

SUMMARY SECTION

THIRD-YEAR FINANCING (3YF) with INCOME DRAWDOWNS

SUMMARY SECTION: RETIREMENT PLANNING



DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - 3YF 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:

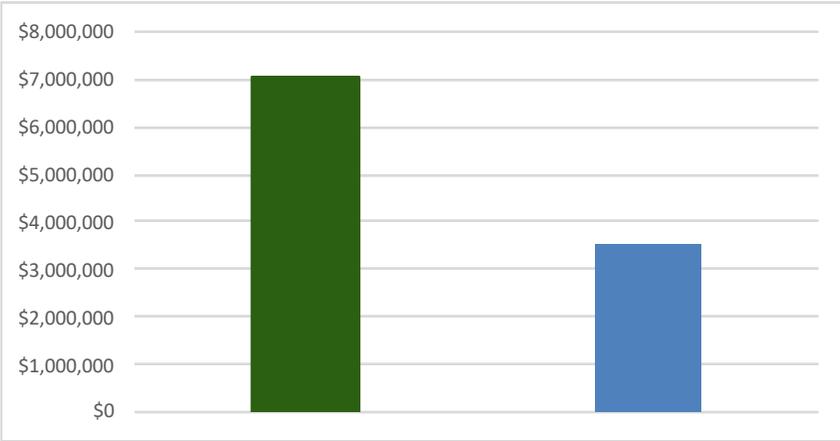
The following section is an abbreviated summary of a very expansive document. The full document includes an exhaustive articulation of granular details, including charges, fees, financial outcomes as depicted in an insurance company's illustration, as well as a "proxy" created to further explain the 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

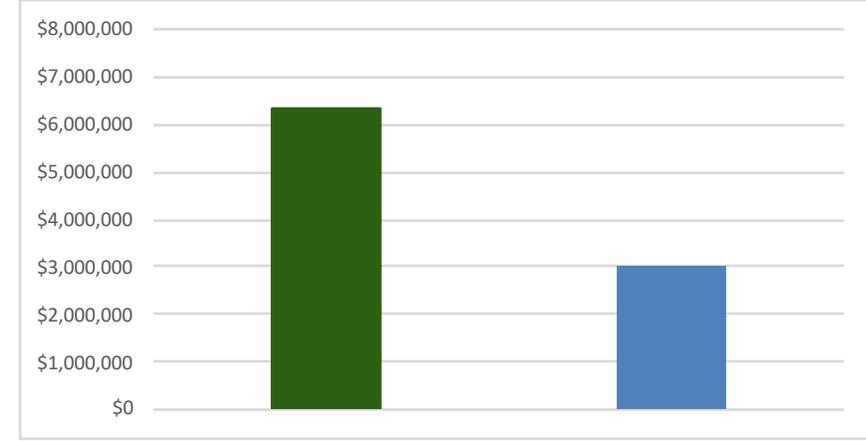
**The "Best 40" and "Worst 40" are the historical 40-year periods that produced the "highest" and "lowest" Compounded Annual Growth Rates out of 121 different 40-year periods analyzed. The "proxy" is a fictitious synthetically-produced asset, not an actual life insurance product.*

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



	BEST 40:	3RD YEAR FINANCING	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:		\$352,348	\$317,877
TOTAL INCOME:		\$7,046,964	\$3,496,647
YR 40 ACCOUNT VALUE:		\$8,610,379	\$0

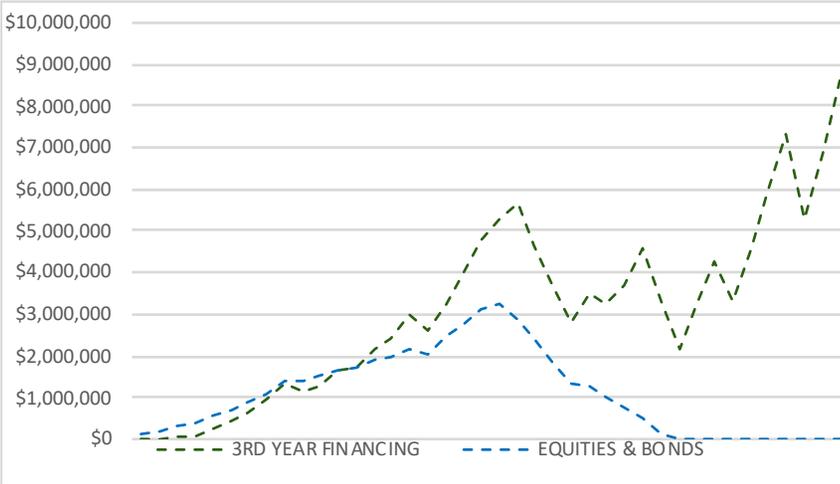
WORST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



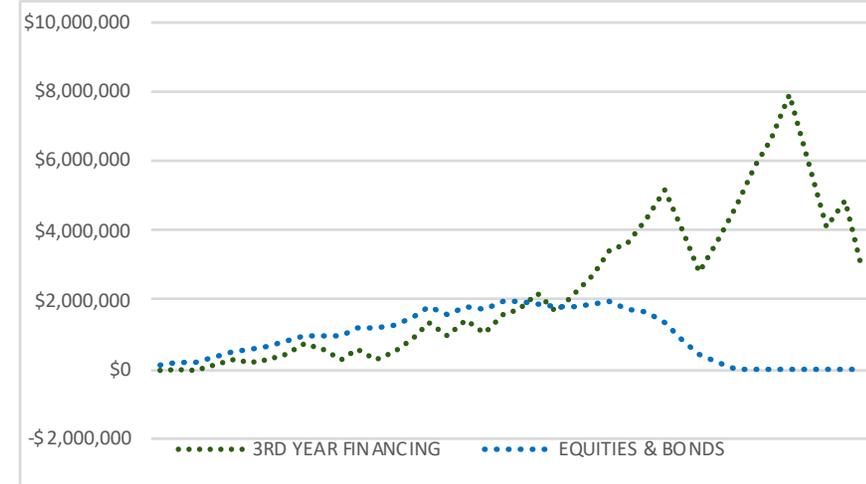
	WORST 40:	3RD YEAR FINANCING	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:		\$316,565	\$234,563
TOTAL INCOME:		\$6,331,292	\$3,049,318
YR 40 ACCOUNT VALUE:		\$2,867,511	\$0

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 96621

LP

3RD YEAR FINANCING

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: **6.10%**

Initial Gross Policy Face Amount: **\$7,400,000**

\$7,400,000

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	\$100,000	\$100,000	\$0	\$0	0.00%	\$0	\$0	\$100,000	\$0	6.60%	\$0	\$0	\$0	\$7,469,627	7369.63%	1	45
2	46	\$100,000	\$100,000	\$0	\$0	0.00%	\$0	\$0	\$100,000	\$0	6.60%	\$0	\$0	\$0	\$7,542,654	719.92%	2	46
3	47	\$600,000	\$100,000	\$500,000	\$500,000	4.98%	\$24,920	\$24,920	\$100,000	\$21,223	6.60%	\$0	\$550,756	\$50,756	\$7,599,644	285.48%	3	47
4	48	\$600,000	\$100,000	\$500,000	\$1,024,920	5.09%	\$52,139	\$52,139	\$100,000	\$40,468	6.60%	\$0	\$1,154,755	\$129,835	\$7,674,801	164.16%	4	48
5	49	\$600,000	\$100,000	\$500,000	\$1,577,059	5.19%	\$81,920	\$81,920	\$100,000	\$61,685	6.60%	\$0	\$1,797,414	\$220,355	\$7,761,436	111.01%	5	49
6	50	\$600,000	\$100,000	\$500,000	\$2,158,979	5.31%	\$114,562	\$114,562	\$100,000	\$71,108	6.60%	\$0	\$2,481,756	\$322,777	\$7,859,936	82.07%	6	50
7	51	\$600,000	\$100,000	\$500,000	\$2,773,540	5.42%	\$150,402	\$150,402	\$100,000	\$76,109	6.60%	\$0	\$3,210,429	\$436,889	\$7,970,163	64.18%	7	51
8	52	\$600,000	\$100,000	\$500,000	\$3,423,942	5.54%	\$189,825	\$189,825	\$100,000	\$60,045	6.60%	\$0	\$4,004,677	\$580,735	\$8,091,772	52.16%	8	52
9	53	\$600,000	\$100,000	\$500,000	\$4,113,767	5.67%	\$233,266	\$233,266	\$100,000	\$41,493	6.60%	\$0	\$4,849,079	\$735,312	\$8,224,149	43.60%	9	53
10	54	\$600,000	\$100,000	\$500,000	\$4,847,033	5.80%	\$281,222	\$281,222	\$100,000	\$0	6.60%	\$0	\$5,774,676	\$927,643	\$8,394,280	37.30%	10	54
11	55	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$5,128,254	\$713,422	\$713,422	\$3,829,066	20.36%	11	55
12	56	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$784,170	\$784,170	\$3,778,095	17.70%	12	56
13	57	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$859,098	\$859,098	\$3,713,290	15.53%	13	57
14	58	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$916,425	\$916,425	\$3,633,368	13.74%	14	58
15	59	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$978,869	\$978,869	\$3,537,017	12.21%	15	59
16	60	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,063,413	\$1,063,413	\$3,444,142	10.93%	16	60
17	61	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,154,707	\$1,154,707	\$3,498,496	10.20%	17	61
18	62	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,252,903	\$1,252,903	\$3,548,618	9.56%	18	62
19	63	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,358,513	\$1,358,513	\$3,593,901	8.99%	19	63
20	64	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,472,086	\$1,472,086	\$3,633,690	8.49%	20	64
21	65	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,473,341	\$1,473,341	\$3,546,103	8.04%	21	65
22	66	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,475,426	\$1,475,426	\$3,552,094	7.80%	22	66
23	67	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,478,184	\$1,478,184	\$3,552,636	7.58%	23	67
24	68	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,481,402	\$1,481,402	\$3,546,849	7.38%	24	68
25	69	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,484,862	\$1,484,862	\$3,533,819	7.19%	25	69
26	70	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,488,473	\$1,488,473	\$3,512,732	7.02%	26	70
27	71	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,494,993	\$1,494,993	\$3,343,765	6.71%	27	71
28	72	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,505,343	\$1,505,343	\$3,153,958	6.40%	28	72
29	73	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,520,715	\$1,520,715	\$2,942,382	6.11%	29	73
30	74	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,542,662	\$1,542,662	\$2,708,263	5.81%	30	74
31	75	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,573,167	\$1,573,167	\$2,451,007	5.52%	31	75
32	76	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,606,609	\$1,606,609	\$2,532,051	5.58%	32	76
33	77	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,642,906	\$1,642,906	\$2,618,389	5.64%	33	77
34	78	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,681,892	\$1,681,892	\$2,709,962	5.69%	34	78
35	79	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,723,353	\$1,723,353	\$2,806,666	5.74%	35	79
36	80	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,766,671	\$1,766,671	\$2,907,978	5.78%	36	80
37	81	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,810,999	\$1,810,999	\$3,013,142	5.81%	37	81
38	82	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,855,526	\$1,855,526	\$3,121,446	5.84%	38	82
39	83	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,899,210	\$1,899,210	\$3,231,941	5.87%	39	83
40	84	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,940,364	\$1,940,364	\$3,343,013	5.89%	40	84

-\$5,000,000 -\$1,000,000 -\$4,000,000

\$1,128,254 \$1,128,254

\$1,000,000

TOTAL INCOME DRAWN:

-\$2,274,580

(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):	6.60%
Reduced Assumed Index Credit:	6.60%

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:	\$0
PREMIUMS PAID BY CLIENT:	-\$1,000,000
LOAN INTEREST PAID BY CLIENT:	\$0
TOTAL CLIENT OUTLAY:	-\$1,000,000
TOTAL DRAWDOWNS (excluding loan payoff):	\$2,274,580
40-YEAR PROGRAM NET CASH FLOW:	\$1,274,580
YEAR 40 NET CASH SURRENDER VALUE:	\$1,940,364
40-YEAR CASH GAIN (excluding death benefit):	\$3,214,944
40-YEAR NET CSV IRR:	5.12%

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 NF65285

PREMIUM FINANCED SOLUTION

In this solution, the client is paying the first two years premium, then paying a portion of the premium, borrowing the remaining premium, and paying interest out-of-pocket, all within a fixed annual budget.

version 96621

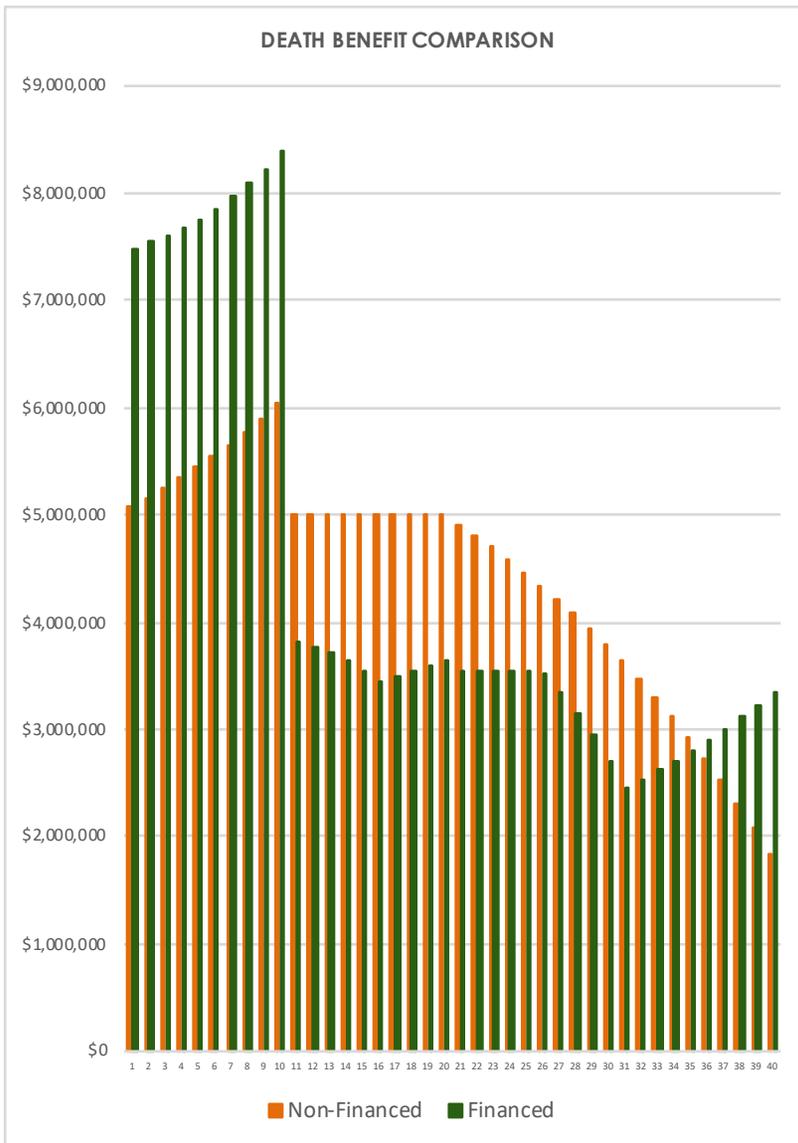
NON-FINANCED IUL				
AGE	ANNUAL PREMIUM	INCOME DRAWDOWNS	CASH VALUE	DEATH BENEFIT
1	45	\$100,000	\$0	\$5,078,823
2	46	\$100,000	\$0	\$5,162,039
3	47	\$100,000	\$0	\$5,249,753
4	48	\$100,000	\$0	\$5,342,464
5	49	\$100,000	\$0	\$5,440,679
6	50	\$100,000	\$0	\$5,545,031
7	51	\$100,000	\$0	\$5,655,905
8	52	\$100,000	\$0	\$5,773,682
9	53	\$100,000	\$0	\$5,898,717
10	54	\$100,000	\$0	\$6,035,661
11	55	\$0	\$0	\$5,000,000
12	56	\$0	\$0	\$5,000,000
13	57	\$0	\$0	\$5,000,000
14	58	\$0	\$0	\$5,000,000
15	59	\$0	\$0	\$5,000,000
16	60	\$0	\$0	\$5,000,000
17	61	\$0	\$0	\$5,000,000
18	62	\$0	\$0	\$5,000,000
19	63	\$0	\$0	\$5,000,000
20	64	\$0	\$0	\$5,000,000
21	65	\$0	-\$91,138	\$4,904,305
22	66	\$0	-\$91,138	\$4,803,825
23	67	\$0	-\$91,138	\$4,698,322
24	68	\$0	-\$91,138	\$4,587,543
25	69	\$0	-\$91,138	\$4,471,225
26	70	\$0	-\$91,138	\$4,349,092
27	71	\$0	-\$91,138	\$4,220,851
28	72	\$0	-\$91,138	\$4,086,199
29	73	\$0	-\$91,138	\$3,944,814
30	74	\$0	-\$91,138	\$3,796,360
31	75	\$0	-\$91,138	\$3,640,483
32	76	\$0	-\$91,138	\$3,476,812
33	77	\$0	-\$91,138	\$3,304,958
34	78	\$0	-\$91,138	\$3,124,511
35	79	\$0	-\$91,138	\$2,935,042
36	80	\$0	-\$91,138	\$2,736,099
37	81	\$0	-\$91,138	\$2,527,209
38	82	\$0	-\$91,138	\$2,307,874
39	83	\$0	-\$91,138	\$2,077,573
40	84	\$0	-\$91,138	\$1,835,757

TOTAL CONTRIBUTION:	-\$1,000,000
TOTAL INCOME:	\$1,822,760
YEAR 40 NET CASH VALUE:	\$812,435
YEAR 40 TOTAL VALUE:	\$2,635,195

3RD YEAR FINANCING				
AGE	ANNUAL CONTRIBUTION	INCOME DRAWDOWNS	CASH VALUE NET OF LOANS	DEATH BENEFIT NET OF LOANS
1	45	\$100,000	\$0	\$7,469,627
2	46	\$100,000	\$0	\$7,542,654
3	47	\$100,000	\$0	\$7,599,644
4	48	\$100,000	\$0	\$7,674,801
5	49	\$100,000	\$0	\$7,761,436
6	50	\$100,000	\$0	\$7,859,936
7	51	\$100,000	\$0	\$7,970,163
8	52	\$100,000	\$0	\$8,091,772
9	53	\$100,000	\$0	\$8,224,149
10	54	\$100,000	\$0	\$8,394,280
11	55	\$0	\$0	\$3,829,066
12	56	\$0	\$0	\$3,778,095
13	57	\$0	\$0	\$3,713,290
14	58	\$0	\$0	\$3,633,368
15	59	\$0	\$0	\$3,537,017
16	60	\$0	\$0	\$3,444,142
17	61	\$0	\$0	\$3,498,496
18	62	\$0	\$0	\$3,548,618
19	63	\$0	\$0	\$3,593,901
20	64	\$0	\$0	\$3,633,690
21	65	\$0	-\$113,729	\$3,546,103
22	66	\$0	-\$113,729	\$3,552,094
23	67	\$0	-\$113,729	\$3,552,636
24	68	\$0	-\$113,729	\$3,546,849
25	69	\$0	-\$113,729	\$3,533,819
26	70	\$0	-\$113,729	\$3,512,732
27	71	\$0	-\$113,729	\$3,343,765
28	72	\$0	-\$113,729	\$3,153,958
29	73	\$0	-\$113,729	\$2,942,382
30	74	\$0	-\$113,729	\$2,708,263
31	75	\$0	-\$113,729	\$2,451,007
32	76	\$0	-\$113,729	\$2,532,051
33	77	\$0	-\$113,729	\$2,618,389
34	78	\$0	-\$113,729	\$2,709,962
35	79	\$0	-\$113,729	\$2,806,666
36	80	\$0	-\$113,729	\$2,907,978
37	81	\$0	-\$113,729	\$3,013,142
38	82	\$0	-\$113,729	\$3,121,446
39	83	\$0	-\$113,729	\$3,231,941
40	84	\$0	-\$113,729	\$3,343,013

TOTAL CONTRIBUTION:	-\$1,000,000
TOTAL INCOME:	\$2,274,580
YEAR 40 NET CASH VALUE:	\$1,940,364
YEAR 40 TOTAL VALUE:	\$4,214,944

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 - 3YF Income
ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

PREMIUM FINANCED LIFE INSURANCE: 3RD YEAR FINANCING



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 6.6% 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 6.6% 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 6.6% 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

3RD YEAR FINANCING

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

Current Pre-Bonus Cap: 10.75%

Current Post-Bonus Max Cap: 10.75%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED				Pre-Bonus Cap Modeled: 10.25%		Post-Bonus Max Cap Modeled: 10.25%		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	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1971	12.42%	10.25%	10.25%	\$0	\$71,152	\$1,525
2	46	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1972	-1.92%	0.00%	0.00%	\$0	\$134,534	-\$8,120
3	47	\$600,000	\$100,000	\$500,000	\$500,000		4.98%	\$24,920	\$24,920	\$100,000	\$19,774	1973	-41.40%	0.00%	0.00%	\$0	\$654,389	\$5,501
4	48	\$600,000	\$100,000	\$500,000	\$1,024,920		5.09%	\$52,139	\$52,139	\$100,000	\$48,182	1974	32.00%	10.25%	10.25%	\$0	\$1,293,355	\$123,469
5	49	\$600,000	\$100,000	\$500,000	\$1,577,059		5.19%	\$81,920	\$81,920	\$100,000	\$104,677	1975	25.48%	10.25%	10.25%	\$0	\$1,996,848	\$278,708
6	50	\$600,000	\$100,000	\$500,000	\$2,158,979		5.31%	\$114,562	\$114,562	\$100,000	\$77,156	1976	-8.28%	0.00%	0.00%	\$0	\$2,514,199	\$218,061
7	51	\$600,000	\$100,000	\$500,000	\$2,773,540		5.42%	\$150,402	\$150,402	\$100,000	\$20,674	1977	6.23%	6.23%	6.23%	\$0	\$3,219,741	\$312,927
8	52	\$600,000	\$100,000	\$500,000	\$3,423,942		5.54%	\$189,825	\$189,825	\$100,000	\$159,526	1978	6.61%	6.61%	6.61%	\$0	\$3,983,003	\$448,024
9	53	\$600,000	\$100,000	\$500,000	\$4,113,767		5.67%	\$233,266	\$233,266	\$100,000	\$159,257	1979	14.76%	10.25%	10.25%	\$0	\$4,959,601	\$756,997
10	54	\$600,000	\$100,000	\$500,000	\$4,847,033		5.80%	\$281,222	\$281,222	\$100,000	\$123,057	1980	-7.40%	0.00%	0.00%	\$0	\$5,500,340	\$586,670
11	55	\$0	\$0	\$0	\$0	-\$5,128,254	0.00%	\$0	\$0	\$0	\$0	1981	3.65%	3.65%	3.65%	\$0	\$5,675,937	\$291,270
12	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1982	37.91%	10.25%	10.25%	\$0	\$6,230,652	\$576,751
13	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1983	0.02%	0.02%	0.02%	\$0	\$6,207,006	\$270,410
14	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1984	9.62%	9.62%	9.62%	\$0	\$6,776,867	\$543,442
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1985	27.04%	10.25%	10.25%	\$0	\$7,444,056	\$898,959
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1986	39.13%	10.25%	10.25%	\$0	\$8,197,293	\$1,324,942
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1987	-15.51%	0.00%	0.00%	\$0	\$8,188,146	\$972,177
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1988	28.41%	10.25%	10.25%	\$0	\$9,016,653	\$1,439,886
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	-12.34%	0.00%	0.00%	\$0	\$9,006,227	\$1,050,622
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	26.73%	10.25%	10.25%	\$0	\$9,917,135	\$1,563,748
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	7.72%	7.72%	7.72%	-\$125,100	\$10,669,826	\$1,767,416
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	9.84%	9.84%	9.84%	-\$141,393	\$11,705,373	\$2,209,380
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	0.82%	0.82%	0.82%	-\$176,750	\$11,786,246	\$1,629,865
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	26.30%	10.25%	10.25%	-\$130,389	\$12,974,834	\$2,173,725
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	17.61%	10.25%	10.25%	-\$173,898	\$14,282,341	\$2,758,584
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	37.82%	10.25%	10.25%	-\$220,687	\$15,720,692	\$3,389,026
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	7.36%	7.36%	7.36%	-\$271,122	\$16,852,592	\$3,619,664
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	26.13%	10.25%	10.25%	-\$289,573	\$18,554,200	\$4,355,574
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	11.99%	10.25%	10.25%	-\$348,446	\$20,431,260	\$5,156,834
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-27.54%	0.00%	0.00%	-\$412,547	\$20,410,775	\$3,939,454
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-21.68%	0.00%	0.00%	-\$315,156	\$20,393,575	\$2,767,774
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	22.16%	10.25%	10.25%	-\$221,422	\$22,461,791	\$3,722,207
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	11.91%	10.25%	10.25%	-\$297,777	\$24,738,338	\$4,749,110
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	10.25%	10.25%	10.25%	-\$379,929	\$27,243,658	\$5,856,043
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.71%	8.71%	8.71%	-\$468,483	\$29,582,359	\$6,633,455
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	14.29%	10.25%	10.25%	-\$530,676	\$32,573,634	\$7,920,075
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-23.61%	0.00%	0.00%	-\$633,606	\$32,529,938	\$5,978,414
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-9.37%	0.00%	0.00%	-\$478,273	\$32,478,573	\$4,097,286
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	7.96%	7.96%	7.96%	-\$327,783	\$34,998,039	\$4,853,516
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	-0.86%	0.00%	0.00%	-\$388,281	\$34,926,955	\$2,867,511
		\$1,000,000	\$4,000,000					\$1,128,254	\$1,128,254	\$1,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$316,565				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:	11
Payoff Amount:	\$5,128,254
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:	\$0
TOTAL CLIENT OUTLAY:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$316,565
TOTAL INCOME DRAWDOWN:	\$6,331,292
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,867,511
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$9,198,803
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 8.08%

