,104	1982	20.68%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$12,105	-\$53,268	-\$41,163	\$146,732	\$158,837	\$17,789
2	1.00%	-\$2,899	-\$53,956	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$32,916	-\$56,855	-\$23,939	\$301,982	\$334,898	\$207,191
3	1.00%	-\$4,646	-\$56,650	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$51,623	-\$61,296	-\$9,673	\$473,603	\$525,225	\$411,030
4	1.00%	-\$6,536	-\$59,191	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$71,885	-\$65,727	\$6,158	\$659,498	\$731,383	\$630,816
5	1.00%	-\$8,585	-\$61,684	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$93,861	-\$70,269	\$23,592	\$861,114	\$954,975	\$868,265
6	1.00%	-\$10,797	-\$66,541	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$77,338	-\$77,338	\$1,077,637	\$1,077,637	\$1,004,900
7	1.00%	-\$12,009	-\$69,499	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$130,378	-\$81,508	\$48,870	\$1,196,129	\$1,326,507	\$1,267,972
8	1.00%	-\$14,481	-\$72,796	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$156,876	-\$87,277	\$69,599	\$1,439,230	\$1,596,106	\$1,551,946
9	1.00%	-\$17,158	-\$76,579	1990	4.51%	8.25%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$111,390	-\$93,737	\$17,653	\$1,702,369	\$1,813,759	\$1,784,147
10	1.00%	-\$19,313	-\$80,898	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$208,577	-\$100,211	\$108,366	\$1,913,548	\$2,122,125	\$2,107,233
11	1.00%	-\$20,988	-\$46,727	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$218,618	-\$67,715	\$150,904	\$2,054,411	\$2,273,029	\$2,273,029
12	1.00%	-\$22,490	-\$48,026	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$240,074	-\$70,516	\$169,558	\$2,202,513	\$2,442,587	\$2,442,587
13	1.00%	-\$24,179	-\$49,354	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$73,533	-\$73,533	\$2,369,054	\$2,369,054	\$2,369,054
14	1.00%	-\$23,437	-\$50,660	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$250,150	-\$74,097	\$176,053	\$2,294,956	\$2,545,107	\$2,545,107
15	1.00%	-\$25,191	-\$51,942	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$269,009	-\$77,133	\$191,876	\$2,467,973	\$2,736,982	\$2,736,982
16	1.00%	-\$27,280	-\$17,950	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$293,401	-\$45,230	\$248,171	\$2,691,752	\$2,985,153	\$2,985,153
17	1.00%	-\$29,758	-\$18,745	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$320,095	-\$48,503	\$271,592	\$2,936,651	\$3,256,745	\$3,256,745
18	1.00%	-\$32,470	-\$19,497	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$349,321	-\$51,967	\$297,354	\$3,204,778	\$3,554,099	\$3,554,099
19	1.00%	-\$35,440	-\$20,264	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$55,704	-\$55,704	\$3,498,396	\$3,498,396	\$3,498,396
20	1.00%	-\$34,878	-\$21,127	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$56,005	-\$56,005	\$3,442,390	\$3,442,390	\$3,442,390
21	1.00%	-\$34,313	-\$22,185	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$56,498	-\$56,498	\$3,385,892	\$3,385,892	\$3,096,732
22	1.00%	-\$33,741	-\$23,491	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$362,824	-\$57,232	\$305,591	\$3,328,660	\$3,691,484	\$3,127,740
23	1.00%	-\$36,790	-\$25,065	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$233,293	-\$61,855	\$171,439	\$3,629,629	\$3,862,923	\$3,008,261
24	1.00%	-\$38,495	-\$26,882	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$413,932	-\$65,377	\$348,556	\$3,797,546	\$4,211,478	\$3,061,390
25	1.00%	-\$41,970	-\$28,873	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$451,329	-\$70,843	\$380,486	\$4,140,635	\$4,591,964	\$3,127,214
26	1.00%	-\$45,764	-\$31,167	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$76,931	-\$76,931	\$4,515,033	\$4,515,033	\$2,714,360
27	1.00%	-\$44,991	-\$31,855	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$76,846	-\$76,846	\$4,438,187	\$4,438,187	\$2,319,474
28	1.00%	-\$44,221	-\$32,257	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$475,426	-\$76,478	\$398,949	\$4,361,710	\$4,837,136	\$2,417,651
29	1.00%	-\$48,210	-\$32,270	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$518,475	-\$80,480	\$437,995	\$4,756,656	\$5,275,131	\$2,531,590
30	1.00%	-\$52,592	-\$31,801	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$153,853	-\$84,393	\$69,460	\$5,190,738	\$5,344,591	\$2,251,219
31	1.00%	-\$53,292	-\$30,698	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$573,406	-\$83,990	\$489,415	\$5,260,601	\$5,834,006	\$2,396,863
32	1.00%	-\$58,196	-\$28,814	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$626,423	-\$87,010	\$539,413	\$5,746,996	\$6,373,419	\$2,563,082
33	1.00%	-\$63,604	-\$25,959	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$684,940	-\$89,563	\$595,377	\$6,283,856	\$6,968,796	\$2,752,643
34	1.00%	-\$69,578	-\$21,910	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$91,488	-\$91,488	\$6,877,308	\$6,877,308	\$2,219,125
35	1.00%	-\$68,691	-\$16,402	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$740,351	-\$85,093	\$655,258	\$6,792,215	\$7,532,566	\$2,455,068
36	1.00%	-\$75,276	-\$9,849	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$811,771	-\$85,125	\$726,646	\$7,447,440	\$8,259,211	\$2,721,613
37	1.00%	-\$82,545	-\$9,474	2018	-4.41%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$92,019	-\$92,019	\$8,167,193	\$8,167,193	\$2,124,099
38	1.00%	-\$81,617	-\$10,911	2019	31.74%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$880,138	-\$92,528	\$787,610	\$8,074,664	\$8,954,803	\$2,431,130
39	1.00%	-\$89,486	-\$12,433	2020	18.38%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$964,964	-\$101,919	\$863,045	\$8,852,884	\$9,817,848	\$2,763,777
40	1.00%	-\$98,108	-\$14,133	2021	28.83%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,057,911	-\$112,241	\$945,670	\$9,705,607	\$10,763,519	\$3,124,586

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

- ASSET-BASED CHARGES (%)** Account charges as a percentage of gross account value, after new TOTAL INDEX CONTRIBUTION and 100% BOY charges and 50% of remaining FIXED CHARGES (\$) are deducted.
- ASSET-BASED CHARGES (\$)** The previous year's EOY GROSS INDEX ACCUMULATED VALUE minus 100% BOY charges, minus 50% of remaining FIXED CHARGES (\$) multiplied by the ASSET-BASED CHARGES (%).
- FIXED CHARGES (\$)** Amounts taken from a real life product. These charges in a real life product would most likely not be fixed, as there would be some variable charges. This is merely a proxy for this category of charges.
- INDEX CREDIT** The after-floor after-cap index return, before any bonuses or participation rates are applied or credited. Caps are not guaranteed in a real world product. See actual product details for guarantees.
- MULTIPLIER BONUS (x)** A numerical number determined by a particular bonus schedule, multiplied by the basic after-floor, after-cap, INDEX CREDIT. This is not a guaranteed bonus amount. See actual product details for guarantees.
- INDEX CREDIT w/ MULTIPLIER** The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x). (e.g. If the MULTIPLIER BONUS (x) was 2.00, and the INDEX CREDIT was 10.00%, the INDEX CREDIT w/ MULTIPLIER would be 20.00%)
- PERSISTENCY BONUS (+)** A bonus credit added to the INDEX CREDIT. (e.g. If the INDEX CREDIT was 10.00% and the PERSISTENCY BONUS (+) was 0.50%, the TOTAL INDEX CREDIT (%) would be 10.50%)
- TOTAL INDEX CREDIT (%)** The INDEX CREDIT multiplied by the MULTIPLIER BONUS (x) plus the PERSISTENCY BONUS (+).
- TOTAL INDEX CREDITS (\$)** The TOTAL INDEX CREDIT (%) multiplied by the EOY VALUE AFTER CHARGES B4 CREDIT.
- TOTAL CHARGES (\$)** The sum of the ASSET-BASED CHARGES (\$) and the FIXED CHARGES (\$).
- YEAR-END GAIN/LOSS (\$)** The EOY GROSS INDEX ACCUMULATED VALUE net gain or loss in each year based on the TOTAL INDEX CREDITS (\$) minus the TOTAL CHARGES (\$) in a given year.
- EOY VALUE AFTER CHARGES B4 CREDIT** The EOY account value after any new contributions in such year and after all charges have been subtracted from this cumulative value, before any index credits have been applied.
- EOY GROSS INDEX ACCUMULATED VALUE** The EOY account value after any new contributions, after any "Total Index Credits (\$)" have been added, and after the "Total Charges (\$)" have been subtracted.
- EOY INDEX VALUE NET OF INT & EXT LOANS** The EOY GROSS INDEX ACCUMULATED VALUE minus the third party Cumulative Loan Balance (if any), minus any internal cumulative loan balances as a result of Participating Loans.