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.*

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	0.00%	\$0	-\$35,463	1971	12.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$6,615	-\$35,463	-\$28,848	\$64,537	\$71,152	\$1,525
2	0.00%	\$0	-\$36,618	1972	-1.92%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$36,618	-\$36,618	\$134,534	\$134,534	-\$8,120
3	0.00%	\$0	-\$80,145	1973	-41.40%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$80,145	-\$80,145	\$654,389	\$654,389	\$5,501
4	0.00%	\$0	-\$81,278	1974	32.00%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$120,244	-\$81,278	\$38,966	\$1,173,111	\$1,293,355	\$123,469
5	0.00%	\$0	-\$82,155	1975	25.48%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$185,648	-\$82,155	\$103,493	\$1,811,200	\$1,996,848	\$278,708
6	0.00%	\$0	-\$82,649	1976	-8.28%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$82,649	-\$82,649	\$2,514,199	\$2,514,199	\$218,061
7	0.00%	\$0	-\$83,171	1977	6.23%	6.23%	x 1.00	= 6.23%	+ 0.00%	= 6.23%	\$188,713	-\$83,171	\$105,542	\$3,031,028	\$3,219,741	\$312,927
8	0.00%	\$0	-\$83,763	1978	6.61%	6.61%	x 1.00	= 6.61%	+ 0.00%	= 6.61%	\$247,025	-\$83,763	\$163,262	\$3,735,978	\$3,983,003	\$448,024
9	0.00%	\$0	-\$84,499	1979	14.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$461,097	-\$84,499	\$376,598	\$4,498,504	\$4,959,601	\$756,997
10	0.00%	\$0	-\$59,261	1980	-7.40%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$59,261	-\$59,261	\$5,500,340	\$5,500,340	\$586,670
11	0.00%	\$0	-\$24,253	1981	3.65%	3.65%	x 1.00	= 3.65%	+ 0.00%	= 3.65%	\$199,850	-\$24,253	\$175,597	\$5,476,087	\$5,675,937	\$291,270
12	0.00%	\$0	-\$24,552	1982	37.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$692,267	-\$24,552	\$554,715	\$6,511,385	\$6,230,652	\$576,751
13	0.00%	\$0	-\$24,767	1983	0.02%	0.02%	x 1.00	= 0.02%	+ 0.00%	= 0.02%	\$1,121	-\$24,767	-\$23,646	\$6,205,885	\$6,207,006	\$270,410
14	0.00%	\$0	-\$24,901	1984	9.62%	9.62%	x 1.00	= 9.62%	+ 0.00%	= 9.62%	\$594,762	-\$24,901	\$569,861	\$6,182,105	\$6,776,867	\$543,442
15	0.00%	\$0	-\$24,889	1985	27.04%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$692,078	-\$24,889	\$667,189	\$6,751,978	\$7,444,056	\$898,959
16	0.00%	\$0	-\$8,869	1986	39.13%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$762,107	-\$8,869	\$753,238	\$7,435,187	\$8,197,293	\$1,324,942
17	0.00%	\$0	-\$9,147	1987	-15.51%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$9,147	-\$9,147	\$8,188,146	\$8,188,146	\$972,177
18	0.00%	\$0	-\$9,776	1988	28.41%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$838,283	-\$9,776	\$828,507	\$8,178,370	\$9,016,653	\$1,439,886
19	0.00%	\$0	-\$10,426	1989	-12.34%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$10,426	-\$10,426	\$9,006,227	\$9,006,227	\$1,050,622
20	0.00%	\$0	-\$11,094	1990	26.73%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$922,001	-\$11,094	\$910,907	\$8,995,133	\$9,917,135	\$1,563,748
21	0.00%	\$0	-\$11,920	1991	7.72%	7.72%	x 1.00	= 7.72%	+ 0.00%	= 7.72%	\$764,611	-\$11,920	\$752,691	\$9,905,215	\$10,669,826	\$1,767,416
22	0.00%	\$0	-\$13,506	1992	9.84%	9.84%	x 1.00	= 9.84%	+ 0.00%	= 9.84%	\$1,049,053	-\$13,506	\$1,035,547	\$10,656,320	\$11,705,373	\$2,209,380
23	0.00%	\$0	-\$15,412	1993	0.82%	0.82%	x 1.00	= 0.82%	+ 0.00%	= 0.82%	\$96,285	-\$15,412	-\$80,873	\$11,689,961	\$11,786,246	\$1,629,865
24	0.00%	\$0	-\$17,689	1994	26.30%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,206,277	-\$17,689	\$1,188,588	\$11,768,557	\$12,974,834	\$2,173,725
25	0.00%	\$0	-\$20,330	1995	17.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,327,837	-\$20,330	\$1,307,507	\$12,954,504	\$14,282,341	\$2,758,584
26	0.00%	\$0	-\$23,210	1996	37.82%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,461,561	-\$23,210	\$1,438,351	\$14,259,131	\$15,720,692	\$3,389,026
27	0.00%	\$0	-\$23,576	1997	7.36%	7.36%	x 1.00	= 7.36%	+ 0.00%	= 7.36%	\$1,155,476	-\$23,576	\$1,131,900	\$15,697,116	\$16,852,592	\$3,619,664
28	0.00%	\$0	-\$23,386	1998	26.13%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,724,994	-\$23,386	\$1,701,608	\$16,829,206	\$18,554,200	\$4,355,574
29	0.00%	\$0	-\$22,445	1999	11.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,899,505	-\$22,445	\$1,877,060	\$18,531,755	\$20,431,260	\$5,156,834
30	0.00%	\$0	-\$20,485	2000	-27.54%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$20,485	-\$20,485	\$20,410,775	\$20,410,775	\$3,939,454
31	0.00%	\$0	-\$17,200	2001	-21.68%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$17,200	-\$17,200	\$20,393,575	\$20,393,575	\$2,767,774
32	0.00%	\$0	-\$20,068	2002	22.16%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,088,284	-\$20,068	\$2,068,216	\$20,373,507	\$22,461,791	\$3,722,207
33	0.00%	\$0	-\$23,389	2003	11.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,299,936	-\$23,389	\$2,276,547	\$22,438,402	\$24,738,338	\$4,749,110
34	0.00%	\$0	-\$27,249	2004	10.25%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,532,569	-\$27,249	\$2,505,320	\$24,711,089	\$27,243,658	\$5,856,043
35	0.00%	\$0	-\$31,695	2005	8.71%	8.71%	x 1.00	= 8.71%	+ 0.00%	= 8.71%	\$2,370,396	-\$31,695	\$2,338,701	\$27,211,963	\$29,582,359	\$6,633,455
36	0.00%	\$0	-\$37,113	2006	14.29%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,028,388	-\$37,113	\$2,991,275	\$29,545,246	\$32,573,634	\$7,920,075
37	0.00%	\$0	-\$43,696	2007	-23.61%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$43,696	-\$43,696	\$32,529,938	\$32,529,938	\$5,978,414
38	0.00%	\$0	-\$51,365	2008	-9.37%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$51,365	-\$51,365	\$32,478,573	\$32,478,573	\$4,097,286
39	0.00%	\$0	-\$60,305	2009	7.96%	7.96%	x 1.00	= 7.96%	+ 0.00%	= 7.96%	\$2,579,771	-\$60,305	\$2,519,466	\$32,418,268	\$34,998,039	\$4,853,516
40	0.00%	\$0	-\$71,084	2010	-0.86%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$71,084	-\$71,084	\$34,926,955	\$34,926,955	\$2,867,511

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.

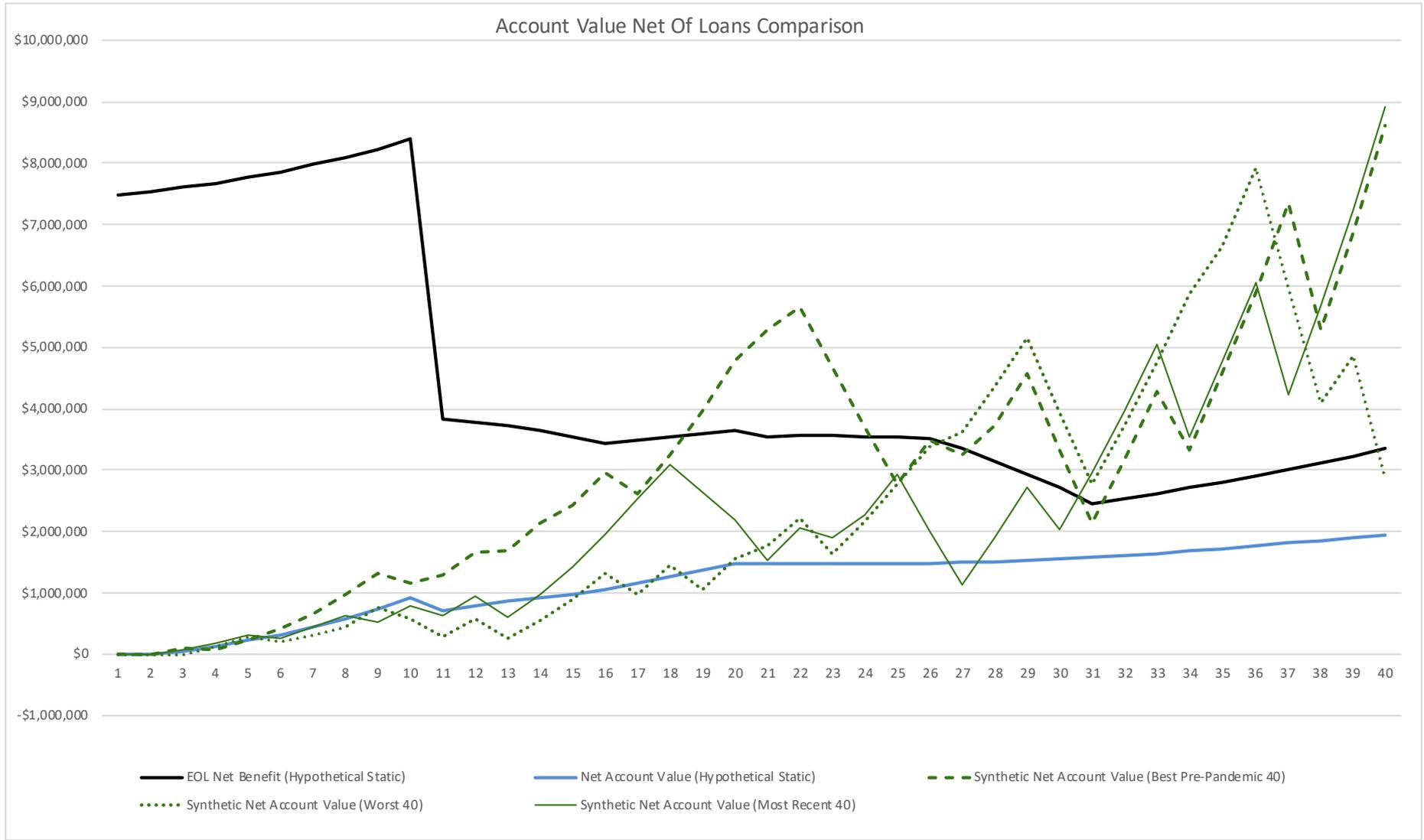
GRAPH: BACKTESTED PROXY vs. AS-ILLUSTRATED STATIC

- ✓ 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:	11	-\$1,000,000	\$2,274,580	\$1,940,364	hypothetical static	no	6.60%	6.10%	5.12%
- - - Synthetic Best 40*:	11	-\$1,000,000	\$7,046,964	\$8,610,379	actual historical*	yes	9.02%	5.00%	9.97%
..... Synthetic Worst 40*:	11	-\$1,000,000	\$6,331,292	\$2,867,511	actual historical*	yes	6.30%	5.00%	8.08%
— Synthetic (1982-2021):	11	-\$1,000,000	\$5,289,896	\$8,914,647	actual historical*	yes	9.99%	5.00%	8.83%

*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. 3RD YEAR FINANCING

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	\$100,000	1971	14.42%	13.07%	9.39%	1971	5.27%	3.92%	2.46%	1.35%	7.32%	\$0	\$107,315	vs	\$1,525
2	46	\$100,000	1972	0.08%	-1.27%	-1.27%	1972	-0.44%	-1.79%	-1.79%	1.35%	-1.42%	\$0	\$204,363	vs	-\$8,120
3	47	\$100,000	1973	-39.40%	-40.75%	-40.75%	1973	-2.37%	-3.72%	-3.72%	1.35%	-29.64%	\$0	\$214,144	vs	\$5,501
4	48	\$100,000	1974	34.00%	32.65%	23.47%	1974	-8.16%	-9.51%	-9.51%	1.35%	13.58%	\$0	\$356,794	vs	\$123,469
5	49	\$100,000	1975	27.48%	26.13%	18.79%	1975	-5.07%	-6.42%	-6.42%	1.35%	11.22%	\$0	\$508,064	vs	\$278,708
6	50	\$100,000	1976	-6.28%	-7.63%	-7.63%	1976	9.68%	8.33%	5.24%	1.35%	-3.77%	\$0	\$585,165	vs	\$218,061
7	51	\$100,000	1977	8.23%	6.88%	4.94%	1977	-4.89%	-6.24%	-6.24%	1.35%	1.59%	\$0	\$696,043	vs	\$312,927
8	52	\$100,000	1978	8.61%	7.26%	5.22%	1978	-7.81%	-9.16%	-9.16%	1.35%	0.91%	\$0	\$803,258	vs	\$448,024
9	53	\$100,000	1979	16.76%	15.41%	11.08%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.50%	\$0	\$943,895	vs	\$756,997
10	54	\$100,000	1980	-5.40%	-6.75%	-6.75%	1980	-14.57%	-15.92%	-15.92%	1.35%	-9.50%	\$0	\$944,752	vs	\$586,670
11	55	\$0	1981	5.65%	4.30%	3.09%	1981	-1.94%	-3.29%	-3.29%	1.35%	1.18%	\$0	\$955,884	vs	\$291,270
12	56	\$0	1982	39.91%	38.56%	27.72%	1982	25.14%	23.79%	14.96%	1.35%	23.90%	\$0	\$1,184,304	vs	\$576,751
13	57	\$0	1983	2.02%	0.67%	0.48%	1983	-0.01%	-1.36%	-1.36%	1.35%	-0.07%	\$0	\$1,183,448	vs	\$270,410
14	58	\$0	1984	11.62%	10.27%	7.38%	1984	9.04%	7.69%	4.84%	1.35%	6.62%	\$0	\$1,261,805	vs	\$543,442
15	59	\$0	1985	29.04%	27.69%	19.91%	1985	21.41%	20.06%	12.62%	1.35%	17.72%	\$0	\$1,485,432	vs	\$898,959
16	60	\$0	1986	41.13%	39.78%	28.60%	1986	21.97%	20.62%	12.97%	1.35%	23.91%	\$0	\$1,840,613	vs	\$1,324,942
17	61	\$0	1987	-13.51%	-14.86%	-14.86%	1987	-8.32%	-9.67%	-9.67%	1.35%	-13.30%	\$0	\$1,595,738	vs	\$972,177
18	62	\$0	1988	30.41%	29.06%	20.89%	1988	3.98%	2.63%	1.66%	1.35%	15.12%	\$0	\$1,837,030	vs	\$1,439,886
19	63	\$0	1989	-10.34%	-11.69%	-11.69%	1989	12.27%	10.92%	6.87%	1.35%	-6.12%	\$0	\$1,724,520	vs	\$1,050,622
20	64	\$0	1990	28.73%	27.38%	19.69%	1990	0.79%	-0.56%	-0.56%	1.35%	13.61%	\$0	\$1,959,299	vs	\$1,563,748
21	65	\$0	1991	9.72%	8.37%	6.02%	1991	10.33%	8.98%	5.65%	1.35%	5.91%	-\$125,100	\$1,942,548	vs	\$1,767,416
22	66	\$0	1992	11.84%	10.49%	7.55%	1992	6.15%	4.80%	3.02%	1.35%	6.19%	-\$141,393	\$1,912,592	vs	\$2,209,380
23	67	\$0	1993	2.82%	1.47%	1.06%	1993	10.94%	9.59%	6.03%	1.35%	2.55%	-\$176,750	\$1,780,117	vs	\$1,629,865
24	68	\$0	1994	28.30%	26.95%	19.38%	1994	-10.37%	-11.72%	-11.72%	1.35%	10.05%	-\$130,389	\$1,815,487	vs	\$2,173,725
25	69	\$0	1995	19.61%	18.26%	13.13%	1995	20.11%	18.76%	11.80%	1.35%	12.73%	-\$173,898	\$1,850,578	vs	\$2,758,584
26	70	\$0	1996	39.82%	38.47%	27.66%	1996	-1.46%	-2.81%	-2.81%	1.35%	18.52%	-\$220,687	\$1,931,734	vs	\$3,389,026
27	71	\$0	1997	9.36%	8.01%	5.76%	1997	7.43%	6.08%	3.82%	1.35%	5.18%	-\$271,122	\$1,746,612	vs	\$3,619,664
28	72	\$0	1998	28.13%	26.78%	19.25%	1998	13.16%	11.81%	7.43%	1.35%	15.71%	-\$289,573	\$1,685,876	vs	\$4,355,574
29	73	\$0	1999	13.99%	12.64%	9.09%	1999	-10.22%	-11.57%	-11.57%	1.35%	2.89%	-\$348,446	\$1,376,098	vs	\$5,156,834
30	74	\$0	2000	-25.54%	-26.89%	-26.89%	2000	12.84%	11.49%	7.23%	1.35%	-16.65%	-\$412,547	\$803,103	vs	\$3,939,454
31	75	\$0	2001	-19.68%	-21.03%	-21.03%	2001	2.67%	1.32%	0.83%	1.35%	-14.47%	-\$315,156	\$417,337	vs	\$2,767,774
32	76	\$0	2002	24.16%	22.81%	16.40%	2002	13.32%	11.97%	7.53%	1.35%	13.74%	-\$221,422	\$222,835	vs	\$3,722,207
33	77	\$0	2003	13.91%	12.56%	9.03%	2003	-1.85%	-3.20%	-3.20%	1.35%	5.36%	-\$222,835	\$0	vs	\$4,749,110
34	78	\$0	2004	12.25%	10.90%	7.84%	2004	1.77%	0.42%	0.26%	1.35%	5.56%	\$0	\$0	vs	\$5,856,043
35	79	\$0	2005	10.71%	9.36%	6.73%	2005	-0.51%	-1.86%	-1.86%	1.35%	4.15%	\$0	\$0	vs	\$6,633,455
36	80	\$0	2006	16.29%	14.94%	10.74%	2006	-1.23%	-2.58%	-2.58%	1.35%	6.75%	\$0	\$0	vs	\$7,920,075
37	81	\$0	2007	-21.61%	-22.96%	-22.96%	2007	7.15%	5.80%	3.65%	1.35%	-14.97%	\$0	\$0	vs	\$5,978,414
38	82	\$0	2008	-7.37%	-8.72%	-8.72%	2008	15.66%	14.31%	9.00%	1.35%	-3.40%	\$0	\$0	vs	\$4,097,286
39	83	\$0	2009	9.96%	8.61%	6.19%	2009	-10.80%	-12.15%	-12.15%	1.35%	0.69%	\$0	\$0	vs	\$4,853,516
40	84	\$0	2010	1.14%	-0.21%	-0.21%	2010	6.71%	5.36%	3.37%	1.35%	0.87%	\$0	\$0	vs	\$2,867,511

Average Equities Return: 10.02%

Average T-Bond Return: 3.46%

Average Net Portfolio Return: 3.62%

WORST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$234,563

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*

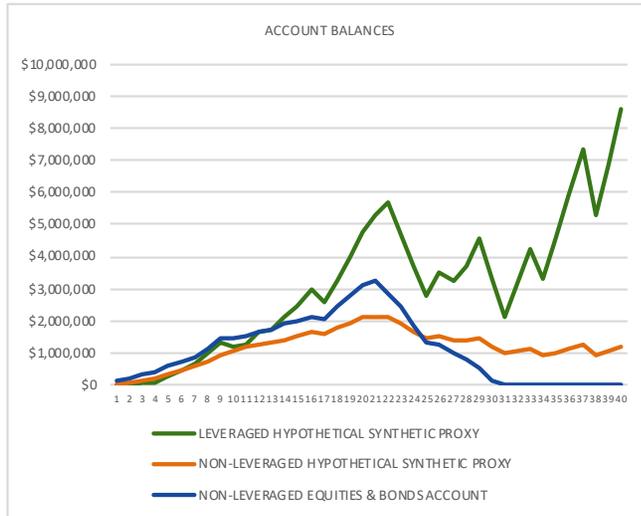
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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*

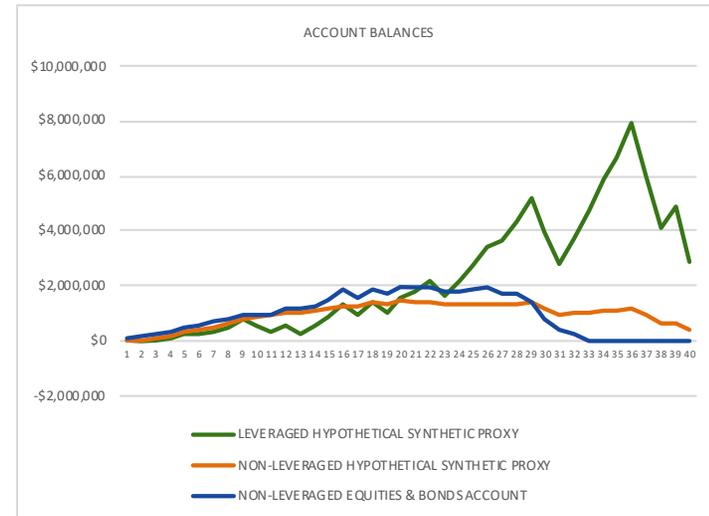
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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 - 3YF 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

THIRD-YEAR FINANCING (3YF) with INCOME DRAWDOWNS

FULL ANALYSIS REPORT: RETIREMENT PLANNING



DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - 3YF 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

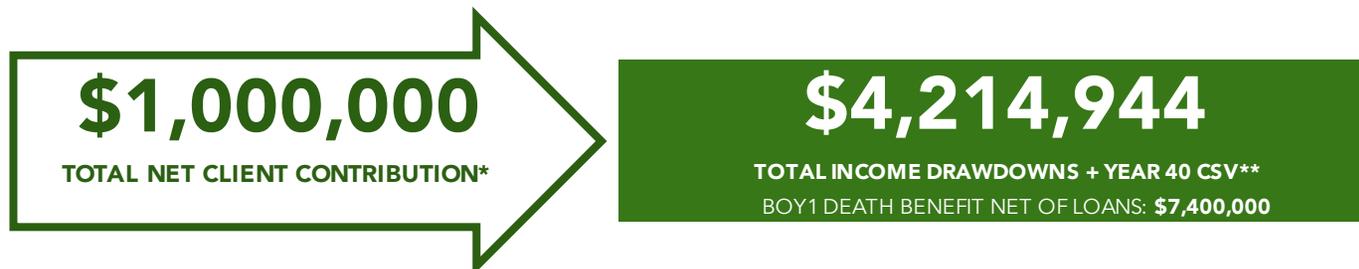


DATE CREATED: 08/27/22

PRIMARY INSURED: M45 - 3YF Income
ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

PREMIUM FINANCED LIFE INSURANCE: 3RD YEAR FINANCING



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 6.6% 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 6.6% index credit. See carrier illustration for details.