ACCOUNT LOANS

AN ANNUAL EXPLANATION OF INDEX LOAN DEBT ACCRUAL

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

YEAR	1 3RD PARTY PAYOFF USING PARTICIPATING LOAN	2 INCOME DRAWDOWNS PARTICIPATING LOANS	3 CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	4 ACCRUED INTERNAL LOAN INTEREST	5 INDEX CREDIT AFTER CHARGES	6 CUMULATIVE INTERNAL DEBT BALANCE	7 CUMULATIVE INDEXED LOAN ACCOUNT VALUE	8 CUMULATIVE PAR LOAN GAIN/LOSS	9 EOY GROSS INDEX ACCUMULATED VALUE	10 EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$158,837	\$17,789
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$334,898	\$207,191
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$525,225	\$411,030
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$659,498	\$558,931
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$876,052	\$789,342
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,108,449	\$1,035,711
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,360,336	\$1,301,801
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,633,247	\$1,589,087
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,928,704	\$1,899,092
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,027,344	\$2,012,451
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,174,280	\$2,174,280
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,334,169	\$2,334,169
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,409,710	\$2,409,710
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,589,744	\$2,589,744
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,779,494	\$2,779,494
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,031,827	\$3,031,827
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,982,858	\$2,982,858
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,253,395	\$3,253,395
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,549,575	\$3,549,575
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,873,801	\$3,873,801
21	\$0	-\$309,904	-\$309,904	-\$15,495	\$25,166	-\$325,399	\$338,288	\$12,889	\$4,228,605	\$3,903,205
22	\$0	-\$312,256	-\$637,656	-\$31,883	\$52,837	-\$669,538	\$710,252	\$40,713	\$4,616,706	\$3,947,167
23	\$0	-\$315,773	-\$985,312	-\$49,266	\$0	-\$1,034,577	\$1,010,222	-\$24,355	\$4,545,599	\$3,511,022
24	\$0	-\$280,882	-\$1,315,459	-\$65,773	\$0	-\$1,381,232	\$1,270,596	-\$110,636	\$4,473,396	\$3,092,163
25	\$0	-\$247,373	-\$1,628,605	-\$81,430	\$0	-\$1,710,035	\$1,493,041	-\$216,995	\$4,399,933	\$2,689,898
26	\$0	-\$215,192	-\$1,925,227	-\$96,261	\$138,527	-\$2,021,489	\$1,862,133	-\$159,355	\$4,796,339	\$2,774,850
27	\$0	-\$221,988	-\$2,243,477	-\$112,174	\$90,849	-\$2,355,651	\$2,181,239	-\$174,411	\$5,019,843	\$2,664,193
28	\$0	-\$213,135	-\$2,568,786	-\$128,439	\$194,298	-\$2,697,225	\$2,611,830	-\$85,395	\$5,475,742	\$2,778,517
29	\$0	-\$222,281	-\$2,919,507	-\$145,975	\$230,105	-\$3,065,482	\$3,093,169	\$27,687	\$5,976,263	\$2,910,781
30	\$0	-\$232,862	-\$3,298,344	-\$164,917	\$0	-\$3,463,262	\$3,275,161	-\$188,101	\$5,884,858	\$2,421,597
31	\$0	-\$193,728	-\$3,656,989	-\$182,849	\$0	-\$3,839,839	\$3,416,195	-\$423,644	\$5,795,465	\$1,955,627
32	\$0	-\$156,450	-\$3,996,289	-\$199,814	\$290,338	-\$4,196,103	\$3,902,843	-\$293,261	\$6,331,104	\$2,135,001
33	\$0	-\$170,800	-\$4,366,903	-\$218,345	\$331,344	-\$4,585,249	\$4,454,062	-\$131,186	\$6,922,338	\$2,337,090
34	\$0	-\$186,967	-\$4,772,216	-\$238,611	\$93,621	-\$5,010,827	\$4,715,754	-\$295,072	\$7,033,794	\$2,022,968
35	\$0	-\$161,837	-\$5,172,664	-\$258,633	\$397,444	-\$5,431,297	\$5,342,606	-\$88,691	\$7,704,374	\$2,273,077
36	\$0	-\$181,846	-\$5,613,143	-\$280,657	\$450,630	-\$5,893,801	\$6,057,559	\$163,758	\$8,447,842	\$2,554,041
37	\$0	-\$204,323	-\$6,098,124	-\$304,906	\$510,863	-\$6,403,030	\$6,867,234	\$464,204	\$9,264,516	\$2,861,486
38	\$0	-\$228,919	-\$6,631,949	-\$331,597	\$0	-\$6,963,546	\$7,016,876	\$53,329	\$9,161,014	\$2,197,468
39	\$0	-\$175,797	-\$7,139,344	-\$356,967	\$586,660	-\$7,496,311	\$7,886,136	\$389,825	\$10,044,250	\$2,547,939
40	\$0	-\$203,835	-\$7,700,146	-\$385,007	\$659,814	-\$8,085,153	\$8,869,500	\$784,346	\$11,012,087	\$2,926,934

BEST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 2/1/1978)

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

- 3RD PARTY PAYOFF USING PARTICIPATING LOAN** The index value used to payoff the 3rd party premium financing loan. This can be done with either a withdrawal or a participating loan.
- INCOME DRAWDOWNS PARTICIPATING LOANS** These are drawdown modeling requests made by the client for supplemental retirement income. These can be done with either fixed loans or participating loans.
- CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL** The running YTD total internal loan, including all drawdowns, plus the accrued interest on the drawdowns.
- ACCRUED INTERNAL LOAN INTEREST** The interest due each year on the internal loans, including the drawdown principal AND the accrued/compounded interest from previous years.
- INDEX CREDIT AFTER CHARGES** The net dollar interest gained each year on the funds moved to the INDEX LOAN ACCOUNT (after charges) assuming participating loans are credited based on the INDEX CREDIT with no bonuses.
- CUMULATIVE INTERNAL DEBT BALANCE** The running YTD total of accrued internal debt from internal loans, including the accrued interest.
- CUMULATIVE INDEXED LOAN ACCOUNT VALUE** The running YTD total of accumulated funds in the INDEX LOAN ACCOUNT as a result of the participating loans leaving the primary index account, including index credit gains, minus charges on these particular funds.
- CUMULATIVE PAR LOAN GAIN/LOSS** The running YTD cumulative net gain or loss as a result of Participating Loans (the CUMULATIVE INTERNAL DEBT BALANCE plus the CUMULATIVE INDEXED LOAN ACCOUNT VALUE).
- EOY GROSS INDEX ACCUMULATED VALUE** The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.
- EOY INDEX VALUE NET OF INT & EXT LOANS** The indexed accumulated value, minus any surrender charges, internal loans, and 3rd party lender debt.



WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

YEAR	1 3RD PARTY PAYOFF USING PARTICIPATING LOAN	2 INCOME DRAWDOWNS PARTICIPATING LOANS	3 CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	4 ACCRUED INTERNAL LOAN INTEREST	5 INDEX CREDIT AFTER CHARGES	6 CUMULATIVE INTERNAL DEBT BALANCE	7 CUMULATIVE INDEXED LOAN ACCOUNT VALUE	8 CUMULATIVE PAR LOAN GAIN/LOSS	9 EOY GROSS INDEX ACCUMULATED VALUE	10 EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$158,837	\$17,789
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$301,982	\$174,275
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$441,016	\$326,821
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$638,929	\$538,361
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$853,469	\$766,759
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$977,146	\$904,408
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,195,645	\$1,137,110
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,435,241	\$1,391,081
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,711,312	\$1,681,700
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,812,125	\$1,797,233
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,839,985	\$1,839,985
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,967,144	\$1,967,144
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,898,862	\$1,898,862
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,028,879	\$2,028,879
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,170,211	\$2,170,211
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,362,889	\$2,362,889
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,320,609	\$2,320,609
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,526,306	\$2,526,306
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,480,880	\$2,480,880
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,700,470	\$2,700,470
21	\$0	-\$216,038	-\$216,038	-\$10,802	\$16,373	-\$226,840	\$235,231	\$8,392	\$2,940,393	\$2,713,554
22	\$0	-\$217,084	-\$443,924	-\$22,196	\$36,646	-\$466,120	\$492,615	\$26,495	\$3,202,366	\$2,736,246
23	\$0	-\$218,900	-\$685,020	-\$34,251	\$5,756	-\$719,271	\$707,204	-\$12,066	\$3,182,968	\$2,463,697
24	\$0	-\$197,096	-\$916,366	-\$45,818	\$73,232	-\$962,185	\$984,413	\$22,228	\$3,464,949	\$2,502,765
25	\$0	-\$200,221	-\$1,162,406	-\$58,120	\$95,945	-\$1,220,526	\$1,289,729	\$69,203	\$3,772,343	\$2,551,816
26	\$0	-\$204,145	-\$1,424,672	-\$71,234	\$120,999	-\$1,495,905	\$1,626,520	\$130,615	\$4,107,301	\$2,611,396
27	\$0	-\$208,912	-\$1,704,817	-\$85,241	\$132,714	-\$1,790,058	\$1,995,349	\$205,291	\$4,465,161	\$2,675,103
28	\$0	-\$214,008	-\$2,004,066	-\$100,203	\$179,139	-\$2,104,269	\$2,408,063	\$303,794	\$4,866,750	\$2,762,481
29	\$0	-\$220,998	-\$2,325,268	-\$116,263	\$213,298	-\$2,441,531	\$2,867,237	\$425,706	\$5,307,645	\$2,866,114
30	\$0	-\$229,289	-\$2,670,820	-\$133,541	\$0	-\$2,804,361	\$3,047,100	\$242,739	\$5,222,927	\$2,418,566
31	\$0	-\$193,485	-\$2,997,846	-\$149,892	\$0	-\$3,147,739	\$3,189,228	\$41,490	\$5,140,153	\$1,992,414
32	\$0	-\$159,393	-\$3,307,132	-\$165,357	\$271,958	-\$3,472,489	\$3,655,772	\$183,283	\$5,611,631	\$2,139,142
33	\$0	-\$171,131	-\$3,643,620	-\$182,181	\$311,109	-\$3,825,801	\$4,182,061	\$356,260	\$6,132,421	\$2,306,620
34	\$0	-\$184,530	-\$4,010,331	-\$200,517	\$355,361	-\$4,210,847	\$4,776,908	\$566,061	\$6,708,669	\$2,497,822
35	\$0	-\$199,826	-\$4,410,673	-\$220,534	\$405,476	-\$4,631,206	\$5,450,580	\$819,373	\$7,347,416	\$2,716,210
36	\$0	-\$217,297	-\$4,848,503	-\$242,425	\$462,300	-\$5,090,928	\$6,214,435	\$1,123,506	\$8,055,934	\$2,965,006
37	\$0	-\$237,200	-\$5,328,129	-\$266,406	\$0	-\$5,594,535	\$6,379,569	\$785,034	\$7,965,948	\$2,371,413
38	\$0	-\$189,713	-\$5,784,248	-\$289,212	\$0	-\$6,073,461	\$6,494,637	\$421,176	\$7,875,432	\$1,801,971
39	\$0	-\$144,158	-\$6,217,618	-\$310,881	\$522,187	-\$6,528,499	\$7,277,234	\$748,734	\$8,632,796	\$2,104,297
40	\$0	-\$168,344	-\$6,696,843	-\$334,842	\$0	-\$7,031,685	\$7,358,993	\$327,308	\$8,532,406	\$1,500,721

WORST PRE-PANDEMIC CAGR 40-YEAR PERIOD OUT OF 121 DIFFERENT INDEX PERIODS ANALYZED (STARTING 10/1/1971)