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

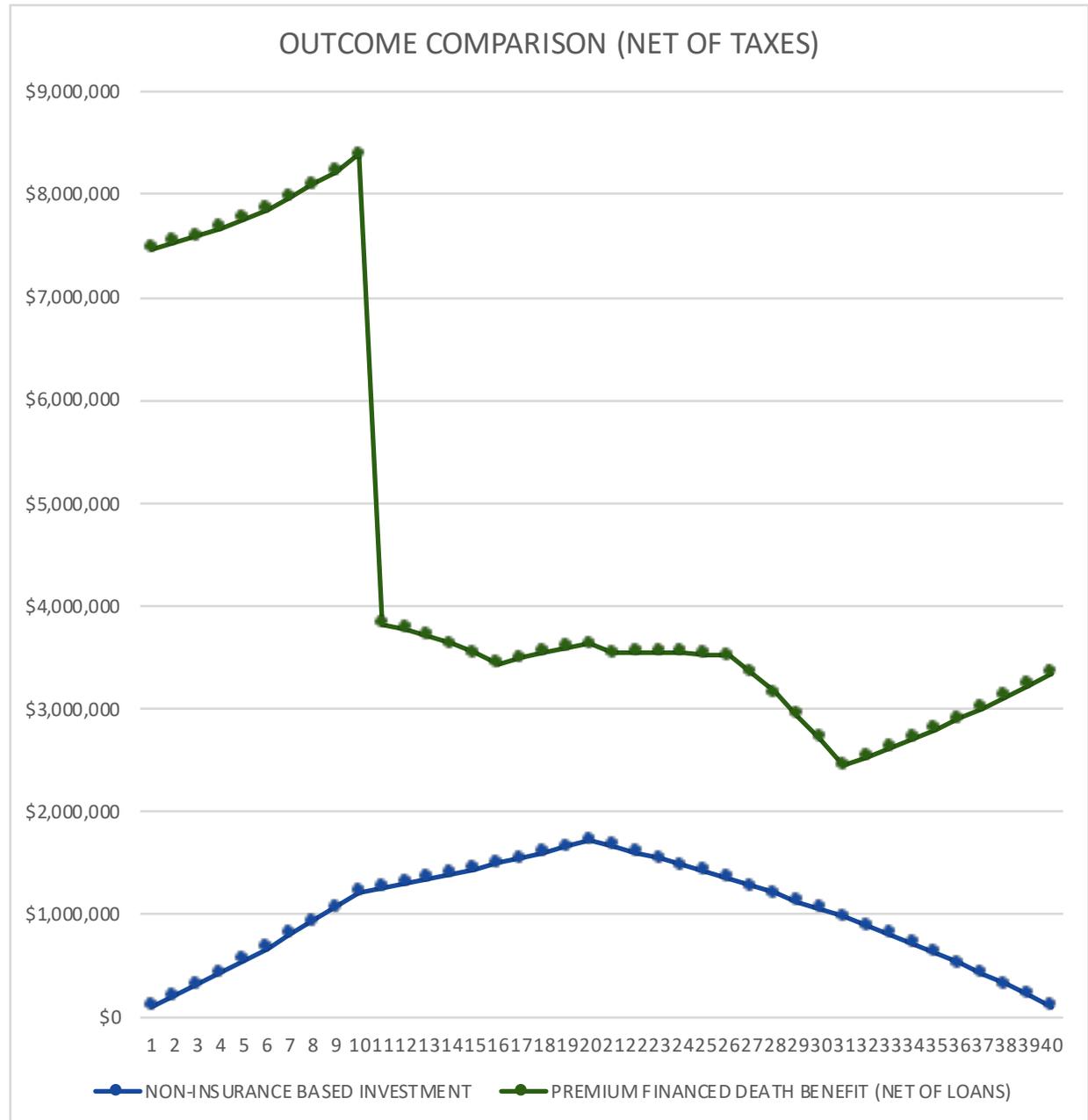
*****TOTAL INCOME DRAWDOWNS + YEAR 40 VALUE assumes a 6.6% return, 1.35% investment fees, 32.6% tax on gains, and 0% estate taxes.

Is Premium Financed Life Insurance An Effective Estate Planning Tool?

GROSS RETURN ASSUMPTION: 6.60%
 ALL-IN INVESTMENT FEE ASSUMPTION: 1.35%

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

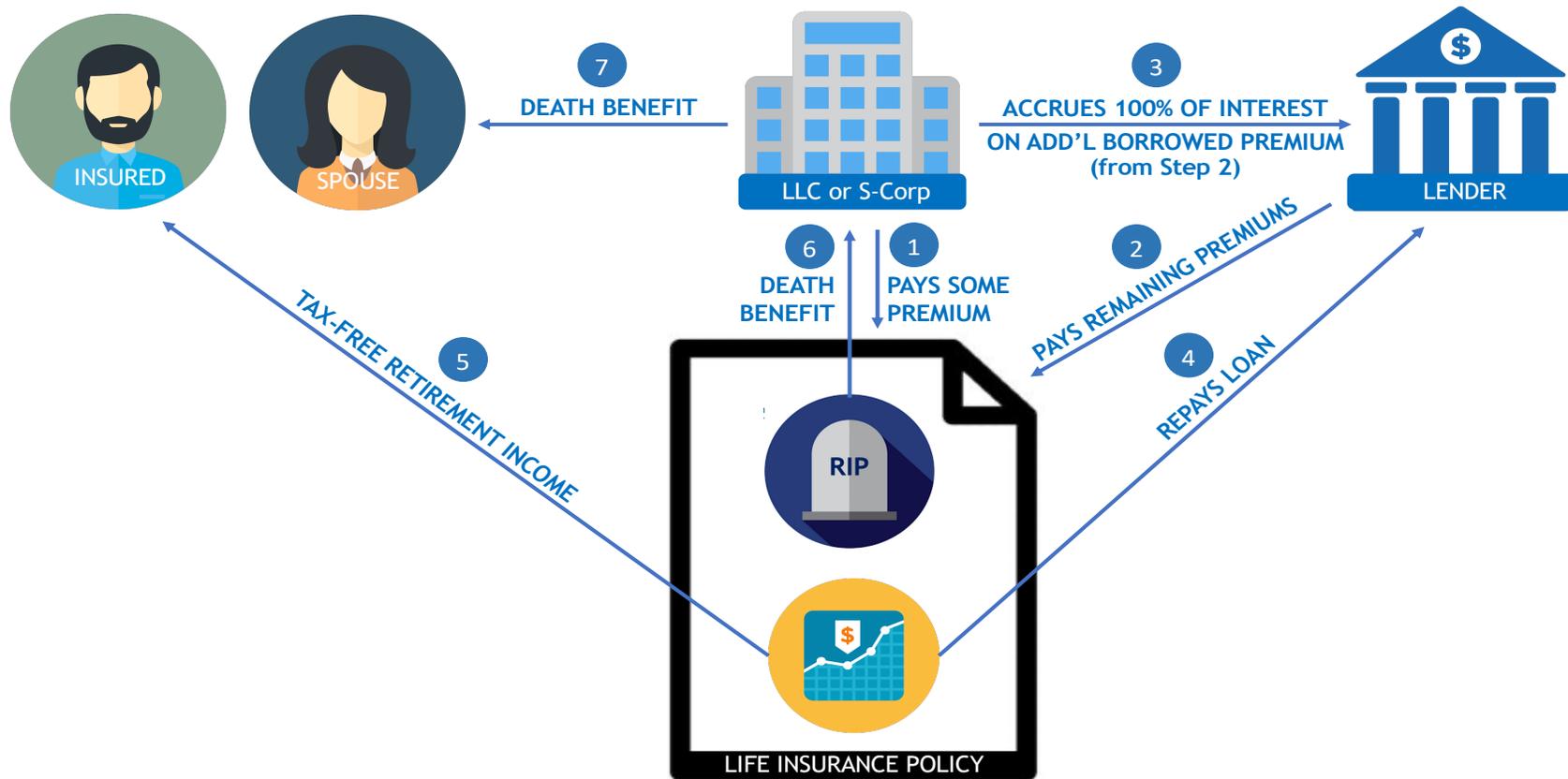
(+ SAME ANNUAL CONTRIBUTION (-) INCOME DRAWDOWNS)		NON-INSURANCE BASED INVESTMENT AFTER ESTATE TAX ACCOUNT VALUE	PREMIUM FINANCED LIFE INSURANCE TAX-FREE NET DEATH BENEFIT
1	45	\$100,000	\$7,469,627
2	46	\$100,000	\$7,542,654
3	47	\$100,000	\$7,599,644
4	48	\$100,000	\$7,674,801
5	49	\$100,000	\$7,761,436
6	50	\$100,000	\$7,859,936
7	51	\$100,000	\$7,970,163
8	52	\$100,000	\$8,091,772
9	53	\$100,000	\$8,224,149
10	54	\$100,000	\$8,394,280
11	55	\$0	\$3,829,066
12	56	\$0	\$3,778,095
13	57	\$0	\$3,713,290
14	58	\$0	\$3,633,368
15	59	\$0	\$3,537,017
16	60	\$0	\$3,444,142
17	61	\$0	\$3,498,496
18	62	\$0	\$3,548,618
19	63	\$0	\$3,593,901
20	64	\$0	\$3,633,690
21	65	-\$113,729	\$3,546,103
22	66	-\$113,729	\$3,552,094
23	67	-\$113,729	\$3,552,636
24	68	-\$113,729	\$3,546,849
25	69	-\$113,729	\$3,533,819
26	70	-\$113,729	\$3,512,732
27	71	-\$113,729	\$3,343,765
28	72	-\$113,729	\$3,153,958
29	73	-\$113,729	\$2,942,382
30	74	-\$113,729	\$2,708,263
31	75	-\$113,729	\$2,451,007
32	76	-\$113,729	\$2,532,051
33	77	-\$113,729	\$2,618,389
34	78	-\$113,729	\$2,709,962
35	79	-\$113,729	\$2,806,666
36	80	-\$113,729	\$2,907,978
37	81	-\$113,729	\$3,013,142
38	82	-\$113,729	\$3,121,446
39	83	-\$113,729	\$3,231,941
40	84	-\$113,729	\$3,343,013



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.



3RD YEAR FINANCING: TAX-FREE INCOME



THIRD-YEAR FINANCING WITH INTEREST ACCRUAL: TAX-FREE INCOME DRAWDOWN PLAN

1. The policy is owned by an entity (either an LLC or an S-corp) which pays a fixed dollar amount for 10 years, including 100% of the first two years of policy premium out-of-pocket.
2. The entity will pay a portion of the life insurance premiums due in years 3-10, and the entity will pay the remaining premiums due.
3. The entity will accrue the interest due each year on the cumulative loan balance and post the policy.
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 in year 11.
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 NF65285

PREMIUM FINANCED SOLUTION

In this solution, the client is paying the first two years premium, then paying a portion of the premium, borrowing the remaining premium, and paying interest out-of-pocket, all within a fixed annual budget.

version 96621

NON-FINANCED IUL				
AGE	ANNUAL PREMIUM	INCOME DRAWDOWNS	CASH VALUE	DEATH BENEFIT
1	45	\$100,000	\$0	\$5,078,823
2	46	\$100,000	\$0	\$5,162,039
3	47	\$100,000	\$0	\$5,249,753
4	48	\$100,000	\$0	\$5,342,464
5	49	\$100,000	\$0	\$5,440,679
6	50	\$100,000	\$0	\$5,545,031
7	51	\$100,000	\$0	\$5,655,905
8	52	\$100,000	\$0	\$5,773,682
9	53	\$100,000	\$0	\$5,898,717
10	54	\$100,000	\$0	\$6,035,661
11	55	\$0	\$0	\$5,000,000
12	56	\$0	\$0	\$5,000,000
13	57	\$0	\$0	\$5,000,000
14	58	\$0	\$0	\$5,000,000
15	59	\$0	\$0	\$5,000,000
16	60	\$0	\$0	\$5,000,000
17	61	\$0	\$0	\$5,000,000
18	62	\$0	\$0	\$5,000,000
19	63	\$0	\$0	\$5,000,000
20	64	\$0	\$0	\$5,000,000
21	65	\$0	-\$91,138	\$4,904,305
22	66	\$0	-\$91,138	\$4,803,825
23	67	\$0	-\$91,138	\$4,698,322
24	68	\$0	-\$91,138	\$4,587,543
25	69	\$0	-\$91,138	\$4,471,225
26	70	\$0	-\$91,138	\$4,349,092
27	71	\$0	-\$91,138	\$4,220,851
28	72	\$0	-\$91,138	\$4,086,199
29	73	\$0	-\$91,138	\$3,944,814
30	74	\$0	-\$91,138	\$3,796,360
31	75	\$0	-\$91,138	\$3,640,483
32	76	\$0	-\$91,138	\$3,476,812
33	77	\$0	-\$91,138	\$3,304,958
34	78	\$0	-\$91,138	\$3,124,511
35	79	\$0	-\$91,138	\$2,935,042
36	80	\$0	-\$91,138	\$2,736,099
37	81	\$0	-\$91,138	\$2,527,209
38	82	\$0	-\$91,138	\$2,307,874
39	83	\$0	-\$91,138	\$2,077,573
40	84	\$0	-\$91,138	\$1,835,757

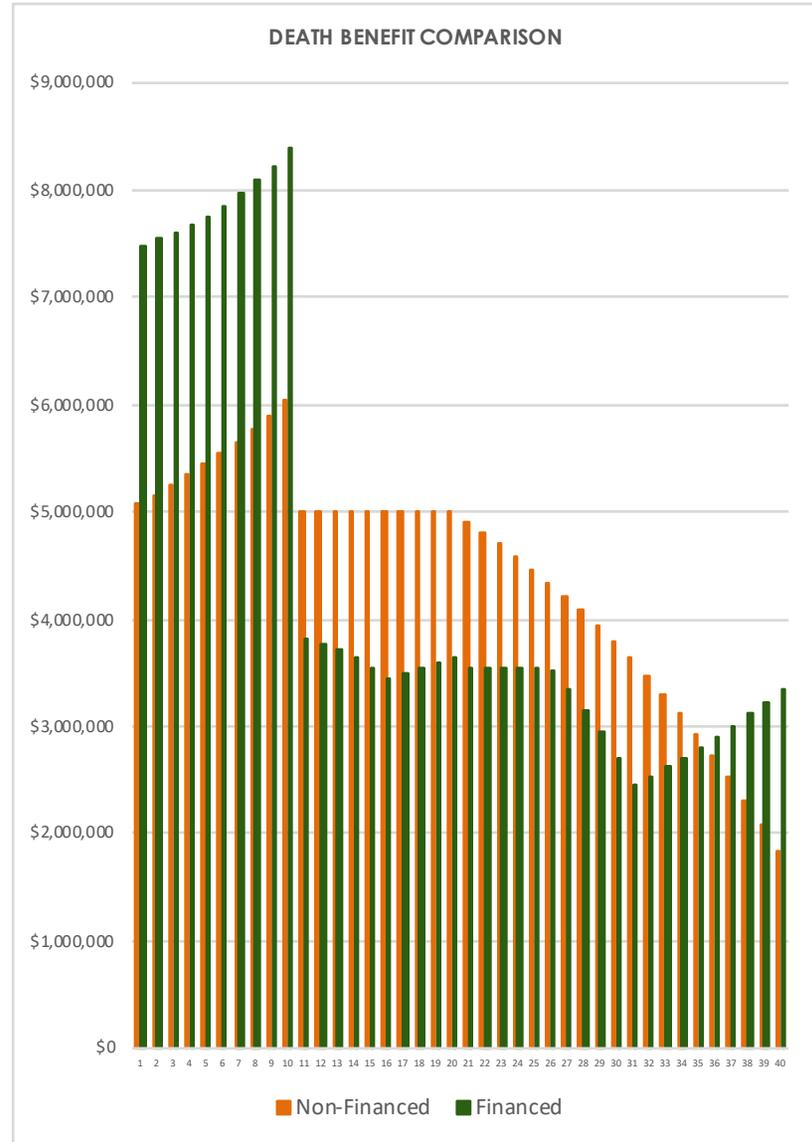
TOTAL CONTRIBUTION:	-\$1,000,000
TOTAL INCOME:	\$1,822,760
YEAR 40 NET CASH VALUE:	\$812,435
YEAR 40 TOTAL VALUE:	\$2,635,195

3RD YEAR FINANCING				
AGE	ANNUAL CONTRIBUTION	INCOME DRAWDOWNS	CASH VALUE NET OF LOANS	DEATH BENEFIT NET OF LOANS
1	45	\$100,000	\$0	\$7,469,627
2	46	\$100,000	\$0	\$7,542,654
3	47	\$100,000	\$0	\$7,599,644
4	48	\$100,000	\$0	\$7,674,801
5	49	\$100,000	\$0	\$7,761,436
6	50	\$100,000	\$0	\$7,859,936
7	51	\$100,000	\$0	\$7,970,163
8	52	\$100,000	\$0	\$8,091,772
9	53	\$100,000	\$0	\$8,224,149
10	54	\$100,000	\$0	\$8,394,280
11	55	\$0	\$0	\$3,829,066
12	56	\$0	\$0	\$3,778,095
13	57	\$0	\$0	\$3,713,290
14	58	\$0	\$0	\$3,633,368
15	59	\$0	\$0	\$3,537,017
16	60	\$0	\$0	\$3,444,142
17	61	\$0	\$0	\$3,498,496
18	62	\$0	\$0	\$3,548,618
19	63	\$0	\$0	\$3,593,901
20	64	\$0	\$0	\$3,633,690
21	65	\$0	-\$113,729	\$3,546,103
22	66	\$0	-\$113,729	\$3,552,094
23	67	\$0	-\$113,729	\$3,552,636
24	68	\$0	-\$113,729	\$3,546,849
25	69	\$0	-\$113,729	\$3,533,819
26	70	\$0	-\$113,729	\$3,512,732
27	71	\$0	-\$113,729	\$3,343,765
28	72	\$0	-\$113,729	\$3,153,958
29	73	\$0	-\$113,729	\$2,942,382
30	74	\$0	-\$113,729	\$2,708,263
31	75	\$0	-\$113,729	\$2,451,007
32	76	\$0	-\$113,729	\$2,532,051
33	77	\$0	-\$113,729	\$2,618,389
34	78	\$0	-\$113,729	\$2,709,962
35	79	\$0	-\$113,729	\$2,806,666
36	80	\$0	-\$113,729	\$2,907,978
37	81	\$0	-\$113,729	\$3,013,142
38	82	\$0	-\$113,729	\$3,121,446
39	83	\$0	-\$113,729	\$3,231,941
40	84	\$0	-\$113,729	\$3,343,013

TOTAL CONTRIBUTION:	-\$1,000,000
TOTAL INCOME:	\$2,274,580
YEAR 40 NET CASH VALUE:	\$1,940,364
YEAR 40 TOTAL VALUE:	\$4,214,944

vs.
vs.
vs.