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

- 3RD PARTY PAYOFF USING PARTICIPATING LOAN** The index value used to payoff the 3rd party premium financing loan. This can be done with either a withdrawal or a participating loan.
- INCOME DRAWDOWNS PARTICIPATING LOANS** These are drawdown modeling requests made by the client for supplemental retirement income. These can be done with either fixed loans or participating loans.
- CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL** The running YTD total internal loan, including all drawdowns, plus the accrued interest on the drawdowns.
- ACCRUED INTERNAL LOAN INTEREST** The interest due each year on the internal loans, including the drawdown principal AND the accrued/compounded interest from previous years.
- INDEX CREDIT AFTER CHARGES** The net dollar interest gained each year on the funds moved to the INDEX LOAN ACCOUNT (after charges) assuming participating loans are credited based on the INDEX CREDIT with no bonuses.
- CUMULATIVE INTERNAL DEBT BALANCE** The running YTD total of accrued internal debt from internal loans, including the accrued interest.
- CUMULATIVE INDEXED LOAN ACCOUNT VALUE** The running YTD total of accumulated funds in the INDEX LOAN ACCOUNT as a result of the participating loans leaving the primary index account, including index credit gains, minus charges on these particular funds.
- CUMULATIVE PAR LOAN GAIN/LOSS** The running YTD cumulative net gain or loss as a result of Participating Loans (the CUMULATIVE INTERNAL DEBT BALANCE plus the CUMULATIVE INDEXED LOAN ACCOUNT VALUE).
- EOY GROSS INDEX ACCUMULATED VALUE** The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.
- EOY INDEX VALUE NET OF INT & EXT LOANS** The indexed accumulated value, minus any surrender charges, internal loans, and 3rd party lender debt.



MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

YEAR	1 3RD PARTY PAYOFF USING PARTICIPATING LOAN	2 INCOME DRAWDOWNS PARTICIPATING LOANS	3 CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	4 ACCRUED INTERNAL LOAN INTEREST	5 INDEX CREDIT AFTER CHARGES	6 CUMULATIVE INTERNAL DEBT BALANCE	7 CUMULATIVE INDEXED LOAN ACCOUNT VALUE	8 CUMULATIVE PAR LOAN GAIN/LOSS	9 EOY GROSS INDEX ACCUMULATED VALUE	10 EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$158,837	\$17,789
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$334,898	\$207,191
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$525,225	\$411,030
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$731,383	\$630,816
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$954,975	\$868,265
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,077,637	\$1,004,900
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,326,507	\$1,267,972
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,596,106	\$1,551,946
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,813,759	\$1,784,147
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,122,125	\$2,107,233
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,273,029	\$2,273,029
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,442,587	\$2,442,587
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,369,054	\$2,369,054
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,545,107	\$2,545,107
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,736,982	\$2,736,982
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,985,153	\$2,985,153
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,256,745	\$3,256,745
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,554,099	\$3,554,099
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,498,396	\$3,498,396
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,442,390	\$3,442,390
21	\$0	-\$275,391	-\$275,391	-\$13,770	\$0	-\$289,161	\$270,871	-\$18,289	\$3,385,892	\$3,096,732
22	\$0	-\$247,739	-\$536,899	-\$26,845	\$42,062	-\$563,744	\$565,417	\$1,672	\$3,691,484	\$3,127,740
23	\$0	-\$250,219	-\$813,963	-\$40,698	\$35,549	-\$854,662	\$853,515	-\$1,146	\$3,862,923	\$3,008,261
24	\$0	-\$240,661	-\$1,095,322	-\$54,766	\$88,742	-\$1,150,089	\$1,192,905	\$42,816	\$4,211,478	\$3,061,390
25	\$0	-\$244,911	-\$1,395,000	-\$69,750	\$116,624	-\$1,464,750	\$1,567,716	\$102,966	\$4,591,964	\$3,127,214
26	\$0	-\$250,177	-\$1,714,927	-\$85,746	\$0	-\$1,800,673	\$1,787,437	-\$13,236	\$4,515,033	\$2,714,360
27	\$0	-\$217,149	-\$2,017,822	-\$100,891	\$0	-\$2,118,713	\$1,970,468	-\$148,246	\$4,438,187	\$2,319,474
28	\$0	-\$185,558	-\$2,304,271	-\$115,214	\$174,807	-\$2,419,485	\$2,349,831	-\$69,654	\$4,837,136	\$2,417,651
29	\$0	-\$193,412	-\$2,612,897	-\$130,645	\$206,327	-\$2,743,542	\$2,773,530	\$29,988	\$5,275,131	\$2,531,590
30	\$0	-\$202,527	-\$2,946,069	-\$147,303	\$59,861	-\$3,093,372	\$3,015,244	-\$78,128	\$5,344,591	\$2,251,219
31	\$0	-\$180,098	-\$3,273,470	-\$163,673	\$259,473	-\$3,437,143	\$3,487,945	\$50,802	\$5,834,006	\$2,396,863
32	\$0	-\$191,749	-\$3,628,892	-\$181,445	\$299,047	-\$3,810,337	\$4,019,919	\$209,582	\$6,373,419	\$2,563,082
33	\$0	-\$205,047	-\$4,015,383	-\$200,769	\$343,661	-\$4,216,153	\$4,619,644	\$403,491	\$6,968,796	\$2,752,643
34	\$0	-\$220,211	-\$4,436,364	-\$221,818	\$0	-\$4,658,182	\$4,776,316	\$118,134	\$6,877,308	\$2,219,125
35	\$0	-\$177,530	-\$4,835,712	-\$241,786	\$403,636	-\$5,077,498	\$5,425,840	\$348,342	\$7,532,566	\$2,455,068
36	\$0	-\$196,405	-\$5,273,903	-\$263,695	\$458,593	-\$5,537,599	\$6,164,608	\$627,009	\$8,259,211	\$2,721,613
37	\$0	-\$217,729	-\$5,755,328	-\$287,766	\$0	-\$6,043,094	\$6,311,229	\$268,135	\$8,167,193	\$2,124,099
38	\$0	-\$169,928	-\$6,213,022	-\$310,651	\$528,638	-\$6,523,673	\$7,106,173	\$582,500	\$8,954,803	\$2,431,130
39	\$0	-\$194,490	-\$6,718,163	-\$335,908	\$595,450	-\$7,054,072	\$8,004,286	\$950,214	\$9,817,848	\$2,763,777
40	\$0	-\$221,102	-\$7,275,174	-\$363,759	\$670,837	-\$7,638,932	\$9,017,670	\$1,378,738	\$10,763,519	\$3,124,586