DEATH BENEFIT COMPARISON



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

version 96621

LP

3RD YEAR FINANCING

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: **6.10%**

Initial Gross Policy Face Amount:

\$7,400,000

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	\$100,000	\$100,000	\$0	\$0	0.00%	\$0	\$0	\$100,000	\$0	6.60%	\$0	\$0	\$0	\$7,469,627	7369.63%	1	45
2	46	\$100,000	\$100,000	\$0	\$0	0.00%	\$0	\$0	\$100,000	\$0	6.60%	\$0	\$0	\$0	\$7,542,654	719.92%	2	46
3	47	\$600,000	\$100,000	\$500,000	\$500,000	4.98%	\$24,920	\$24,920	\$100,000	\$21,223	6.60%	\$0	\$550,756	\$50,756	\$7,599,644	285.48%	3	47
4	48	\$600,000	\$100,000	\$500,000	\$1,024,920	5.09%	\$52,139	\$52,139	\$100,000	\$40,468	6.60%	\$0	\$1,154,755	\$129,835	\$7,674,801	164.16%	4	48
5	49	\$600,000	\$100,000	\$500,000	\$1,577,059	5.19%	\$81,920	\$81,920	\$100,000	\$61,685	6.60%	\$0	\$1,797,414	\$220,355	\$7,761,436	111.01%	5	49
6	50	\$600,000	\$100,000	\$500,000	\$2,158,979	5.31%	\$114,562	\$114,562	\$100,000	\$71,108	6.60%	\$0	\$2,481,756	\$322,777	\$7,859,936	82.07%	6	50
7	51	\$600,000	\$100,000	\$500,000	\$2,773,540	5.42%	\$150,402	\$150,402	\$100,000	\$76,109	6.60%	\$0	\$3,210,429	\$436,889	\$7,970,163	64.18%	7	51
8	52	\$600,000	\$100,000	\$500,000	\$3,423,942	5.54%	\$189,825	\$189,825	\$100,000	\$60,045	6.60%	\$0	\$4,004,677	\$580,735	\$8,091,772	52.16%	8	52
9	53	\$600,000	\$100,000	\$500,000	\$4,113,767	5.67%	\$233,266	\$233,266	\$100,000	\$41,493	6.60%	\$0	\$4,849,079	\$735,312	\$8,224,149	43.60%	9	53
10	54	\$600,000	\$100,000	\$500,000	\$4,847,033	5.80%	\$281,222	\$281,222	\$100,000	\$0	6.60%	\$0	\$5,774,676	\$927,643	\$8,394,280	37.30%	10	54
11	55	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$5,128,254	\$713,422	\$713,422	\$3,829,066	20.36%	11	55
12	56	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$784,170	\$784,170	\$3,778,095	17.70%	12	56
13	57	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$859,098	\$859,098	\$3,713,290	15.53%	13	57
14	58	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$916,425	\$916,425	\$3,633,368	13.74%	14	58
15	59	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$978,869	\$978,869	\$3,537,017	12.21%	15	59
16	60	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,063,413	\$1,063,413	\$3,444,142	10.93%	16	60
17	61	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,154,707	\$1,154,707	\$3,498,496	10.20%	17	61
18	62	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,252,903	\$1,252,903	\$3,548,618	9.56%	18	62
19	63	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,358,513	\$1,358,513	\$3,593,901	8.99%	19	63
20	64	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	\$0	\$1,472,086	\$1,472,086	\$3,633,690	8.49%	20	64
21	65	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,473,341	\$1,473,341	\$3,546,103	8.04%	21	65
22	66	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,475,426	\$1,475,426	\$3,552,094	7.80%	22	66
23	67	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,478,184	\$1,478,184	\$3,552,636	7.58%	23	67
24	68	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,481,402	\$1,481,402	\$3,546,849	7.38%	24	68
25	69	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,484,862	\$1,484,862	\$3,533,819	7.19%	25	69
26	70	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,488,473	\$1,488,473	\$3,512,732	7.02%	26	70
27	71	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,494,993	\$1,494,993	\$3,343,765	6.71%	27	71
28	72	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,505,343	\$1,505,343	\$3,153,958	6.40%	28	72
29	73	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,520,715	\$1,520,715	\$2,942,382	6.11%	29	73
30	74	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,542,662	\$1,542,662	\$2,708,263	5.81%	30	74
31	75	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,573,167	\$1,573,167	\$2,451,007	5.52%	31	75
32	76	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,606,609	\$1,606,609	\$2,532,051	5.58%	32	76
33	77	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,642,906	\$1,642,906	\$2,618,389	5.64%	33	77
34	78	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,681,892	\$1,681,892	\$2,709,962	5.69%	34	78
35	79	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,723,353	\$1,723,353	\$2,806,666	5.74%	35	79
36	80	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,766,671	\$1,766,671	\$2,907,978	5.78%	36	80
37	81	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,810,999	\$1,810,999	\$3,013,142	5.81%	37	81
38	82	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,855,526	\$1,855,526	\$3,121,446	5.84%	38	82
39	83	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,899,210	\$1,899,210	\$3,231,941	5.87%	39	83
40	84	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	6.60%	-\$113,729	\$1,940,364	\$1,940,364	\$3,343,013	5.89%	40	84

-\$5,000,000 -\$1,000,000 -\$4,000,000

\$1,128,254 \$1,128,254

\$1,000,000

TOTAL INCOME DRAWN:

-\$2,274,580

(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):	6.60%
Reduced Assumed Index Credit:	6.60%

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:	\$0
PREMIUMS PAID BY CLIENT:	-\$1,000,000
LOAN INTEREST PAID BY CLIENT:	\$0
TOTAL CLIENT OUTLAY:	-\$1,000,000
TOTAL DRAWDOWNS (excluding loan payoff):	\$2,274,580
40-YEAR PROGRAM NET CASH FLOW:	\$1,274,580
YEAR 40 NET CASH SURRENDER VALUE:	\$1,940,364
40-YEAR CASH GAIN (excluding death benefit):	\$3,214,944
40-YEAR NET CSV IRR:	5.12%

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 be 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 - 3YF 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.

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.

SOLICITING AGENT:

Darren Sugiyama



X

Signature *Date Signed*

LIONSMARK CAPITAL:

Darren Sugiyama



X

Signature *Date Signed*

HYPOTHETICAL SYNTHETIC PROXIES: BACKTESTING REPORT

BEST CAGR IN 40-YEAR PERIOD*

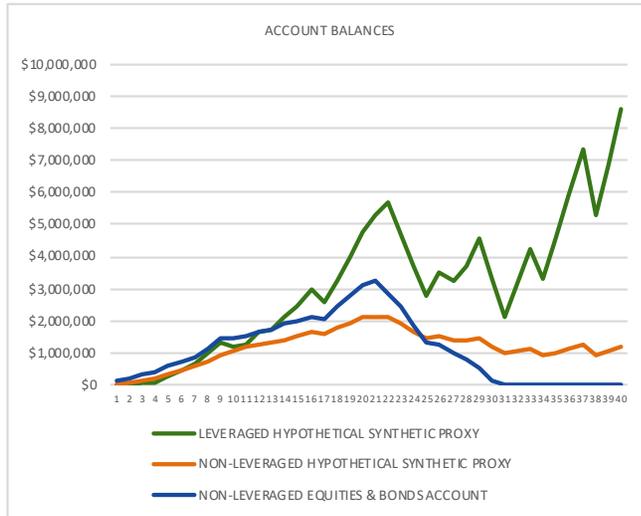
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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*

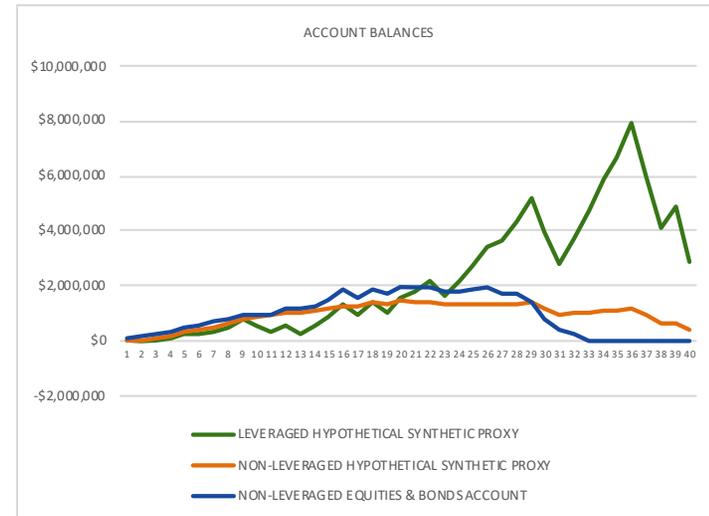
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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 - 3YF 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
10.25% 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 worse 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)

3RD YEAR FINANCING

HYPOTHETICAL SYNTHETIC PROXY

3RD YEAR FINANCING

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

Current Pre-Bonus Cap: 10.75%

Current Post-Bonus Max Cap: 10.75%

PAGE 5

		Participation Rate: 100.00%			Floor Modeled: 0.00%		Upside Design: CAPPED			Pre-Bonus Cap Modeled: 10.25%		Post-Bonus Max Cap Modeled: 10.25%			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	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1978	11.97%	10.25%	10.25%	\$0	\$71,152	\$1,525
2	46	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1979	14.24%	10.25%	10.25%	\$0	\$148,324	\$5,670
3	47	\$600,000	\$100,000	\$500,000	\$500,000		4.98%	\$24,920	\$24,920	\$100,000	\$19,774	1980	13.48%	10.25%	10.25%	\$0	\$736,667	\$87,779
4	48	\$600,000	\$100,000	\$500,000	\$1,024,920		5.09%	\$52,139	\$52,139	\$100,000	\$35,082	1981	-7.06%	0.00%	0.00%	\$0	\$1,255,389	\$85,503
5	49	\$600,000	\$100,000	\$500,000	\$1,577,059		5.19%	\$81,920	\$81,920	\$100,000	\$26,513	1982	20.68%	10.25%	10.25%	\$0	\$1,954,991	\$236,851
6	50	\$600,000	\$100,000	\$500,000	\$2,158,979		5.31%	\$114,562	\$114,562	\$100,000	\$113,224	1983	12.46%	10.25%	10.25%	\$0	\$2,725,757	\$429,619
7	51	\$600,000	\$100,000	\$500,000	\$2,773,540		5.42%	\$150,402	\$150,402	\$100,000	\$60,438	1984	9.93%	9.93%	9.93%	\$0	\$3,564,443	\$657,629
8	52	\$600,000	\$100,000	\$500,000	\$3,423,942		5.54%	\$189,825	\$189,825	\$100,000	\$0	1985	17.90%	10.25%	10.25%	\$0	\$4,498,950	\$963,971
9	53	\$600,000	\$100,000	\$500,000	\$4,113,767		5.67%	\$233,266	\$233,266	\$100,000	\$0	1986	29.42%	10.25%	10.25%	\$0	\$5,528,432	\$1,325,828
10	54	\$600,000	\$100,000	\$500,000	\$4,847,033		5.80%	\$281,222	\$281,222	\$100,000	\$0	1987	-6.21%	0.00%	0.00%	\$0	\$6,069,171	\$1,155,501
11	55	\$0	\$0	\$0	\$0	-\$5,128,254	0.00%	\$0	\$0	\$0	\$0	1988	15.72%	10.25%	10.25%	\$0	\$6,664,522	\$1,279,855
12	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	10.63%	10.25%	10.25%	\$0	\$7,320,567	\$1,666,667
13	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	4.51%	4.51%	4.51%	\$0	\$7,625,029	\$1,688,434
14	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	18.86%	10.25%	10.25%	\$0	\$8,379,141	\$2,145,716
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	7.34%	7.34%	7.34%	\$0	\$8,967,363	\$2,422,267
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	9.76%	9.76%	9.76%	\$0	\$9,832,947	\$2,960,595
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$9,823,800	\$2,607,831
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	35.20%	10.25%	10.25%	\$0	\$10,819,961	\$3,243,194
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	23.61%	10.25%	10.25%	\$0	\$11,917,513	\$3,961,907
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	24.69%	10.25%	10.25%	\$0	\$13,126,826	\$4,773,440
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	30.54%	10.25%	10.25%	-\$381,875	\$14,459,184	\$5,287,160
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	8.97%	8.97%	8.97%	-\$422,973	\$15,741,865	\$5,667,118
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-2.04%	0.00%	0.00%	-\$453,369	\$15,726,453	\$4,671,930
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-17.26%	0.00%	0.00%	-\$373,754	\$15,708,764	\$3,709,073
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	-24.29%	0.00%	0.00%	-\$296,726	\$15,688,434	\$2,777,196
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	32.19%	10.25%	10.25%	-\$222,176	\$17,270,909	\$3,480,826
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	4.43%	4.43%	4.43%	-\$278,466	\$18,011,862	\$3,239,885
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.36%	8.36%	8.36%	-\$259,191	\$19,493,162	\$3,710,435
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	12.36%	10.25%	10.25%	-\$296,835	\$21,466,465	\$4,582,926
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-4.15%	0.00%	0.00%	-\$366,634	\$21,445,980	\$3,333,298
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-40.09%	0.00%	0.00%	-\$266,664	\$21,428,780	\$2,130,467
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	30.03%	10.25%	10.25%	-\$170,437	\$23,603,105	\$3,160,917
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	19.76%	10.25%	10.25%	-\$252,873	\$25,996,637	\$4,266,823
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2011	2.04%	2.04%	2.04%	-\$341,346	\$26,500,238	\$3,325,519
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2012	14.15%	10.25%	10.25%	-\$266,042	\$29,181,568	\$4,568,771
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2013	18.99%	10.25%	10.25%	-\$365,502	\$32,131,762	\$5,904,548
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2014	11.92%	10.25%	10.25%	-\$472,364	\$35,377,093	\$7,342,536
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2015	-2.74%	0.00%	0.00%	-\$587,403	\$35,325,728	\$5,272,670
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2016	17.45%	10.25%	10.25%	-\$421,814	\$38,880,129	\$6,881,513
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2017	23.91%	10.25%	10.25%	-\$550,521	\$42,786,972	\$8,610,379
		\$1,000,000	\$4,000,000					\$1,128,254	\$1,128,254	\$1,000,000		AVERAGE ANNUAL INCOME DRAWDOWN: \$352,348						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:	11
Payoff Amount:	\$5,128,254
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:	\$0
TOTAL CLIENT OUTLAY:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$352,348
TOTAL INCOME DRAWDOWN:	\$7,046,964
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$8,610,379
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$15,657,343
RAW S&P 500 CAGR:	9.02%
40-YEAR NET ACCOUNT IRR:	9.97%

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)

3RD YEAR FINANCING

HYPOTHETICAL SYNTHETIC PROXY

3RD YEAR FINANCING

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

Current Pre-Bonus Cap: 10.75%

Current Post-Bonus Max Cap: 10.75%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED				Pre-Bonus Cap Modeled: 10.25%		Post-Bonus Max Cap Modeled: 10.25%		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	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1971	12.42%	10.25%	10.25%	\$0	\$71,152	\$1,525
2	46	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1972	-1.92%	0.00%	0.00%	\$0	\$134,534	-\$8,120
3	47	\$600,000	\$100,000	\$500,000	\$500,000		4.98%	\$24,920	\$24,920	\$100,000	\$19,774	1973	-41.40%	0.00%	0.00%	\$0	\$654,389	\$5,501
4	48	\$600,000	\$100,000	\$500,000	\$1,024,920		5.09%	\$52,139	\$52,139	\$100,000	\$48,182	1974	32.00%	10.25%	10.25%	\$0	\$1,293,355	\$123,469
5	49	\$600,000	\$100,000	\$500,000	\$1,577,059		5.19%	\$81,920	\$81,920	\$100,000	\$104,677	1975	25.48%	10.25%	10.25%	\$0	\$1,996,848	\$278,708
6	50	\$600,000	\$100,000	\$500,000	\$2,158,979		5.31%	\$114,562	\$114,562	\$100,000	\$77,156	1976	-8.28%	0.00%	0.00%	\$0	\$2,514,199	\$218,061
7	51	\$600,000	\$100,000	\$500,000	\$2,773,540		5.42%	\$150,402	\$150,402	\$100,000	\$20,674	1977	6.23%	6.23%	6.23%	\$0	\$3,219,741	\$312,927
8	52	\$600,000	\$100,000	\$500,000	\$3,423,942		5.54%	\$189,825	\$189,825	\$100,000	\$159,526	1978	6.61%	6.61%	6.61%	\$0	\$3,983,003	\$448,024
9	53	\$600,000	\$100,000	\$500,000	\$4,113,767		5.67%	\$233,266	\$233,266	\$100,000	\$159,257	1979	14.76%	10.25%	10.25%	\$0	\$4,959,601	\$756,997
10	54	\$600,000	\$100,000	\$500,000	\$4,847,033		5.80%	\$281,222	\$281,222	\$100,000	\$123,057	1980	-7.40%	0.00%	0.00%	\$0	\$5,500,340	\$586,670
11	55	\$0	\$0	\$0	\$0	-\$5,128,254	0.00%	\$0	\$0	\$0	\$0	1981	3.65%	3.65%	3.65%	\$0	\$5,675,937	\$291,270
12	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1982	37.91%	10.25%	10.25%	\$0	\$6,230,652	\$576,751
13	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1983	0.02%	0.02%	0.02%	\$0	\$6,207,006	\$270,410
14	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1984	9.62%	9.62%	9.62%	\$0	\$6,776,867	\$543,442
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1985	27.04%	10.25%	10.25%	\$0	\$7,444,056	\$898,959
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1986	39.13%	10.25%	10.25%	\$0	\$8,197,293	\$1,324,942
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1987	-15.51%	0.00%	0.00%	\$0	\$8,188,146	\$972,177
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1988	28.41%	10.25%	10.25%	\$0	\$9,016,653	\$1,439,886
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	-12.34%	0.00%	0.00%	\$0	\$9,006,227	\$1,050,622
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	26.73%	10.25%	10.25%	\$0	\$9,917,135	\$1,563,748
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	7.72%	7.72%	7.72%	-\$125,100	\$10,669,826	\$1,767,416
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	9.84%	9.84%	9.84%	-\$141,393	\$11,705,373	\$2,209,380
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	0.82%	0.82%	0.82%	-\$176,750	\$11,786,246	\$1,629,865
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	26.30%	10.25%	10.25%	-\$130,389	\$12,974,834	\$2,173,725
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	17.61%	10.25%	10.25%	-\$173,898	\$14,282,341	\$2,758,584
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	37.82%	10.25%	10.25%	-\$220,687	\$15,720,692	\$3,389,026
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	7.36%	7.36%	7.36%	-\$271,122	\$16,852,592	\$3,619,664
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	26.13%	10.25%	10.25%	-\$289,573	\$18,554,200	\$4,355,574
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	11.99%	10.25%	10.25%	-\$348,446	\$20,431,260	\$5,156,834
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-27.54%	0.00%	0.00%	-\$412,547	\$20,410,775	\$3,939,454
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-21.68%	0.00%	0.00%	-\$315,156	\$20,393,575	\$2,767,774
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	22.16%	10.25%	10.25%	-\$221,422	\$22,461,791	\$3,722,207
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	11.91%	10.25%	10.25%	-\$297,777	\$24,738,338	\$4,749,110
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	10.25%	10.25%	10.25%	-\$379,929	\$27,243,658	\$5,856,043
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.71%	8.71%	8.71%	-\$468,483	\$29,582,359	\$6,633,455
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	14.29%	10.25%	10.25%	-\$530,676	\$32,573,634	\$7,920,075
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-23.61%	0.00%	0.00%	-\$633,606	\$32,529,938	\$5,978,414
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-9.37%	0.00%	0.00%	-\$478,273	\$32,478,573	\$4,097,286
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	7.96%	7.96%	7.96%	-\$327,783	\$34,998,039	\$4,853,516
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	-0.86%	0.00%	0.00%	-\$388,281	\$34,926,955	\$2,867,511
		\$1,000,000	\$4,000,000					\$1,128,254	\$1,128,254	\$1,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$316,565			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:	11
Payoff Amount:	\$5,128,254
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:	\$0
TOTAL CLIENT OUTLAY:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$316,565
TOTAL INCOME DRAWDOWN:	\$6,331,292
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,867,511
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$9,198,803
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 8.08%

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)
3RD YEAR FINANCING

HYPOTHETICAL SYNTHETIC PROXY

3RD YEAR FINANCING

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

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Current Pre-Bonus Cap: 10.75%		Current Post-Bonus Max Cap: 10.75%		Post-Bonus Max Cap Modeled: 10.25%		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	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1982	20.68%	10.25%	10.25%	\$0	\$71,152	\$1,525
2	46	\$100,000	\$100,000	\$0	\$0		0.00%	\$0	\$0	\$100,000	\$0	1983	12.46%	10.25%	10.25%	\$0	\$148,324	\$5,670
3	47	\$600,000	\$100,000	\$500,000	\$500,000		9.15%	\$45,750	\$45,750	\$100,000	\$19,774	1984	9.93%	10.25%	9.93%	\$0	\$734,502	\$85,614
4	48	\$600,000	\$100,000	\$500,000	\$1,045,750		7.90%	\$82,614	\$82,614	\$100,000	\$55,912	1985	17.90%	10.25%	10.25%	\$0	\$1,381,679	\$190,963
5	49	\$600,000	\$100,000	\$500,000	\$1,628,364		5.90%	\$96,073	\$96,073	\$100,000	\$79,876	1986	29.42%	10.25%	10.25%	\$0	\$2,094,226	\$324,780
6	50	\$600,000	\$100,000	\$500,000	\$2,224,438		7.15%	\$159,047	\$159,047	\$100,000	\$58,707	1987	-6.21%	0.00%	0.00%	\$0	\$2,611,577	\$249,980
7	51	\$600,000	\$100,000	\$500,000	\$2,883,485		8.90%	\$256,630	\$256,630	\$100,000	\$38,110	1988	15.72%	10.25%	10.25%	\$0	\$3,449,067	\$432,308
8	52	\$600,000	\$100,000	\$500,000	\$3,640,115		9.90%	\$360,371	\$360,371	\$100,000	\$283,190	1989	10.63%	10.25%	10.25%	\$0	\$4,371,748	\$620,596
9	53	\$600,000	\$100,000	\$500,000	\$4,500,487		8.40%	\$378,041	\$378,041	\$100,000	\$328,117	1990	4.51%	4.51%	4.51%	\$0	\$5,107,790	\$518,466
10	54	\$600,000	\$100,000	\$500,000	\$5,378,527		6.90%	\$371,118	\$371,118	\$100,000	\$285,244	1991	18.86%	10.25%	10.25%	\$0	\$6,227,503	\$782,339
11	55	\$0	\$0	\$0	\$0	-\$5,749,646	0.00%	\$0	\$0	\$0	\$0	1992	7.34%	7.34%	7.34%	\$0	\$6,658,501	\$621,373
12	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	9.76%	9.76%	9.76%	\$0	\$7,281,499	\$942,515
13	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$7,256,732	\$600,798
14	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	35.20%	10.25%	10.25%	\$0	\$7,973,094	\$984,363
15	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	23.61%	10.25%	10.25%	\$0	\$8,762,896	\$1,424,729
16	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	24.69%	10.25%	10.25%	\$0	\$9,651,315	\$1,946,239
17	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	30.54%	10.25%	10.25%	\$0	\$10,630,490	\$2,540,161
18	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	8.97%	8.97%	8.97%	\$0	\$11,573,693	\$3,078,847
19	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-2.04%	0.00%	0.00%	\$0	\$11,563,267	\$2,643,679
20	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-17.26%	0.00%	0.00%	\$0	\$11,552,173	\$2,186,605
21	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	-24.29%	0.00%	0.00%	-\$174,928	\$11,540,253	\$1,522,732
22	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	32.19%	10.25%	10.25%	-\$121,819	\$12,708,238	\$2,061,932
23	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	4.43%	4.43%	4.43%	-\$164,955	\$13,255,466	\$1,903,642
24	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.36%	8.36%	8.36%	-\$152,291	\$14,345,080	\$2,265,759
25	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	12.36%	10.25%	10.25%	-\$181,261	\$15,793,036	\$2,919,426
26	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-4.15%	0.00%	0.00%	-\$233,554	\$15,769,826	\$2,007,304
27	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-40.09%	0.00%	0.00%	-\$160,584	\$15,746,250	\$1,126,988
28	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	30.03%	10.25%	10.25%	-\$90,159	\$17,334,458	\$1,889,565
29	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	19.76%	10.25%	10.25%	-\$151,165	\$19,086,494	\$2,710,634
30	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2011	2.04%	2.04%	2.04%	-\$216,851	\$19,455,744	\$2,033,398
31	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2012	14.15%	10.25%	10.25%	-\$162,672	\$21,430,995	\$2,966,726
32	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2013	18.99%	10.25%	10.25%	-\$237,338	\$23,605,547	\$3,968,859
33	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2014	11.92%	10.25%	10.25%	-\$317,509	\$25,999,330	\$5,047,423
34	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2015	-2.74%	0.00%	0.00%	-\$403,794	\$25,972,081	\$3,548,595
35	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2016	17.45%	10.25%	10.25%	-\$283,888	\$28,599,275	\$4,756,533
36	80	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2017	23.91%	10.25%	10.25%	-\$380,523	\$31,489,784	\$6,055,356
37	81	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2018	-4.41%	0.00%	0.00%	-\$484,428	\$31,446,088	\$4,231,289
38	82	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2019	31.74%	10.25%	10.25%	-\$338,503	\$34,612,682	\$5,681,715
39	83	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2020	18.38%	10.25%	10.25%	-\$454,537	\$38,093,995	\$7,239,216
40	84	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2021	28.83%	10.25%	10.25%	-\$579,137	\$41,920,260	\$8,914,647
		\$1,000,000	\$4,000,000					\$1,749,646	\$1,749,646	\$1,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$264,495			MOST RECENT 40	

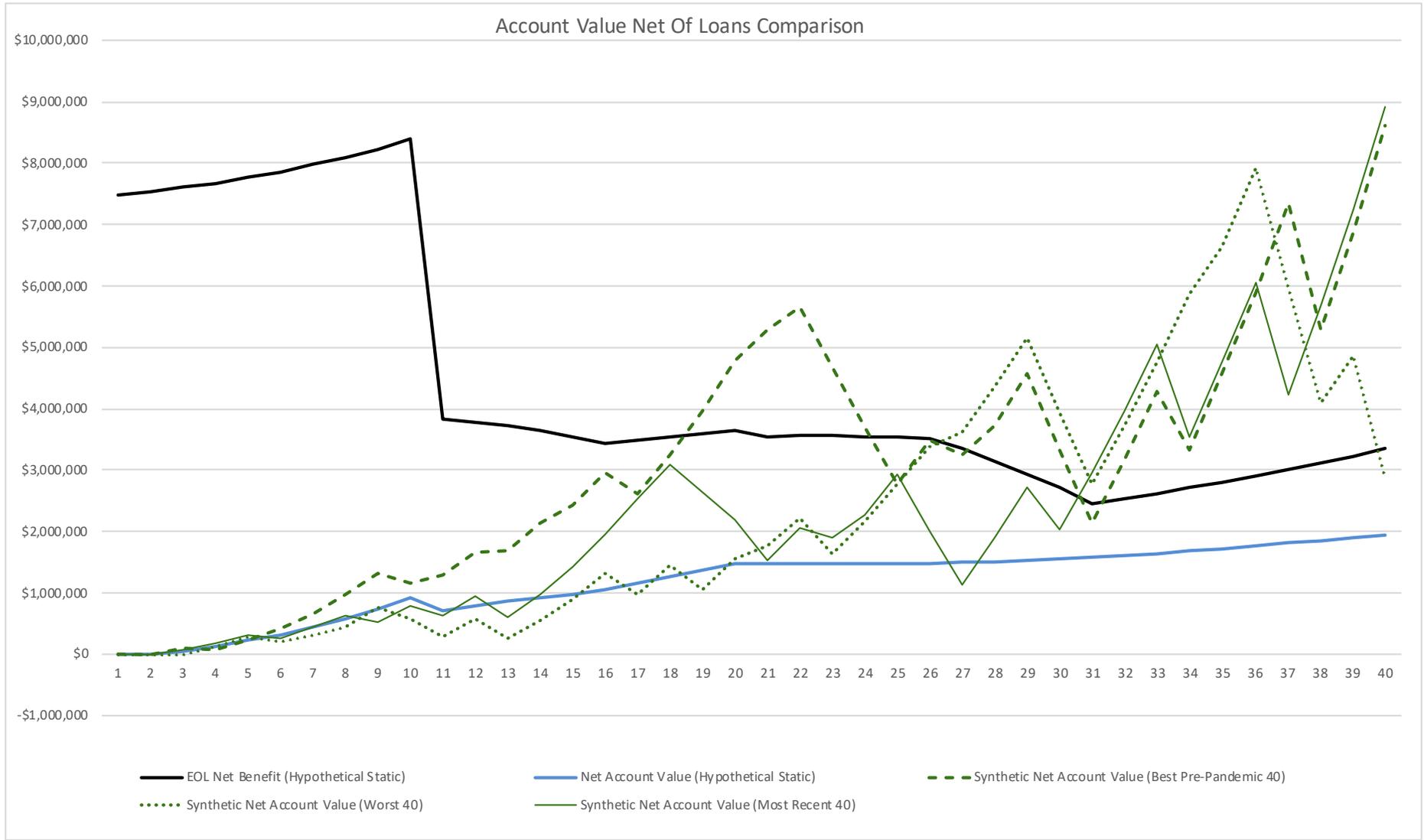
BORROWING INTEREST ASSUMPTIONS	
Hypothetical Loan Rate	Prime: 2.29%
	Lender Spread: -1.60%
Starting Borrowing Rate:	0.69%
Borrowing Rate Volatility:	HistoricalRates
RETIREMENT INCOME DRAWDOWN ASSUMPTIONS	
Drawdown Type:	PARTICIPATING
PLR:	5.00%
% of Previous Year's EOY Value Drawdown:	8.00%
THIRD PARTY LENDER PAYOFF ASSUMPTIONS	
Payoff Loan In Full In Year:	11
Payoff Amount:	\$5,749,646
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:	\$0
TOTAL CLIENT OUTLAY:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$264,495
TOTAL INCOME DRAWDOWN:	\$5,289,896
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$8,914,647
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$14,204,543
RAW S&P 500 CAGR: 9.99%	40-YEAR NET ACCOUNT IRR: 8.83%

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:	11	-\$1,000,000	\$2,274,580	\$1,940,364	hypothetical static	no	6.60%	6.10%	5.12%
- - - Synthetic Best 40*:	11	-\$1,000,000	\$7,046,964	\$8,610,379	actual historical*	yes	9.02%	5.00%	9.97%
..... Synthetic Worst 40*:	11	-\$1,000,000	\$6,331,292	\$2,867,511	actual historical*	yes	6.30%	5.00%	8.08%
— Synthetic (1982-2021):	11	-\$1,000,000	\$5,289,896	\$8,914,647	actual historical*	yes	9.99%	5.00%	8.83%

*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	0.00%	\$0	-\$35,463	1978	11.97%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$6,615	-\$35,463	-\$28,848	\$64,537	\$71,152	\$1,525
2	0.00%	\$0	-\$36,618	1979	14.24%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$13,790	-\$36,618	-\$22,828	\$134,534	\$148,324	\$5,670
3	0.00%	\$0	-\$80,145	1980	13.48%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$68,488	-\$80,145	-\$11,657	\$668,179	\$736,667	\$87,779
4	0.00%	\$0	-\$81,278	1981	-7.06%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$81,278	-\$81,278	\$1,255,389	\$1,255,389	\$85,503
5	0.00%	\$0	-\$82,155	1982	20.68%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$181,756	-\$82,155	\$99,601	\$1,773,234	\$1,954,991	\$236,851
6	0.00%	\$0	-\$82,649	1983	12.46%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$253,415	-\$82,649	\$170,766	\$2,472,342	\$2,725,757	\$429,619
7	0.00%	\$0	-\$83,171	1984	9.93%	9.93%	x 1.00	= 9.93%	+ 0.00%	= 9.93%	\$321,858	-\$83,171	\$238,687	\$3,242,586	\$3,564,443	\$657,629
8	0.00%	\$0	-\$83,763	1985	17.90%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$418,270	-\$83,763	\$334,507	\$4,080,680	\$4,498,950	\$963,971
9	0.00%	\$0	-\$84,499	1986	29.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$513,981	-\$84,499	\$429,482	\$5,014,451	\$5,528,432	\$1,325,828
10	0.00%	\$0	-\$59,261	1987	-6.21%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$59,261	-\$59,261	\$6,069,171	\$6,069,171	\$1,155,501
11	0.00%	\$0	-\$24,253	1988	15.72%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$619,604	-\$24,253	\$595,351	\$6,044,918	\$6,664,522	\$1,279,855
12	0.00%	\$0	-\$24,552	1989	10.63%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$680,597	-\$24,552	\$656,045	\$6,639,970	\$7,320,567	\$1,666,667
13	0.00%	\$0	-\$24,767	1990	4.51%	4.51%	x 1.00	= 4.51%	+ 0.00%	= 4.51%	\$329,229	-\$24,767	\$304,462	\$7,295,800	\$7,625,029	\$1,688,434
14	0.00%	\$0	-\$24,901	1991	18.86%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$779,013	-\$24,901	\$754,112	\$7,600,128	\$8,379,141	\$2,145,716
15	0.00%	\$0	-\$24,889	1992	7.34%	7.34%	x 1.00	= 7.34%	+ 0.00%	= 7.34%	\$613,111	-\$24,889	\$588,222	\$8,354,252	\$8,967,363	\$2,422,267
16	0.00%	\$0	-\$8,869	1993	9.76%	9.76%	x 1.00	= 9.76%	+ 0.00%	= 9.76%	\$874,452	-\$8,869	\$865,583	\$8,958,494	\$9,832,947	\$2,960,595
17	0.00%	\$0	-\$9,147	1994	-2.32%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$9,147	-\$9,147	\$9,823,800	\$9,823,800	\$2,607,831
18	0.00%	\$0	-\$9,776	1995	35.20%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,005,937	-\$9,776	\$996,161	\$9,814,024	\$10,819,961	\$3,243,194
19	0.00%	\$0	-\$10,426	1996	23.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,107,977	-\$10,426	\$1,097,551	\$10,809,535	\$11,917,513	\$3,961,907
20	0.00%	\$0	-\$11,094	1997	24.69%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,220,408	-\$11,094	\$1,209,314	\$11,906,419	\$13,126,826	\$4,773,440
21	0.00%	\$0	-\$11,920	1998	30.54%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,344,278	-\$11,920	\$1,332,358	\$13,114,906	\$14,459,184	\$5,287,160
22	0.00%	\$0	-\$13,506	1999	8.97%	8.97%	x 1.00	= 8.97%	+ 0.00%	= 8.97%	\$1,296,186	-\$13,506	\$1,282,680	\$14,445,678	\$15,741,865	\$5,667,118
23	0.00%	\$0	-\$15,412	2000	-2.04%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$15,412	-\$15,412	\$15,726,453	\$15,726,453	\$4,671,930
24	0.00%	\$0	-\$17,689	2001	-17.26%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$17,689	-\$17,689	\$15,708,764	\$15,708,764	\$3,709,073
25	0.00%	\$0	-\$20,330	2002	-24.29%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$20,330	-\$20,330	\$15,688,434	\$15,688,434	\$2,777,196
26	0.00%	\$0	-\$23,210	2003	32.19%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,605,685	-\$23,210	\$1,582,475	\$15,665,224	\$17,270,909	\$3,480,826
27	0.00%	\$0	-\$23,576	2004	4.43%	4.43%	x 1.00	= 4.43%	+ 0.00%	= 4.43%	\$764,529	-\$23,576	\$740,953	\$17,247,333	\$18,011,862	\$3,239,885
28	0.00%	\$0	-\$23,386	2005	8.36%	8.36%	x 1.00	= 8.36%	+ 0.00%	= 8.36%	\$1,504,686	-\$23,386	\$1,481,300	\$17,988,476	\$19,493,162	\$3,710,435
29	0.00%	\$0	-\$22,445	2006	12.36%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,995,748	-\$22,445	\$1,973,303	\$19,470,717	\$21,466,465	\$4,582,926
30	0.00%	\$0	-\$20,485	2007	-4.15%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$20,485	-\$20,485	\$21,445,980	\$21,445,980	\$3,333,298
31	0.00%	\$0	-\$17,200	2008	-40.09%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$17,200	-\$17,200	\$21,428,780	\$21,428,780	\$2,130,467
32	0.00%	\$0	-\$20,068	2009	30.03%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,194,393	-\$20,068	\$2,174,325	\$21,408,712	\$23,603,105	\$3,160,917
33	0.00%	\$0	-\$23,389	2010	19.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,416,921	-\$23,389	\$2,393,532	\$23,579,716	\$25,996,637	\$4,266,823
34	0.00%	\$0	-\$27,249	2011	2.04%	2.04%	x 1.00	= 2.04%	+ 0.00%	= 2.04%	\$530,850	-\$27,249	\$503,601	\$25,969,388	\$26,500,238	\$3,325,519
35	0.00%	\$0	-\$31,695	2012	14.15%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,713,026	-\$31,695	\$2,681,331	\$26,468,543	\$29,181,568	\$4,568,771
36	0.00%	\$0	-\$37,113	2013	18.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,987,307	-\$37,113	\$2,950,194	\$29,144,455	\$32,131,762	\$5,904,548
37	0.00%	\$0	-\$43,696	2014	11.92%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,289,027	-\$43,696	\$3,245,331	\$32,088,066	\$35,377,093	\$7,342,536
38	0.00%	\$0	-\$51,365	2015	-2.74%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$51,365	-\$51,365	\$35,325,728	\$35,325,728	\$5,272,670
39	0.00%	\$0	-\$60,305	2016	17.45%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,614,706	-\$60,305	\$3,554,401	\$35,265,423	\$38,880,129	\$6,881,513
40	0.00%	\$0	-\$71,084	2017	23.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,977,927	-\$71,084	\$3,906,843	\$38,809,045	\$42,786,972	\$8,610,379

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 VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	0.00%	\$0	-\$35,463	1971	12.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$6,615	-\$35,463	-\$28,848	\$64,537	\$71,152	\$1,525
2	0.00%	\$0	-\$36,618	1972	-1.92%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$36,618	-\$36,618	\$134,534	\$134,534	-\$8,120
3	0.00%	\$0	-\$80,145	1973	-41.40%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$80,145	-\$80,145	\$654,389	\$654,389	\$5,501
4	0.00%	\$0	-\$81,278	1974	32.00%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$120,244	-\$81,278	\$38,966	\$1,173,111	\$1,293,355	\$123,469
5	0.00%	\$0	-\$82,155	1975	25.48%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$185,648	-\$82,155	\$103,493	\$1,811,200	\$1,996,848	\$278,708
6	0.00%	\$0	-\$82,649	1976	-8.28%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$82,649	-\$82,649	\$2,514,199	\$2,514,199	\$218,061
7	0.00%	\$0	-\$83,171	1977	6.23%	6.23%	x 1.00	= 6.23%	+ 0.00%	= 6.23%	\$188,713	-\$83,171	\$105,542	\$3,031,028	\$3,219,741	\$312,927
8	0.00%	\$0	-\$83,763	1978	6.61%	6.61%	x 1.00	= 6.61%	+ 0.00%	= 6.61%	\$247,025	-\$83,763	\$163,262	\$3,735,978	\$3,983,003	\$448,024
9	0.00%	\$0	-\$84,499	1979	14.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$461,097	-\$84,499	\$376,598	\$4,498,504	\$4,959,601	\$756,997
10	0.00%	\$0	-\$59,261	1980	-7.40%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$59,261	-\$59,261	\$5,500,340	\$5,500,340	\$586,670
11	0.00%	\$0	-\$24,253	1981	3.65%	3.65%	x 1.00	= 3.65%	+ 0.00%	= 3.65%	\$199,850	-\$24,253	\$175,597	\$5,476,087	\$5,675,937	\$291,270
12	0.00%	\$0	-\$24,552	1982	37.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$692,267	-\$24,552	\$554,715	\$6,511,385	\$6,230,652	\$576,751
13	0.00%	\$0	-\$24,767	1983	0.02%	0.02%	x 1.00	= 0.02%	+ 0.00%	= 0.02%	\$1,121	-\$24,767	-\$23,646	\$6,205,885	\$6,207,006	\$270,410
14	0.00%	\$0	-\$24,901	1984	9.62%	9.62%	x 1.00	= 9.62%	+ 0.00%	= 9.62%	\$594,762	-\$24,901	\$569,861	\$6,182,105	\$6,776,867	\$543,442
15	0.00%	\$0	-\$24,889	1985	27.04%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$692,078	-\$24,889	\$667,189	\$6,751,978	\$7,444,056	\$898,959
16	0.00%	\$0	-\$8,869	1986	39.13%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$762,107	-\$8,869	\$753,238	\$7,435,187	\$8,197,293	\$1,324,942
17	0.00%	\$0	-\$9,147	1987	-15.51%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$9,147	-\$9,147	\$8,188,146	\$8,188,146	\$972,177
18	0.00%	\$0	-\$9,776	1988	28.41%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$838,283	-\$9,776	\$828,507	\$8,178,370	\$9,016,653	\$1,439,886
19	0.00%	\$0	-\$10,426	1989	-12.34%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$10,426	-\$10,426	\$9,006,227	\$9,006,227	\$1,050,622
20	0.00%	\$0	-\$11,094	1990	26.73%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$922,001	-\$11,094	\$910,907	\$8,995,133	\$9,917,135	\$1,563,748
21	0.00%	\$0	-\$11,920	1991	7.72%	7.72%	x 1.00	= 7.72%	+ 0.00%	= 7.72%	\$764,611	-\$11,920	\$752,691	\$9,905,215	\$10,669,826	\$1,767,416
22	0.00%	\$0	-\$13,506	1992	9.84%	9.84%	x 1.00	= 9.84%	+ 0.00%	= 9.84%	\$1,049,053	-\$13,506	\$1,035,547	\$10,656,320	\$11,705,373	\$2,209,380
23	0.00%	\$0	-\$15,412	1993	0.82%	0.82%	x 1.00	= 0.82%	+ 0.00%	= 0.82%	\$96,285	-\$15,412	-\$80,873	\$11,689,961	\$11,786,246	\$1,629,865
24	0.00%	\$0	-\$17,689	1994	26.30%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,206,277	-\$17,689	\$1,188,588	\$11,768,557	\$12,974,834	\$2,173,725
25	0.00%	\$0	-\$20,330	1995	17.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,327,837	-\$20,330	\$1,307,507	\$12,954,504	\$14,282,341	\$2,758,584
26	0.00%	\$0	-\$23,210	1996	37.82%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,461,561	-\$23,210	\$1,438,351	\$14,259,131	\$15,720,692	\$3,389,026
27	0.00%	\$0	-\$23,576	1997	7.36%	7.36%	x 1.00	= 7.36%	+ 0.00%	= 7.36%	\$1,155,476	-\$23,576	\$1,131,900	\$15,697,116	\$16,852,592	\$3,619,664
28	0.00%	\$0	-\$23,386	1998	26.13%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,724,994	-\$23,386	\$1,701,608	\$16,829,206	\$18,554,200	\$4,355,574
29	0.00%	\$0	-\$22,445	1999	11.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,899,505	-\$22,445	\$1,877,060	\$18,531,755	\$20,431,260	\$5,156,834
30	0.00%	\$0	-\$20,485	2000	-27.54%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$20,485	-\$20,485	\$20,410,775	\$20,410,775	\$3,939,454
31	0.00%	\$0	-\$17,200	2001	-21.68%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$17,200	-\$17,200	\$20,393,575	\$20,393,575	\$2,767,774
32	0.00%	\$0	-\$20,068	2002	22.16%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,088,284	-\$20,068	\$2,068,216	\$20,373,507	\$22,461,791	\$3,722,207
33	0.00%	\$0	-\$23,389	2003	11.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,299,936	-\$23,389	\$2,276,547	\$22,438,402	\$24,738,338	\$4,749,110
34	0.00%	\$0	-\$27,249	2004	10.25%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,532,569	-\$27,249	\$2,505,320	\$24,711,089	\$27,243,658	\$5,856,043
35	0.00%	\$0	-\$31,695	2005	8.71%	8.71%	x 1.00	= 8.71%	+ 0.00%	= 8.71%	\$2,370,396	-\$31,695	\$2,338,701	\$27,211,963	\$29,582,359	\$6,633,455
36	0.00%	\$0	-\$37,113	2006	14.29%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,028,388	-\$37,113	\$2,991,275	\$29,545,246	\$32,573,634	\$7,920,075
37	0.00%	\$0	-\$43,696	2007	-23.61%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$43,696	-\$43,696	\$32,529,938	\$32,529,938	\$5,978,414
38	0.00%	\$0	-\$51,365	2008	-9.37%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$51,365	-\$51,365	\$32,478,573	\$32,478,573	\$4,097,286
39	0.00%	\$0	-\$60,305	2009	7.96%	7.96%	x 1.00	= 7.96%	+ 0.00%	= 7.96%	\$2,579,771	-\$60,305	\$2,519,466	\$32,418,268	\$34,998,039	\$4,853,516
40	0.00%	\$0	-\$71,084	2010	-0.86%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$71,084	-\$71,084	\$34,926,955	\$34,926,955	\$2,867,511