MOST RECENT 40-YEAR PERIOD (1/01/1982-12/31/2021)

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

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CLIENT CONFIRMATION OF UNDERSTANDING THIS DOCUMENT

I understand that this document models hypothetical synthetic asset(s) that represent proxies for some real world products, and are not depictions of the actual real world products whatsoever. I understand that the various elements and assumptions made in this document including but not limited to the hypothetical contributions, hypothetical performance, hypothetical index returns, hypothetical crediting methods, hypothetical static charges, hypothetical asset-based charges, hypothetical asset values, hypothetical lender borrowing rates, hypothetical borrowing rate components, hypothetical borrowing rate increases, and hypothetical loan fees are merely fictitious and modeled for the purpose of deepening my understanding of how such elements may hypothetically affect outcomes over time.

I understand that this document and the data depicted within should not be used to determine my decision to invest in any investment fund or purchase and sort of insurance-related product, and that I should refer to the compliance-approved prospectus or insurance carrier illustration. I understand that I should consult my trusted advisors, including but not limited to my financial advisor, insurance agent, CPA, estate planning attorney, to seek advice on investing in any sort of investment or purchasing any sort of insurance product.

I understand that Lionsmark Capital is a data analytics company that merely models a range of outcomes based on hypothetical data inputted into its system, that this document reflects such hypothetical outcomes, and agree that I shall hold harmless Lionsmark Capital, DSC Advisor, and Darren T. Sugiyama as an individual, for any outcomes that may result from my own decision to invest in specific investments or purchase specific insurance products.

I understand that Lionsmark Capital has used this hypothetical modeling document for the purposes of educating me and my advisors on how certain charges, crediting methods, and utilization of a third party lender's capital may affect outcomes over time. I attest that I have been shown less than desirable sequences of returns from historical 40-year periods, and that I was specifically shown the 40-year period that produced the worst compounded annual growth rate out of the 121 different 40-year periods analyzed. I also understand that this "Worst 40" is not the "worst possible case scenario," and that it is in fact possible that any future 40-year periods could produce an even worse outcome than the "Worst 40" version depicted in this document. I also understand that the "Best 40" period produced the best compounded annual growth rate out of the 121 different 40-year periods analyzed, and that this "Best 40" is not the "best possible case scenario," and that it is possible that any future 40-year periods could in fact produce an even better outcome than the "Best 40" version depicted in this document.

INTERESTED PARTY:

M45 - PEIA Income

signature

date

CLIENT ADVISOR:

Darren Sugiyama

signature

date

Lionsmark Capital official authentication of this document is only valid if it bears the signature of Darren T. Sugiyama. Any and all other versions of hypothetical synthetic asset modeling designed for or discussed with the aforementioned signing parties before the date signed above are not valid and are not approved Lionsmark Capital documents. Lionsmark Capital and Darren T. Sugiyama shall not be held liable for any representations made or data illustrated in such invalid documents.

DARREN T. SUGIYAMA

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date