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

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

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	0.00%	\$0	-\$35,463	1982	20.68%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$6,615	-\$35,463	-\$28,848	\$64,537	\$71,152	\$1,525
2	0.00%	\$0	-\$36,618	1983	12.46%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$13,790	-\$36,618	-\$22,828	\$134,534	\$148,324	\$5,670
3	0.00%	\$0	-\$80,145	1984	9.93%	9.93%	x 1.00	= 9.93%	+ 0.00%	= 9.93%	\$66,323	-\$80,145	-\$13,822	\$668,179	\$734,502	\$85,614
4	0.00%	\$0	-\$81,278	1985	17.90%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$128,455	-\$81,278	\$47,177	\$1,253,224	\$1,381,679	\$190,963
5	0.00%	\$0	-\$82,155	1986	29.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$194,701	-\$82,155	\$112,546	\$1,899,524	\$2,094,226	\$324,780
6	0.00%	\$0	-\$82,649	1987	-6.21%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$82,649	-\$82,649	\$2,611,577	\$2,611,577	\$249,980
7	0.00%	\$0	-\$83,171	1988	15.72%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$320,662	-\$83,171	\$237,491	\$3,128,406	\$3,449,067	\$432,308
8	0.00%	\$0	-\$83,763	1989	10.63%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$406,444	-\$83,763	\$322,681	\$3,965,304	\$4,371,748	\$620,596
9	0.00%	\$0	-\$84,499	1990	4.51%	4.51%	x 1.00	= 4.51%	+ 0.00%	= 4.51%	\$220,541	-\$84,499	\$136,042	\$4,887,249	\$5,107,790	\$518,466
10	0.00%	\$0	-\$59,261	1991	18.86%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$578,974	-\$59,261	\$519,713	\$5,648,529	\$6,227,503	\$782,339
11	0.00%	\$0	-\$24,253	1992	7.34%	7.34%	x 1.00	= 7.34%	+ 0.00%	= 7.34%	\$455,251	-\$24,253	\$430,998	\$6,203,250	\$6,658,501	\$621,373
12	0.00%	\$0	-\$24,552	1993	9.76%	9.76%	x 1.00	= 9.76%	+ 0.00%	= 9.76%	\$647,550	-\$24,552	\$622,998	\$6,633,949	\$7,281,499	\$942,515
13	0.00%	\$0	-\$24,767	1994	-2.32%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$24,767	-\$24,767	\$7,256,732	\$7,256,732	\$600,798
14	0.00%	\$0	-\$24,901	1995	35.20%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$741,263	-\$24,901	\$716,362	\$7,231,831	\$7,973,094	\$984,363
15	0.00%	\$0	-\$24,889	1996	23.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$814,691	-\$24,889	\$789,802	\$7,948,205	\$8,762,896	\$1,424,729
16	0.00%	\$0	-\$8,869	1997	24.69%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$897,288	-\$8,869	\$888,419	\$8,754,027	\$9,651,315	\$1,946,239
17	0.00%	\$0	-\$9,147	1998	30.54%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$988,322	-\$9,147	\$979,175	\$9,642,168	\$10,630,490	\$2,540,161
18	0.00%	\$0	-\$9,776	1999	8.97%	8.97%	x 1.00	= 8.97%	+ 0.00%	= 8.97%	\$952,979	-\$9,776	\$943,203	\$10,620,714	\$11,573,693	\$3,078,847
19	0.00%	\$0	-\$10,426	2000	-2.04%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$10,426	-\$10,426	\$11,563,267	\$11,563,267	\$2,643,679
20	0.00%	\$0	-\$11,094	2001	-17.26%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$11,094	-\$11,094	\$11,552,173	\$11,552,173	\$2,186,605
21	0.00%	\$0	-\$11,920	2002	-24.29%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$11,920	-\$11,920	\$11,540,253	\$11,540,253	\$1,522,732
22	0.00%	\$0	-\$13,506	2003	32.19%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,181,492	-\$13,506	\$1,167,986	\$11,526,747	\$12,708,238	\$2,061,932
23	0.00%	\$0	-\$15,412	2004	4.43%	4.43%	x 1.00	= 4.43%	+ 0.00%	= 4.43%	\$562,640	-\$15,412	\$547,228	\$12,692,826	\$13,255,466	\$1,903,642
24	0.00%	\$0	-\$17,689	2005	8.36%	8.36%	x 1.00	= 8.36%	+ 0.00%	= 8.36%	\$1,107,303	-\$17,689	\$1,089,614	\$13,237,777	\$14,345,080	\$2,265,759
25	0.00%	\$0	-\$20,330	2006	12.36%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,468,287	-\$20,330	\$1,447,957	\$14,324,750	\$15,793,036	\$2,919,426
26	0.00%	\$0	-\$23,210	2007	-4.15%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$23,210	-\$23,210	\$15,769,826	\$15,769,826	\$2,007,304
27	0.00%	\$0	-\$23,576	2008	-40.09%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$23,576	-\$23,576	\$15,746,250	\$15,746,250	\$1,126,988
28	0.00%	\$0	-\$23,386	2009	30.03%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,611,594	-\$23,386	\$1,588,208	\$15,722,864	\$17,334,458	\$1,889,565
29	0.00%	\$0	-\$22,445	2010	19.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,774,481	-\$22,445	\$1,752,036	\$17,312,013	\$19,086,494	\$2,710,634
30	0.00%	\$0	-\$20,485	2011	2.04%	2.04%	x 1.00	= 2.04%	+ 0.00%	= 2.04%	\$389,735	-\$20,485	\$369,250	\$19,066,009	\$19,455,744	\$2,033,398
31	0.00%	\$0	-\$17,200	2012	14.15%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$1,992,451	-\$17,200	\$1,975,251	\$19,438,544	\$21,430,995	\$2,966,726
32	0.00%	\$0	-\$20,068	2013	18.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,194,620	-\$20,068	\$2,174,552	\$21,410,927	\$23,605,547	\$3,968,859
33	0.00%	\$0	-\$23,389	2014	11.92%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,417,171	-\$23,389	\$2,393,782	\$23,582,158	\$25,999,330	\$5,047,423
34	0.00%	\$0	-\$27,249	2015	-2.74%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$27,249	-\$27,249	\$25,972,081	\$25,972,081	\$3,548,595
35	0.00%	\$0	-\$31,695	2016	17.45%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,658,890	-\$31,695	\$2,627,195	\$25,940,386	\$28,599,275	\$4,756,533
36	0.00%	\$0	-\$37,113	2017	23.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$2,927,622	-\$37,113	\$2,890,509	\$28,562,162	\$31,489,784	\$6,055,356
37	0.00%	\$0	-\$43,696	2018	-4.41%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$43,696	-\$43,696	\$31,446,088	\$31,446,088	\$4,231,289
38	0.00%	\$0	-\$51,365	2019	31.74%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,217,959	-\$51,365	\$3,166,594	\$31,394,723	\$34,612,682	\$5,681,715
39	0.00%	\$0	-\$60,305	2020	18.38%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,541,619	-\$60,305	\$3,481,314	\$34,552,377	\$38,093,995	\$7,239,216
40	0.00%	\$0	-\$71,084	2021	28.83%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$3,897,348	-\$71,084	\$3,826,264	\$38,022,911	\$41,920,260	\$8,914,647

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	\$71,152	\$1,525	
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$148,324	\$5,670	
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$736,667	\$87,779	
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,255,389	\$85,503	
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,954,991	\$236,851	
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,725,757	\$429,619	
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,564,443	\$657,629	
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,498,950	\$963,971	
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,528,432	\$1,325,828	
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,069,171	\$1,155,501	
11	-\$5,128,254	\$0	-\$5,128,254	-\$256,413	\$523,546	-\$5,384,667	\$5,631,307	\$246,640	\$6,664,522	\$1,279,855	
12	\$0	\$0	-\$5,384,667	-\$269,233	\$575,083	-\$5,653,901	\$6,185,644	\$531,743	\$7,320,567	\$1,666,667	
13	\$0	\$0	-\$5,653,901	-\$282,695	\$278,188	-\$5,936,596	\$6,442,905	\$506,309	\$7,625,029	\$1,688,434	
14	\$0	\$0	-\$5,936,596	-\$296,830	\$658,241	-\$6,233,425	\$7,080,105	\$846,680	\$8,379,141	\$2,145,716	
15	\$0	\$0	-\$6,233,425	-\$311,671	\$518,059	-\$6,545,097	\$7,577,134	\$1,032,037	\$8,967,363	\$2,422,267	
16	\$0	\$0	-\$6,545,097	-\$327,255	\$738,884	-\$6,872,351	\$8,308,524	\$1,436,172	\$9,832,947	\$2,960,595	
17	\$0	\$0	-\$6,872,351	-\$343,618	\$0	-\$7,215,969	\$8,300,795	\$1,084,826	\$9,823,800	\$2,607,831	
18	\$0	\$0	-\$7,215,969	-\$360,798	\$849,985	-\$7,576,767	\$9,142,519	\$1,565,752	\$10,819,961	\$3,243,194	
19	\$0	\$0	-\$7,576,767	-\$378,838	\$936,205	-\$7,955,606	\$10,069,915	\$2,114,309	\$11,917,513	\$3,961,907	
20	\$0	\$0	-\$7,955,606	-\$397,780	\$1,031,205	-\$8,353,386	\$11,091,746	\$2,738,360	\$13,126,826	\$4,773,440	
21	\$0	-\$381,875	-\$8,735,261	-\$436,763	\$1,174,978	-\$9,172,024	\$12,638,681	\$3,466,157	\$14,459,184	\$5,287,160	
22	\$0	-\$422,973	-\$9,594,997	-\$479,750	\$1,170,861	-\$10,074,747	\$14,219,814	\$4,145,067	\$15,741,865	\$5,667,118	
23	\$0	-\$453,369	-\$10,528,116	-\$526,406	\$0	-\$11,054,522	\$14,658,818	\$3,604,296	\$15,726,453	\$4,671,930	
24	\$0	-\$373,754	-\$11,428,277	-\$571,414	\$0	-\$11,999,691	\$15,015,664	\$3,015,973	\$15,708,764	\$3,709,073	
25	\$0	-\$296,726	-\$12,296,416	-\$614,821	\$0	-\$12,911,237	\$15,292,573	\$2,381,336	\$15,688,434	\$2,777,196	
26	\$0	-\$222,176	-\$13,133,413	-\$656,671	\$1,587,909	-\$13,790,084	\$17,079,705	\$3,289,621	\$17,270,909	\$3,480,826	
27	\$0	-\$278,466	-\$14,068,550	-\$703,427	\$768,392	-\$14,771,977	\$18,102,867	\$3,330,890	\$18,011,862	\$3,239,885	
28	\$0	-\$259,191	-\$15,031,168	-\$751,558	\$1,533,941	-\$15,782,726	\$19,872,158	\$4,089,431	\$19,493,162	\$3,710,435	
29	\$0	-\$296,835	-\$16,079,561	-\$803,978	\$2,064,941	-\$16,883,539	\$22,210,711	\$5,327,172	\$21,466,465	\$4,582,926	
30	\$0	-\$366,634	-\$17,250,173	-\$862,509	\$0	-\$18,112,682	\$22,555,800	\$4,443,118	\$21,445,980	\$3,333,298	
31	\$0	-\$266,664	-\$18,379,346	-\$918,967	\$0	-\$19,298,313	\$22,804,160	\$3,505,847	\$21,428,780	\$2,130,467	
32	\$0	-\$170,437	-\$19,468,751	-\$973,438	\$2,352,691	-\$20,442,188	\$25,305,772	\$4,863,584	\$23,603,105	\$3,160,917	
33	\$0	-\$252,873	-\$20,695,061	-\$1,034,753	\$2,617,165	-\$21,729,814	\$28,150,484	\$6,420,670	\$25,996,637	\$4,266,823	
34	\$0	-\$341,346	-\$22,071,160	-\$1,103,558	\$581,801	-\$23,174,718	\$29,043,767	\$5,869,048	\$26,500,238	\$3,325,519	
35	\$0	-\$266,042	-\$23,440,760	-\$1,172,038	\$3,000,662	-\$24,612,798	\$32,275,415	\$7,662,617	\$29,181,568	\$4,568,771	
36	\$0	-\$365,502	-\$24,978,300	-\$1,248,915	\$3,341,439	-\$26,227,214	\$35,940,843	\$9,713,629	\$32,131,762	\$5,904,548	
37	\$0	-\$472,364	-\$26,699,578	-\$1,334,979	\$3,727,278	-\$28,034,557	\$40,090,967	\$12,056,409	\$35,377,093	\$7,342,536	
38	\$0	-\$587,403	-\$28,621,960	-\$1,431,098	\$0	-\$30,053,058	\$40,619,307	\$10,566,249	\$35,325,728	\$5,272,670	
39	\$0	-\$421,814	-\$30,474,872	-\$1,523,744	\$4,199,534	-\$31,998,615	\$45,170,593	\$13,171,978	\$38,880,129	\$6,881,513	
40	\$0	-\$550,521	-\$32,549,136	-\$1,627,457	\$4,677,846	-\$34,176,593	\$50,315,369	\$16,138,776	\$42,786,972	\$8,610,379	

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.

HYPOTHETICAL SYNTHETIC PROXY

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%										
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	EYO GROSS INDEX ACCUMULATED VALUE	EYO INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71,152	\$1,525
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$134,534	-\$8,120
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$654,389	\$5,501
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,293,355	\$123,469
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,996,848	\$278,708
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,514,199	\$218,061
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,219,741	\$312,927
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,983,003	\$448,024
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,959,601	\$756,997
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,500,340	\$586,670
11	-\$5,128,254	\$0	-\$5,128,254	-\$256,413	\$186,331	-\$5,384,667	\$5,291,973	-\$92,694	\$5,675,937	\$291,270
12	\$0	\$0	-\$5,384,667	-\$269,233	\$540,081	-\$5,653,901	\$5,809,163	\$155,262	\$6,230,652	\$576,751
13	\$0	\$0	-\$5,653,901	-\$282,695	\$1,045	-\$5,936,596	\$5,787,116	-\$149,479	\$6,207,006	\$270,410
14	\$0	\$0	-\$5,936,596	-\$296,830	\$554,528	-\$6,233,425	\$6,318,428	\$85,002	\$6,776,867	\$543,442
15	\$0	\$0	-\$6,233,425	-\$311,671	\$645,260	-\$6,545,097	\$6,940,483	\$395,386	\$7,444,056	\$898,959
16	\$0	\$0	-\$6,545,097	-\$327,255	\$710,552	-\$6,872,351	\$7,642,766	\$770,414	\$8,197,293	\$1,324,942
17	\$0	\$0	-\$6,872,351	-\$343,618	\$0	-\$7,215,969	\$7,634,237	\$418,268	\$8,188,146	\$972,177
18	\$0	\$0	-\$7,215,969	-\$360,798	\$781,575	-\$7,576,767	\$8,406,698	\$829,930	\$9,016,653	\$1,439,886
19	\$0	\$0	-\$7,576,767	-\$378,838	\$0	-\$7,955,606	\$8,396,977	\$441,371	\$9,006,227	\$1,050,622
20	\$0	\$0	-\$7,955,606	-\$397,780	\$859,630	-\$8,353,386	\$9,246,264	\$892,877	\$9,917,135	\$1,563,748
21	\$0	-\$125,100	-\$8,478,486	-\$423,924	\$722,532	-\$8,902,410	\$10,082,632	\$1,180,221	\$10,669,826	\$1,767,416
22	\$0	-\$141,393	-\$9,043,804	-\$452,190	\$1,005,222	-\$9,495,994	\$11,216,306	\$1,720,312	\$11,705,373	\$2,209,380
23	\$0	-\$176,750	-\$9,672,744	-\$483,637	\$93,716	-\$10,156,381	\$11,471,771	\$1,315,390	\$11,786,246	\$1,629,865
24	\$0	-\$130,389	-\$10,286,770	-\$514,339	\$1,187,437	-\$10,801,109	\$12,772,184	\$1,971,075	\$12,974,834	\$2,173,725
25	\$0	-\$173,898	-\$10,975,007	-\$548,750	\$1,324,894	-\$11,523,757	\$14,250,692	\$2,726,934	\$14,282,341	\$2,758,584
26	\$0	-\$220,687	-\$11,744,444	-\$587,222	\$1,480,906	-\$12,331,666	\$15,928,767	\$3,597,101	\$15,720,692	\$3,389,026
27	\$0	-\$271,122	-\$12,602,788	-\$630,139	\$1,190,697	-\$13,232,928	\$17,366,292	\$4,133,364	\$16,852,592	\$3,619,664
28	\$0	-\$289,573	-\$13,522,501	-\$676,125	\$1,807,215	-\$14,198,626	\$19,438,579	\$5,239,953	\$18,554,200	\$4,355,574
29	\$0	-\$348,446	-\$14,547,072	-\$727,354	\$2,025,717	-\$15,274,425	\$21,788,805	\$6,514,380	\$20,431,260	\$5,156,834
30	\$0	-\$412,547	-\$15,686,972	-\$784,349	\$0	-\$16,471,321	\$22,179,092	\$5,707,771	\$20,410,775	\$3,939,454
31	\$0	-\$315,156	-\$16,786,477	-\$839,324	\$0	-\$17,625,801	\$22,475,293	\$4,849,492	\$20,393,575	\$2,767,774
32	\$0	-\$221,422	-\$17,847,223	-\$892,361	\$2,324,124	-\$18,739,584	\$24,998,504	\$6,258,920	\$22,461,791	\$3,722,207
33	\$0	-\$297,777	-\$19,037,361	-\$951,868	\$2,590,169	-\$19,989,229	\$27,860,109	\$7,870,881	\$24,738,338	\$4,749,110
34	\$0	-\$379,929	-\$20,369,157	-\$1,018,458	\$2,891,053	-\$21,387,615	\$31,099,984	\$9,712,369	\$27,243,658	\$5,856,043
35	\$0	-\$468,483	-\$21,856,099	-\$1,092,805	\$2,746,686	-\$22,948,904	\$34,278,427	\$11,329,523	\$29,582,359	\$6,633,455
36	\$0	-\$530,676	-\$23,479,580	-\$1,173,979	\$3,563,457	-\$24,653,559	\$38,328,890	\$13,675,331	\$32,573,634	\$7,920,075
37	\$0	-\$633,606	-\$25,287,165	-\$1,264,358	\$0	-\$26,551,523	\$38,910,230	\$12,358,706	\$32,529,938	\$5,978,414
38	\$0	-\$478,273	-\$27,029,796	-\$1,351,490	\$0	-\$28,381,286	\$39,326,308	\$10,945,022	\$32,478,573	\$4,097,286
39	\$0	-\$327,783	-\$28,709,069	-\$1,435,453	\$3,149,722	-\$30,144,523	\$42,730,185	\$12,585,662	\$34,998,039	\$4,853,516
40	\$0	-\$388,281	-\$30,532,804	-\$1,526,640	\$0	-\$32,059,444	\$43,030,889	\$10,971,445	\$34,926,955	\$2,867,511

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).
- EYO GROSS INDEX ACCUMULATED VALUE** The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.
- EYO 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	\$71,152	\$1,525
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$148,324	\$5,670
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$734,502	\$85,614
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,381,679	\$190,963
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,094,226	\$324,780
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,611,577	\$249,980
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,449,067	\$432,308
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,371,748	\$620,596
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,107,790	\$518,466
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,227,503	\$782,339
11	-\$5,749,646	\$0	-\$5,749,646	-\$287,482	\$420,318	-\$6,037,128	\$6,147,572	\$110,444	\$6,658,501	\$621,373
12	\$0	\$0	-\$6,037,128	-\$301,856	\$597,861	-\$6,338,985	\$6,722,765	\$383,781	\$7,281,499	\$942,515
13	\$0	\$0	-\$6,338,985	-\$316,949	\$0	-\$6,655,934	\$6,699,899	\$43,965	\$7,256,732	\$600,798
14	\$0	\$0	-\$6,655,934	-\$332,797	\$684,383	-\$6,988,731	\$7,361,291	\$372,561	\$7,973,094	\$984,363
15	\$0	\$0	-\$6,988,731	-\$349,437	\$752,177	-\$7,338,167	\$8,090,489	\$752,322	\$8,762,896	\$1,424,729
16	\$0	\$0	-\$7,338,167	-\$366,908	\$828,436	-\$7,705,075	\$8,910,737	\$1,205,661	\$9,651,315	\$1,946,239
17	\$0	\$0	-\$7,705,075	-\$385,254	\$912,485	-\$8,090,329	\$9,814,776	\$1,724,447	\$10,630,490	\$2,540,161
18	\$0	\$0	-\$8,090,329	-\$404,516	\$879,854	-\$8,494,846	\$10,685,604	\$2,190,758	\$11,573,693	\$3,078,847
19	\$0	\$0	-\$8,494,846	-\$424,742	\$0	-\$8,919,588	\$10,675,978	\$1,756,390	\$11,563,267	\$2,643,679
20	\$0	\$0	-\$8,919,588	-\$445,979	\$0	-\$9,365,567	\$10,665,735	\$1,300,168	\$11,552,173	\$2,186,605
21	\$0	-\$174,928	-\$9,540,496	-\$477,025	\$0	-\$10,017,520	\$10,829,478	\$811,957	\$11,540,253	\$1,522,732
22	\$0	-\$121,819	-\$10,139,339	-\$506,967	\$1,121,194	-\$10,646,306	\$12,059,674	\$1,413,368	\$12,708,238	\$2,061,932
23	\$0	-\$164,955	-\$10,811,261	-\$540,563	\$541,228	-\$11,351,824	\$12,751,031	\$1,399,208	\$13,255,466	\$1,903,642
24	\$0	-\$152,291	-\$11,504,115	-\$575,206	\$1,077,887	-\$12,079,321	\$13,963,990	\$1,884,670	\$14,345,080	\$2,265,759
25	\$0	-\$181,261	-\$12,260,581	-\$613,029	\$1,447,833	-\$12,873,610	\$15,573,038	\$2,699,427	\$15,793,036	\$2,919,426
26	\$0	-\$233,554	-\$13,107,165	-\$655,358	\$0	-\$13,762,523	\$15,783,362	\$2,020,839	\$15,769,826	\$2,007,304
27	\$0	-\$160,584	-\$13,923,107	-\$696,155	\$0	-\$14,619,262	\$15,920,110	\$1,300,847	\$15,746,250	\$1,126,988
28	\$0	-\$90,159	-\$14,709,421	-\$735,471	\$1,638,615	-\$15,444,893	\$17,625,106	\$2,180,213	\$17,334,458	\$1,889,565
29	\$0	-\$151,165	-\$15,596,058	-\$779,803	\$1,819,709	-\$16,375,861	\$19,572,963	\$3,197,102	\$19,086,494	\$2,710,634
30	\$0	-\$216,851	-\$16,592,711	-\$829,636	\$404,096	-\$17,422,347	\$20,172,670	\$2,750,323	\$19,455,744	\$2,033,398
31	\$0	-\$162,672	-\$17,585,019	-\$879,251	\$2,082,530	-\$18,464,270	\$22,399,894	\$3,935,624	\$21,430,995	\$2,966,726
32	\$0	-\$237,338	-\$18,701,608	-\$935,080	\$2,318,144	-\$19,636,688	\$24,934,178	\$5,297,490	\$23,605,547	\$3,968,859
33	\$0	-\$317,509	-\$19,954,197	-\$997,710	\$2,585,733	-\$20,951,907	\$27,812,400	\$6,860,493	\$25,999,330	\$5,047,423
34	\$0	-\$403,794	-\$21,355,701	-\$1,067,785	\$0	-\$22,423,486	\$28,186,622	\$5,763,136	\$25,972,081	\$3,548,595
35	\$0	-\$283,888	-\$22,707,373	-\$1,135,369	\$2,914,666	-\$23,842,742	\$31,350,431	\$7,507,689	\$28,599,275	\$4,756,533
36	\$0	-\$380,523	-\$24,223,264	-\$1,211,163	\$3,248,202	-\$25,434,428	\$34,937,979	\$9,503,551	\$31,489,784	\$6,055,356
37	\$0	-\$484,428	-\$25,918,856	-\$1,295,943	\$0	-\$27,214,799	\$35,373,255	\$8,158,456	\$31,446,088	\$4,231,289
38	\$0	-\$338,503	-\$27,553,302	-\$1,377,665	\$3,654,476	-\$28,930,967	\$39,307,901	\$10,376,934	\$34,612,682	\$5,681,715
39	\$0	-\$454,537	-\$29,385,504	-\$1,469,275	\$4,068,549	-\$30,854,780	\$43,761,710	\$12,906,930	\$38,093,995	\$7,239,216
40	\$0	-\$579,137	-\$31,433,917	-\$1,571,696	\$4,536,456	-\$33,005,613	\$48,794,562	\$15,788,950	\$41,920,260	\$8,914,647

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.

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).

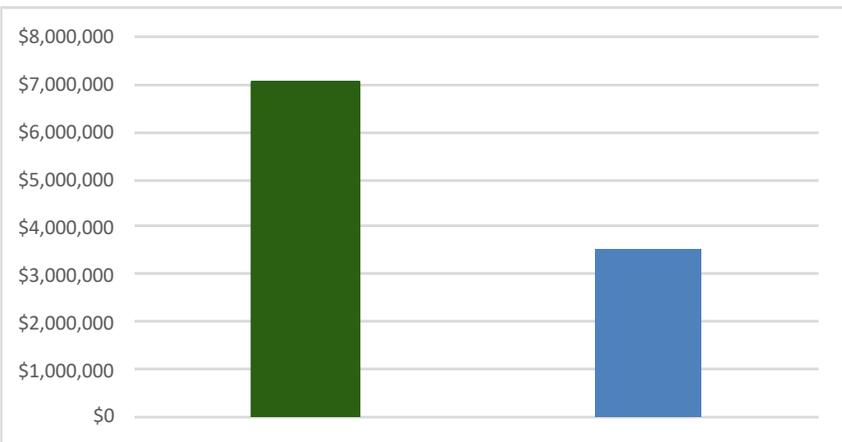
EOY GROSS INDEX ACCUMULATED VALUE The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.

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

3RD YEAR FINANCING vs. EQUITIES & BONDS PORTFOLIO

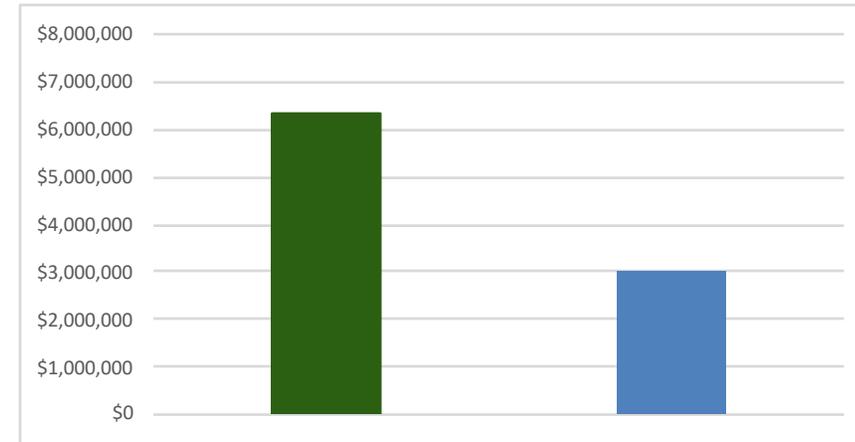
AN INCOME DRAWDOWN & ACCOUNT VALUE COMPARISON

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



	BEST 40:	3RD YEAR FINANCING	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:		\$352,348	\$317,877
TOTAL INCOME:		\$7,046,964	\$3,496,647
YR 40 ACCOUNT VALUE:		\$8,610,379	\$0

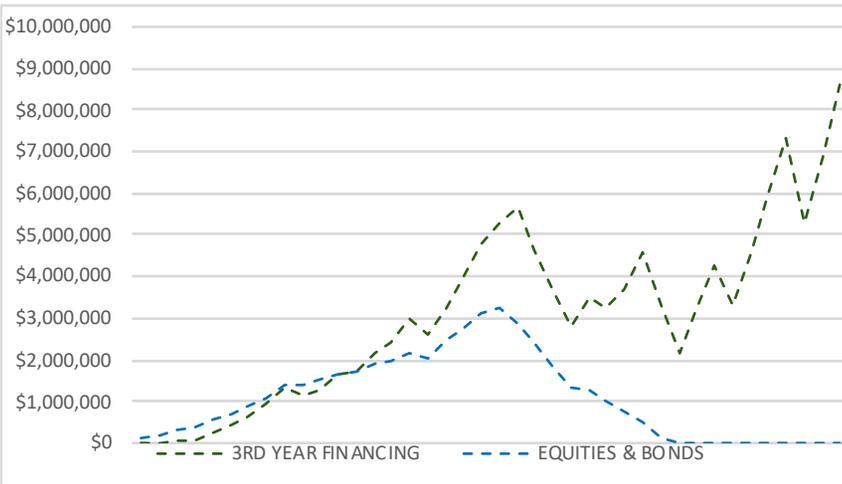
WORST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



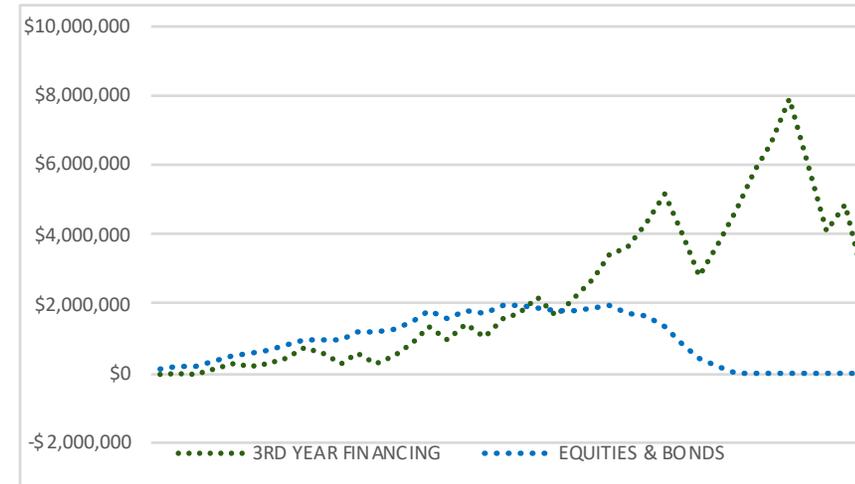
	WORST 40:	3RD YEAR FINANCING	EQUITIES & BONDS ACCOUNT
AVE ANNUAL INCOME:		\$316,565	\$234,563
TOTAL INCOME:		\$6,331,292	\$3,049,318
YR 40 ACCOUNT VALUE:		\$2,867,511	\$0

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. 3RD YEAR FINANCING

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

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	\$100,000	1978	13.97%	12.62%	9.07%	1978	-7.81%	-9.16%	-9.16%	1.35%	3.60%	\$0	\$103,601	vs	\$1,525
2	46	\$100,000	1979	16.24%	14.89%	10.71%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.24%	\$0	\$212,224	vs	\$5,670
3	47	\$100,000	1980	15.48%	14.13%	10.16%	1980	-14.57%	-15.92%	-15.92%	1.35%	2.34%	\$0	\$319,522	vs	\$87,779
4	48	\$100,000	1981	-5.06%	-6.41%	-6.41%	1981	-1.94%	-3.29%	-3.29%	1.35%	-5.47%	\$0	\$396,555	vs	\$85,503
5	49	\$100,000	1982	22.68%	21.33%	15.34%	1982	25.14%	23.79%	14.96%	1.35%	15.23%	\$0	\$572,157	vs	\$236,851
6	50	\$100,000	1983	14.46%	13.11%	9.43%	1983	-0.01%	-1.36%	-1.36%	1.35%	6.19%	\$0	\$713,775	vs	\$429,619
7	51	\$100,000	1984	11.93%	10.58%	7.60%	1984	9.04%	7.69%	4.84%	1.35%	6.77%	\$0	\$868,906	vs	\$657,629
8	52	\$100,000	1985	19.90%	18.55%	13.34%	1985	21.41%	20.06%	12.62%	1.35%	13.12%	\$0	\$1,096,027	vs	\$963,971
9	53	\$100,000	1986	31.42%	30.07%	21.62%	1986	21.97%	20.62%	12.97%	1.35%	19.02%	\$0	\$1,423,556	vs	\$1,325,828
10	54	\$100,000	1987	-4.21%	-5.56%	-5.56%	1987	-8.32%	-9.67%	-9.67%	1.35%	-6.79%	\$0	\$1,420,100	vs	\$1,155,501
11	55	\$0	1988	17.72%	16.37%	11.77%	1988	3.98%	2.63%	1.66%	1.35%	8.73%	\$0	\$1,544,128	vs	\$1,279,855
12	56	\$0	1989	12.63%	11.28%	8.11%	1989	12.27%	10.92%	6.87%	1.35%	7.74%	\$0	\$1,663,593	vs	\$1,666,667
13	57	\$0	1990	6.51%	5.16%	3.71%	1990	0.79%	-0.56%	-0.56%	1.35%	2.43%	\$0	\$1,704,046	vs	\$1,688,434
14	58	\$0	1991	20.86%	19.51%	14.02%	1991	10.33%	8.98%	5.65%	1.35%	11.51%	\$0	\$1,900,217	vs	\$2,145,716
15	59	\$0	1992	9.34%	7.99%	5.74%	1992	6.15%	4.80%	3.02%	1.35%	4.93%	\$0	\$1,993,821	vs	\$2,422,267
16	60	\$0	1993	11.76%	10.41%	7.49%	1993	10.94%	9.59%	6.03%	1.35%	7.05%	\$0	\$2,134,363	vs	\$2,960,595
17	61	\$0	1994	-0.32%	-1.67%	-1.67%	1994	-10.37%	-11.72%	-11.72%	1.35%	-4.69%	\$0	\$2,034,294	vs	\$2,607,831
18	62	\$0	1995	37.20%	35.85%	25.78%	1995	20.11%	18.76%	11.80%	1.35%	21.58%	\$0	\$2,473,393	vs	\$3,243,194
19	63	\$0	1996	25.61%	24.26%	17.44%	1996	-1.46%	-2.81%	-2.81%	1.35%	11.37%	\$0	\$2,754,498	vs	\$3,961,907
20	64	\$0	1997	26.69%	25.34%	18.22%	1997	7.43%	6.08%	3.82%	1.35%	13.90%	\$0	\$3,137,418	vs	\$4,773,440
21	65	\$0	1998	32.54%	31.19%	22.42%	1998	13.16%	11.81%	7.43%	1.35%	17.93%	-\$381,875	\$3,249,514	vs	\$5,287,160
22	66	\$0	1999	10.97%	9.62%	6.92%	1999	-10.22%	-11.57%	-11.57%	1.35%	1.37%	-\$422,973	\$2,865,338	vs	\$5,667,118
23	67	\$0	2000	-0.04%	-1.39%	-1.39%	2000	12.84%	11.49%	7.23%	1.35%	1.20%	-\$453,369	\$2,440,813	vs	\$4,671,930
24	68	\$0	2001	-15.26%	-16.61%	-16.61%	2001	2.67%	1.32%	0.83%	1.35%	-11.38%	-\$373,754	\$1,831,834	vs	\$3,709,073
25	69	\$0	2002	-22.29%	-23.64%	-23.64%	2002	13.32%	11.97%	7.53%	1.35%	-14.29%	-\$296,726	\$1,315,774	vs	\$2,777,196
26	70	\$0	2003	34.19%	32.84%	23.61%	2003	-1.85%	-3.20%	-3.20%	1.35%	15.57%	-\$222,176	\$1,263,832	vs	\$3,480,826
27	71	\$0	2004	6.43%	5.08%	3.65%	2004	1.77%	0.42%	0.26%	1.35%	2.64%	-\$278,466	\$1,011,347	vs	\$3,239,885
28	72	\$0	2005	10.36%	9.01%	6.48%	2005	-0.51%	-1.86%	-1.86%	1.35%	3.98%	-\$259,191	\$782,090	vs	\$3,710,435
29	73	\$0	2006	14.36%	13.01%	9.35%	2006	-1.23%	-2.58%	-2.58%	1.35%	5.77%	-\$296,835	\$513,269	vs	\$4,582,926
30	74	\$0	2007	-2.15%	-3.50%	-3.50%	2007	7.15%	5.80%	3.65%	1.35%	-1.36%	-\$366,634	\$144,648	vs	\$3,333,298
31	75	\$0	2008	-38.09%	-39.44%	-39.44%	2008	15.66%	14.31%	9.00%	1.35%	-24.91%	-\$144,648	\$0	vs	\$2,130,467
32	76	\$0	2009	32.03%	30.68%	22.06%	2009	-10.80%	-12.15%	-12.15%	1.35%	11.80%	\$0	\$0	vs	\$3,160,917
33	77	\$0	2010	21.76%	20.41%	14.68%	2010	6.71%	5.36%	3.37%	1.35%	11.29%	\$0	\$0	vs	\$4,266,823
34	78	\$0	2011	4.04%	2.69%	1.94%	2011	12.48%	11.13%	7.00%	1.35%	3.46%	\$0	\$0	vs	\$3,325,519
35	79	\$0	2012	16.15%	14.80%	10.64%	2012	0.88%	-0.47%	-0.47%	1.35%	7.31%	\$0	\$0	vs	\$4,568,771
36	80	\$0	2013	20.99%	19.64%	14.12%	2013	-10.42%	-11.77%	-11.77%	1.35%	6.35%	\$0	\$0	vs	\$5,904,548
37	81	\$0	2014	13.92%	12.57%	9.03%	2014	8.98%	7.63%	4.80%	1.35%	7.76%	\$0	\$0	vs	\$7,342,536
38	82	\$0	2015	-0.74%	-2.09%	-2.09%	2015	1.16%	-0.19%	-0.19%	1.35%	-1.52%	\$0	\$0	vs	\$5,272,670
39	83	\$0	2016	19.45%	18.10%	13.02%	2016	-0.56%	-1.91%	-1.91%	1.35%	8.54%	\$0	\$0	vs	\$6,881,513
40	84	\$0	2017	25.91%	24.56%	17.66%	2017	0.66%	-0.69%	-0.69%	1.35%	12.15%	\$0	\$0	vs	\$8,610,379

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

BEST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$317,877

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. 3RD YEAR FINANCING

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	\$100,000	1971	14.42%	13.07%	9.39%	1971	5.27%	3.92%	2.46%	1.35%	7.32%	\$0	\$107,315	vs	\$1,525
2	46	\$100,000	1972	0.08%	-1.27%	-1.27%	1972	-0.44%	-1.79%	-1.79%	1.35%	-1.42%	\$0	\$204,363	vs	-\$8,120
3	47	\$100,000	1973	-39.40%	-40.75%	-40.75%	1973	-2.37%	-3.72%	-3.72%	1.35%	-29.64%	\$0	\$214,144	vs	\$5,501
4	48	\$100,000	1974	34.00%	32.65%	23.47%	1974	-8.16%	-9.51%	-9.51%	1.35%	13.58%	\$0	\$356,794	vs	\$123,469
5	49	\$100,000	1975	27.48%	26.13%	18.79%	1975	-5.07%	-6.42%	-6.42%	1.35%	11.22%	\$0	\$508,064	vs	\$278,708
6	50	\$100,000	1976	-6.28%	-7.63%	-7.63%	1976	9.68%	8.33%	5.24%	1.35%	-3.77%	\$0	\$585,165	vs	\$218,061
7	51	\$100,000	1977	8.23%	6.88%	4.94%	1977	-4.89%	-6.24%	-6.24%	1.35%	1.59%	\$0	\$696,043	vs	\$312,927
8	52	\$100,000	1978	8.61%	7.26%	5.22%	1978	-7.81%	-9.16%	-9.16%	1.35%	0.91%	\$0	\$803,258	vs	\$448,024
9	53	\$100,000	1979	16.76%	15.41%	11.08%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.50%	\$0	\$943,895	vs	\$756,997
10	54	\$100,000	1980	-5.40%	-6.75%	-6.75%	1980	-14.57%	-15.92%	-15.92%	1.35%	-9.50%	\$0	\$944,752	vs	\$586,670
11	55	\$0	1981	5.65%	4.30%	3.09%	1981	-1.94%	-3.29%	-3.29%	1.35%	1.18%	\$0	\$955,884	vs	\$291,270
12	56	\$0	1982	39.91%	38.56%	27.72%	1982	25.14%	23.79%	14.96%	1.35%	23.90%	\$0	\$1,184,304	vs	\$576,751
13	57	\$0	1983	2.02%	0.67%	0.48%	1983	-0.01%	-1.36%	-1.36%	1.35%	-0.07%	\$0	\$1,183,448	vs	\$270,410
14	58	\$0	1984	11.62%	10.27%	7.38%	1984	9.04%	7.69%	4.84%	1.35%	6.62%	\$0	\$1,261,805	vs	\$543,442
15	59	\$0	1985	29.04%	27.69%	19.91%	1985	21.41%	20.06%	12.62%	1.35%	17.72%	\$0	\$1,485,432	vs	\$898,959
16	60	\$0	1986	41.13%	39.78%	28.60%	1986	21.97%	20.62%	12.97%	1.35%	23.91%	\$0	\$1,840,613	vs	\$1,324,942
17	61	\$0	1987	-13.51%	-14.86%	-14.86%	1987	-8.32%	-9.67%	-9.67%	1.35%	-13.30%	\$0	\$1,595,738	vs	\$972,177
18	62	\$0	1988	30.41%	29.06%	20.89%	1988	3.98%	2.63%	1.66%	1.35%	15.12%	\$0	\$1,837,030	vs	\$1,439,886
19	63	\$0	1989	-10.34%	-11.69%	-11.69%	1989	12.27%	10.92%	6.87%	1.35%	-6.12%	\$0	\$1,724,520	vs	\$1,050,622
20	64	\$0	1990	28.73%	27.38%	19.69%	1990	0.79%	-0.56%	-0.56%	1.35%	13.61%	\$0	\$1,959,299	vs	\$1,563,748
21	65	\$0	1991	9.72%	8.37%	6.02%	1991	10.33%	8.98%	5.65%	1.35%	5.91%	-\$125,100	\$1,942,548	vs	\$1,767,416
22	66	\$0	1992	11.84%	10.49%	7.55%	1992	6.15%	4.80%	3.02%	1.35%	6.19%	-\$141,393	\$1,912,592	vs	\$2,209,380
23	67	\$0	1993	2.82%	1.47%	1.06%	1993	10.94%	9.59%	6.03%	1.35%	2.55%	-\$176,750	\$1,780,117	vs	\$1,629,865
24	68	\$0	1994	28.30%	26.95%	19.38%	1994	-10.37%	-11.72%	-11.72%	1.35%	10.05%	-\$130,389	\$1,815,487	vs	\$2,173,725
25	69	\$0	1995	19.61%	18.26%	13.13%	1995	20.11%	18.76%	11.80%	1.35%	12.73%	-\$173,898	\$1,850,578	vs	\$2,758,584
26	70	\$0	1996	39.82%	38.47%	27.66%	1996	-1.46%	-2.81%	-2.81%	1.35%	18.52%	-\$220,687	\$1,931,734	vs	\$3,389,026
27	71	\$0	1997	9.36%	8.01%	5.76%	1997	7.43%	6.08%	3.82%	1.35%	5.18%	-\$271,122	\$1,746,612	vs	\$3,619,664
28	72	\$0	1998	28.13%	26.78%	19.25%	1998	13.16%	11.81%	7.43%	1.35%	15.71%	-\$289,573	\$1,685,876	vs	\$4,355,574
29	73	\$0	1999	13.99%	12.64%	9.09%	1999	-10.22%	-11.57%	-11.57%	1.35%	2.89%	-\$348,446	\$1,376,098	vs	\$5,156,834
30	74	\$0	2000	-25.54%	-26.89%	-26.89%	2000	12.84%	11.49%	7.23%	1.35%	-16.65%	-\$412,547	\$803,103	vs	\$3,939,454
31	75	\$0	2001	-19.68%	-21.03%	-21.03%	2001	2.67%	1.32%	0.83%	1.35%	-14.47%	-\$315,156	\$417,337	vs	\$2,767,774
32	76	\$0	2002	24.16%	22.81%	16.40%	2002	13.32%	11.97%	7.53%	1.35%	13.74%	-\$221,422	\$222,835	vs	\$3,722,207
33	77	\$0	2003	13.91%	12.56%	9.03%	2003	-1.85%	-3.20%	-3.20%	1.35%	5.36%	-\$222,835	\$0	vs	\$4,749,110
34	78	\$0	2004	12.25%	10.90%	7.84%	2004	1.77%	0.42%	0.26%	1.35%	5.56%	\$0	\$0	vs	\$5,856,043
35	79	\$0	2005	10.71%	9.36%	6.73%	2005	-0.51%	-1.86%	-1.86%	1.35%	4.15%	\$0	\$0	vs	\$6,633,455
36	80	\$0	2006	16.29%	14.94%	10.74%	2006	-1.23%	-2.58%	-2.58%	1.35%	6.75%	\$0	\$0	vs	\$7,920,075
37	81	\$0	2007	-21.61%	-22.96%	-22.96%	2007	7.15%	5.80%	3.65%	1.35%	-14.97%	\$0	\$0	vs	\$5,978,414
38	82	\$0	2008	-7.37%	-8.72%	-8.72%	2008	15.66%	14.31%	9.00%	1.35%	-3.40%	\$0	\$0	vs	\$4,097,286
39	83	\$0	2009	9.96%	8.61%	6.19%	2009	-10.80%	-12.15%	-12.15%	1.35%	0.69%	\$0	\$0	vs	\$4,853,516
40	84	\$0	2010	1.14%	-0.21%	-0.21%	2010	6.71%	5.36%	3.37%	1.35%	0.87%	\$0	\$0	vs	\$2,867,511

Average Equities Return: 10.02%

Average T-Bond Return: 3.46%

Average Net Portfolio Return: 3.62%

WORST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$234,563

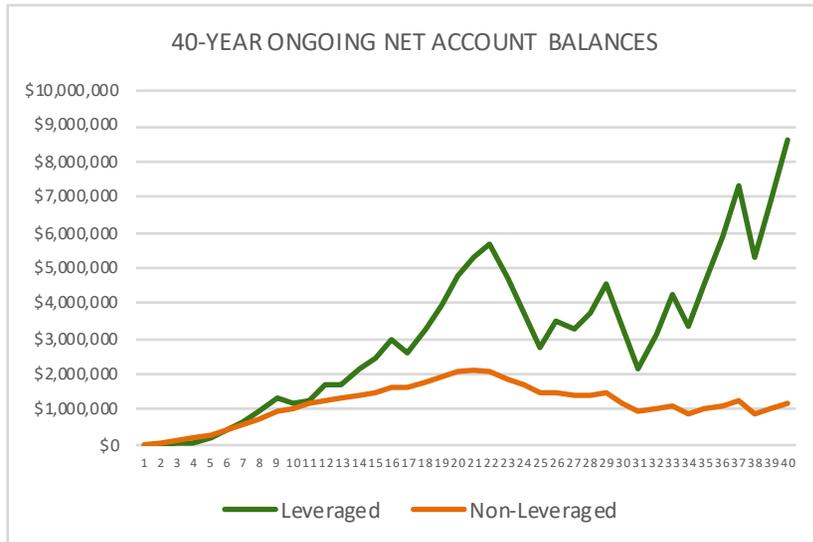
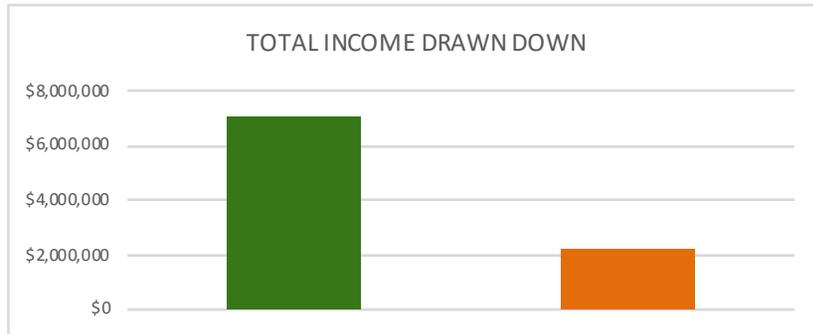
DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year 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

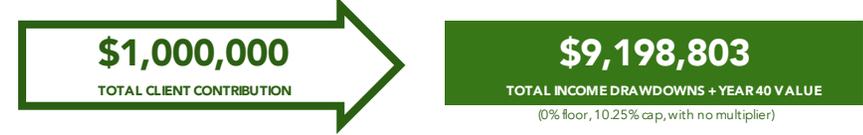


NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

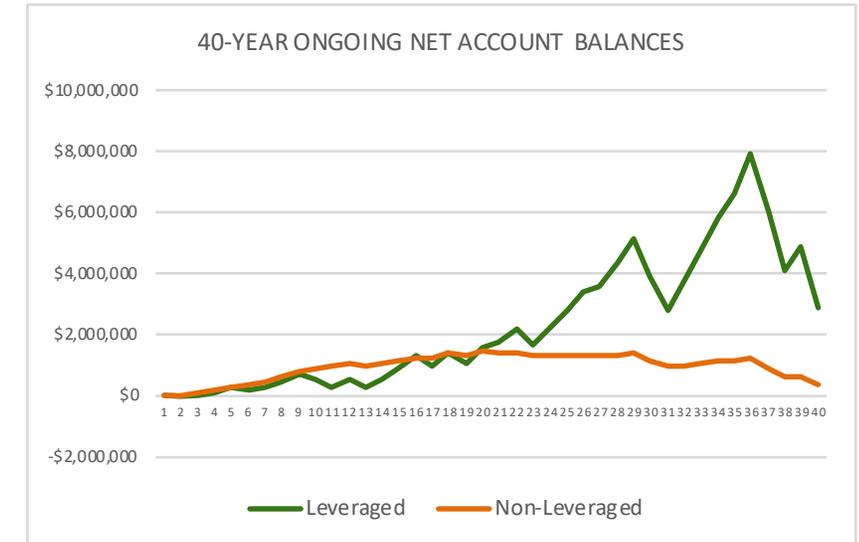
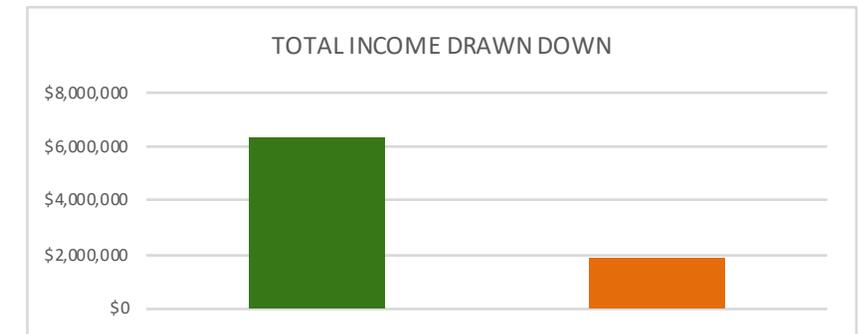


WORST CAGR IN 40-YEAR PERIOD*

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 20.02.07.14

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: **10.75%**

Current Post-Bonus Max Cap: **10.75%**

Participation Rate: **100.00%**

Floor Modeled: **0.00%**

Pre-Bonus Cap Modeled: **10.25%**

Post-Bonus Max Cap Modeled: **10.25%**

#	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		\$100,000	1978	11.97%	10.25%	10.25%	\$0	\$80,940	\$11,313
2	46		\$100,000	1979	14.24%	10.25%	10.25%	\$0	\$169,315	\$26,661
3	47		\$100,000	1980	13.48%	10.25%	10.25%	\$0	\$265,691	\$116,803
4	48		\$100,000	1981	-7.06%	0.00%	0.00%	\$0	\$336,600	\$191,634
5	49		\$100,000	1982	20.68%	10.25%	10.25%	\$0	\$448,625	\$307,544
6	50		\$100,000	1983	12.46%	10.25%	10.25%	\$0	\$571,764	\$434,605
7	51		\$100,000	1984	9.93%	9.93%	9.93%	\$0	\$705,057	\$571,783
8	52		\$100,000	1985	17.90%	10.25%	10.25%	\$0	\$853,651	\$742,614
9	53		\$100,000	1986	29.42%	10.25%	10.25%	\$0	\$1,016,927	\$928,090
10	54		\$100,000	1987	-6.21%	0.00%	0.00%	\$0	\$1,089,072	\$1,022,435
11	55		\$0	1988	15.72%	10.25%	10.25%	\$0	\$1,176,673	\$1,176,673
12	56		\$0	1989	10.63%	10.25%	10.25%	\$0	\$1,272,655	\$1,272,655
13	57		\$0	1990	4.51%	4.51%	4.51%	\$0	\$1,306,162	\$1,306,162
14	58		\$0	1991	18.86%	10.25%	10.25%	\$0	\$1,414,164	\$1,414,164
15	59		\$0	1992	7.34%	7.34%	7.34%	\$0	\$1,492,174	\$1,492,174
16	60		\$0	1993	9.76%	9.76%	9.76%	\$0	\$1,622,474	\$1,622,474
17	61		\$0	1994	-2.32%	0.00%	0.00%	\$0	\$1,607,883	\$1,607,883
18	62		\$0	1995	35.20%	10.25%	10.25%	\$0	\$1,755,456	\$1,755,456
19	63		\$0	1996	23.61%	10.25%	10.25%	\$0	\$1,916,919	\$1,916,919
20	64		\$0	1997	24.69%	10.25%	10.25%	\$0	\$2,093,574	\$2,093,574
21	65		\$0	1998	30.54%	10.25%	10.25%	-\$167,486	\$2,286,590	\$2,110,730
22	66		\$0	1999	8.97%	8.97%	8.97%	-\$168,858	\$2,468,242	\$2,106,288
23	67		\$0	2000	-2.04%	0.00%	0.00%	-\$168,503	\$2,444,239	\$1,887,259
24	68		\$0	2001	-17.26%	0.00%	0.00%	-\$150,981	\$2,417,338	\$1,673,979
25	69		\$0	2002	-24.29%	0.00%	0.00%	-\$133,918	\$2,387,079	\$1,465,938
26	70		\$0	2003	32.19%	10.25%	10.25%	-\$117,275	\$2,594,355	\$1,504,018
27	71		\$0	2004	4.43%	4.43%	4.43%	-\$120,321	\$2,671,241	\$1,400,049
28	72		\$0	2005	8.36%	8.36%	8.36%	-\$112,004	\$2,852,231	\$1,399,876
29	73		\$0	2006	12.36%	10.25%	10.25%	-\$111,990	\$3,098,329	\$1,455,767
30	74		\$0	2007	-4.15%	0.00%	0.00%	-\$116,461	\$3,053,608	\$1,206,633
31	75		\$0	2008	-40.09%	0.00%	0.00%	-\$96,531	\$3,006,179	\$965,498
32	76		\$0	2009	30.03%	10.25%	10.25%	-\$77,240	\$3,259,014	\$1,035,197
33	77		\$0	2010	19.76%	10.25%	10.25%	-\$82,816	\$3,534,894	\$1,112,930
34	78		\$0	2011	2.04%	2.04%	2.04%	-\$89,034	\$3,550,815	\$914,266
35	79		\$0	2012	14.15%	10.25%	10.25%	-\$73,141	\$3,851,535	\$1,006,361
36	80		\$0	2013	18.99%	10.25%	10.25%	-\$80,509	\$4,180,601	\$1,108,633
37	81		\$0	2014	11.92%	10.25%	10.25%	-\$88,691	\$4,540,960	\$1,222,269
38	82		\$0	2015	-2.74%	0.00%	0.00%	-\$97,782	\$4,477,542	\$890,246
39	83		\$0	2016	17.45%	10.25%	10.25%	-\$71,220	\$4,865,689	\$1,024,247
40	84		\$0	2017	23.91%	10.25%	10.25%	-\$81,940	\$5,293,546	\$1,173,995

AVERAGE ANNUAL INCOME DRAWDOWN: **\$110,335**

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:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$110,335
TOTAL INCOME DRAWDOWN:	\$2,206,701
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$1,173,995
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$3,380,696
RAW S&P 500 CAGR: 9.02%	40-YEAR NET ACCOUNT IRR: 4.69%

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)

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: **10.75%**

Current Post-Bonus Max Cap: **10.75%**

Participation Rate: **100.00%**

Floor Modeled: **0.00%**

Pre-Bonus Cap Modeled: **10.25%**

Post-Bonus Max Cap Modeled: **10.25%**

#	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		\$100,000	1971	12.42%	10.25%	10.25%	\$0	\$80,940	\$11,313
2	46		\$100,000	1972	-1.92%	0.00%	0.00%	\$0	\$153,574	\$10,920
3	47		\$100,000	1973	-41.40%	0.00%	0.00%	\$0	\$225,248	\$76,360
4	48		\$100,000	1974	32.00%	10.25%	10.25%	\$0	\$326,513	\$181,547
5	49		\$100,000	1975	25.48%	10.25%	10.25%	\$0	\$437,504	\$296,423
6	50		\$100,000	1976	-8.28%	0.00%	0.00%	\$0	\$507,486	\$370,327
7	51		\$100,000	1977	6.23%	6.23%	6.23%	\$0	\$613,047	\$479,773
8	52		\$100,000	1978	6.61%	6.61%	6.61%	\$0	\$727,388	\$616,351
9	53		\$100,000	1979	14.76%	10.25%	10.25%	\$0	\$877,722	\$788,885
10	54		\$100,000	1980	-7.40%	0.00%	0.00%	\$0	\$949,867	\$883,230
11	55		\$0	1981	3.65%	3.65%	3.65%	\$0	\$961,942	\$961,942
12	56		\$0	1982	37.91%	10.25%	10.25%	\$0	\$1,035,915	\$1,035,915
13	57		\$0	1983	0.02%	0.02%	0.02%	\$0	\$1,013,208	\$1,013,208
14	58		\$0	1984	9.62%	9.62%	9.62%	\$0	\$1,084,954	\$1,084,954
15	59		\$0	1985	27.04%	10.25%	10.25%	\$0	\$1,169,689	\$1,169,689
16	60		\$0	1986	39.13%	10.25%	10.25%	\$0	\$1,274,160	\$1,274,160
17	61		\$0	1987	-15.51%	0.00%	0.00%	\$0	\$1,259,569	\$1,259,569
18	62		\$0	1988	28.41%	10.25%	10.25%	\$0	\$1,371,440	\$1,371,440
19	63		\$0	1989	-12.34%	0.00%	0.00%	\$0	\$1,354,686	\$1,354,686
20	64		\$0	1990	26.73%	10.25%	10.25%	\$0	\$1,473,712	\$1,473,712
21	65		\$0	1991	7.72%	7.72%	7.72%	-\$117,897	\$1,566,392	\$1,442,600
22	66		\$0	1992	9.84%	9.84%	9.84%	-\$115,408	\$1,696,886	\$1,445,727
23	67		\$0	1993	0.82%	0.82%	0.82%	-\$115,658	\$1,686,662	\$1,301,503
24	68		\$0	1994	26.30%	10.25%	10.25%	-\$104,120	\$1,829,887	\$1,316,144
25	69		\$0	1995	17.61%	10.25%	10.25%	-\$105,291	\$1,984,090	\$1,334,103
26	70		\$0	1996	37.82%	10.25%	10.25%	-\$106,728	\$2,150,059	\$1,355,508
27	71		\$0	1997	7.36%	7.36%	7.36%	-\$108,441	\$2,269,143	\$1,321,002
28	72		\$0	1998	26.13%	10.25%	10.25%	-\$105,680	\$2,458,539	\$1,352,028
29	73		\$0	1999	11.99%	10.25%	10.25%	-\$108,162	\$2,664,284	\$1,388,877
30	74		\$0	2000	-27.54%	0.00%	0.00%	-\$111,110	\$2,619,563	\$1,163,720
31	75		\$0	2001	-21.68%	0.00%	0.00%	-\$93,098	\$2,572,134	\$945,746
32	76		\$0	2002	22.16%	10.25%	10.25%	-\$75,660	\$2,780,480	\$993,329
33	77		\$0	2003	11.91%	10.25%	10.25%	-\$79,466	\$3,007,310	\$1,047,362
34	78		\$0	2004	10.25%	10.25%	10.25%	-\$83,789	\$3,254,653	\$1,108,730
35	79		\$0	2005	8.71%	8.71%	8.71%	-\$88,698	\$3,475,806	\$1,129,453
36	80		\$0	2006	14.29%	10.25%	10.25%	-\$90,356	\$3,766,359	\$1,207,815
37	81		\$0	2007	-23.61%	0.00%	0.00%	-\$96,625	\$3,704,543	\$916,615
38	82		\$0	2008	-9.37%	0.00%	0.00%	-\$73,329	\$3,641,125	\$636,805
39	83		\$0	2009	7.96%	7.96%	7.96%	-\$50,944	\$3,861,548	\$653,521
40	84		\$0	2010	-0.86%	0.00%	0.00%	-\$52,282	\$3,797,261	\$373,936

AVERAGE ANNUAL INCOME DRAWDOWN: **\$94,137**

WORST 40

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

TOTAL CLIENT OUTLAY:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$94,137
TOTAL INCOME DRAWDOWN:	\$1,882,744
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$373,936
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,256,680
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 3.27%

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)
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: **10.75%**

Current Post-Bonus Max Cap: **10.75%**

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Participation Rate: **100.00%**

Floor Modeled: **0.00%**

Pre-Bonus Cap Modeled: **10.25%**

Post-Bonus Max Cap Modeled: **10.25%**

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		\$100,000	1982	20.68%	10.25%	10.25%	\$0	\$80,940	\$11,313
2	46		\$100,000	1983	12.46%	10.25%	10.25%	\$0	\$169,315	\$26,661
3	47		\$100,000	1984	9.93%	9.93%	9.93%	\$0	\$264,910	\$116,022
4	48		\$100,000	1985	17.90%	10.25%	10.25%	\$0	\$370,240	\$225,274
5	49		\$100,000	1986	29.42%	10.25%	10.25%	\$0	\$485,713	\$344,632
6	50		\$100,000	1987	-6.21%	0.00%	0.00%	\$0	\$555,695	\$418,536
7	51		\$100,000	1988	15.72%	10.25%	10.25%	\$0	\$689,420	\$556,146
8	52		\$100,000	1989	10.63%	10.25%	10.25%	\$0	\$836,411	\$725,374
9	53		\$100,000	1990	4.51%	4.51%	4.51%	\$0	\$945,988	\$857,151
10	54		\$100,000	1991	18.86%	10.25%	10.25%	\$0	\$1,122,492	\$1,055,855
11	55		\$0	1992	7.34%	7.34%	7.34%	\$0	\$1,181,476	\$1,181,476
12	56		\$0	1993	9.76%	9.76%	9.76%	\$0	\$1,272,284	\$1,272,284
13	57		\$0	1994	-2.32%	0.00%	0.00%	\$0	\$1,249,394	\$1,249,394
14	58		\$0	1995	35.20%	10.25%	10.25%	\$0	\$1,351,578	\$1,351,578
15	59		\$0	1996	23.61%	10.25%	10.25%	\$0	\$1,463,641	\$1,463,641
16	60		\$0	1997	24.69%	10.25%	10.25%	\$0	\$1,598,243	\$1,598,243
17	61		\$0	1998	30.54%	10.25%	10.25%	\$0	\$1,745,976	\$1,745,976
18	62		\$0	1999	8.97%	8.97%	8.97%	\$0	\$1,885,604	\$1,885,604
19	63		\$0	2000	-2.04%	0.00%	0.00%	\$0	\$1,868,850	\$1,868,850
20	64		\$0	2001	-17.26%	0.00%	0.00%	\$0	\$1,850,864	\$1,850,864
21	65		\$0	2002	-24.29%	0.00%	0.00%	-\$148,069	\$1,831,295	\$1,675,822
22	66		\$0	2003	32.19%	10.25%	10.25%	-\$134,066	\$1,995,207	\$1,691,192
23	67		\$0	2004	4.43%	4.43%	4.43%	-\$135,295	\$2,058,583	\$1,597,307
24	68		\$0	2005	8.36%	8.36%	8.36%	-\$127,785	\$2,201,626	\$1,583,112
25	69		\$0	2006	12.36%	10.25%	10.25%	-\$126,649	\$2,393,932	\$1,611,511
26	70		\$0	2007	-4.15%	0.00%	0.00%	-\$128,921	\$2,360,009	\$1,403,100
27	71		\$0	2008	-40.09%	0.00%	0.00%	-\$112,248	\$2,323,512	\$1,200,898
28	72		\$0	2009	30.03%	10.25%	10.25%	-\$96,072	\$2,518,482	\$1,238,861
29	73		\$0	2010	19.76%	10.25%	10.25%	-\$99,109	\$2,730,371	\$1,282,705
30	74		\$0	2011	2.04%	2.04%	2.04%	-\$102,616	\$2,740,548	\$1,112,751
31	75		\$0	2012	14.15%	10.25%	10.25%	-\$89,020	\$2,969,164	\$1,166,506
32	76		\$0	2013	18.99%	10.25%	10.25%	-\$93,320	\$3,218,205	\$1,227,428
33	77		\$0	2014	11.92%	10.25%	10.25%	-\$98,194	\$3,489,902	\$1,296,482
34	78		\$0	2015	-2.74%	0.00%	0.00%	-\$103,719	\$3,434,693	\$1,022,698
35	79		\$0	2016	17.45%	10.25%	10.25%	-\$81,816	\$3,723,511	\$1,105,009
36	80		\$0	2017	23.91%	10.25%	10.25%	-\$88,401	\$4,039,454	\$1,197,206
37	81		\$0	2018	-4.41%	0.00%	0.00%	-\$95,777	\$3,977,638	\$892,713
38	82		\$0	2019	31.74%	10.25%	10.25%	-\$71,417	\$4,315,428	\$1,001,268
39	83		\$0	2020	18.38%	10.25%	10.25%	-\$80,101	\$4,686,958	\$1,122,984
40	84		\$0	2021	28.83%	10.25%	10.25%	-\$89,839	\$5,096,494	\$1,259,991

AVERAGE ANNUAL INCOME DRAWDOWN: **\$105,122**

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:	-\$1,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$105,122
TOTAL INCOME DRAWDOWN:	\$2,102,433
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$1,259,991
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$3,362,424
RAW S&P 500 CAGR: 9.99%	40-YEAR NET ACCOUNT IRR: 4.55%

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.



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	0.00%	\$0	-\$26,585	1978	11.97%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$7,525	-\$26,585	-\$19,060	\$73,415	\$80,940	\$11,313
2	0.00%	\$0	-\$27,366	1979	14.24%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$15,741	-\$27,366	-\$11,625	\$153,574	\$169,315	\$26,661
3	0.00%	\$0	-\$28,326	1980	13.48%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$24,701	-\$28,326	-\$3,625	\$240,989	\$265,691	\$116,803
4	0.00%	\$0	-\$29,091	1981	-7.06%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$29,091	-\$29,091	\$336,600	\$336,600	\$191,634
5	0.00%	\$0	-\$29,684	1982	20.68%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$41,709	-\$29,684	\$12,025	\$406,916	\$448,625	\$307,544
6	0.00%	\$0	-\$30,018	1983	12.46%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$53,157	-\$30,018	\$23,139	\$518,607	\$571,764	\$434,605
7	0.00%	\$0	-\$30,371	1984	9.93%	9.93%	x 1.00	= 9.93%	+ 0.00%	= 9.93%	\$63,664	-\$30,371	\$33,293	\$641,393	\$705,057	\$571,783
8	0.00%	\$0	-\$30,771	1985	17.90%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$79,364	-\$30,771	\$48,593	\$774,286	\$853,651	\$742,614
9	0.00%	\$0	-\$31,268	1986	29.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$94,544	-\$31,268	\$63,276	\$922,383	\$1,016,927	\$928,090
10	0.00%	\$0	-\$27,855	1987	-6.21%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$27,855	-\$27,855	\$1,089,072	\$1,089,072	\$1,022,435
11	0.00%	\$0	-\$21,795	1988	15.72%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$109,396	-\$21,795	\$87,601	\$1,067,277	\$1,176,673	\$1,176,673
12	0.00%	\$0	-\$22,337	1989	10.63%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$118,319	-\$22,337	\$95,982	\$1,154,336	\$1,272,655	\$1,272,655
13	0.00%	\$0	-\$22,890	1990	4.51%	4.51%	x 1.00	= 4.51%	+ 0.00%	= 4.51%	\$56,397	-\$22,890	\$33,507	\$1,249,765	\$1,306,162	\$1,306,162
14	0.00%	\$0	-\$23,473	1991	18.86%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$131,476	-\$23,473	\$108,003	\$1,282,689	\$1,414,164	\$1,414,164
15	0.00%	\$0	-\$24,012	1992	7.34%	7.34%	x 1.00	= 7.34%	+ 0.00%	= 7.34%	\$102,022	-\$24,012	\$78,010	\$1,390,152	\$1,492,174	\$1,492,174
16	0.00%	\$0	-\$13,988	1993	9.76%	9.76%	x 1.00	= 9.76%	+ 0.00%	= 9.76%	\$144,288	-\$13,988	\$130,300	\$1,478,186	\$1,622,474	\$1,622,474
17	0.00%	\$0	-\$14,591	1994	-2.32%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$14,591	-\$14,591	\$1,607,883	\$1,607,883	\$1,607,883
18	0.00%	\$0	-\$15,633	1995	35.20%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$163,206	-\$15,633	\$147,573	\$1,592,250	\$1,755,456	\$1,755,456
19	0.00%	\$0	-\$16,754	1996	23.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$178,217	-\$16,754	\$161,463	\$1,738,702	\$1,916,919	\$1,916,919
20	0.00%	\$0	-\$17,986	1997	24.69%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$194,641	-\$17,986	\$176,655	\$1,898,933	\$2,093,574	\$2,093,574
21	0.00%	\$0	-\$19,569	1998	30.54%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$212,585	-\$19,569	\$193,016	\$2,074,005	\$2,286,590	\$2,286,590
22	0.00%	\$0	-\$21,583	1999	8.97%	8.97%	x 1.00	= 8.97%	+ 0.00%	= 8.97%	\$203,235	-\$21,583	\$181,652	\$2,265,007	\$2,468,242	\$2,468,242
23	0.00%	\$0	-\$24,003	2000	-2.04%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$24,003	-\$24,003	\$2,444,239	\$2,444,239	\$1,887,259
24	0.00%	\$0	-\$26,901	2001	-17.26%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$26,901	-\$26,901	\$2,417,338	\$2,417,338	\$1,673,979
25	0.00%	\$0	-\$30,259	2002	-24.29%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$30,259	-\$30,259	\$2,387,079	\$2,387,079	\$1,465,938
26	0.00%	\$0	-\$33,923	2003	32.19%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$241,199	-\$33,923	\$207,276	\$2,353,156	\$2,594,355	\$1,504,018
27	0.00%	\$0	-\$36,497	2004	4.43%	4.43%	x 1.00	= 4.43%	+ 0.00%	= 4.43%	\$113,383	-\$36,497	\$76,886	\$2,557,858	\$2,671,241	\$1,400,049
28	0.00%	\$0	-\$39,175	2005	8.36%	8.36%	x 1.00	= 8.36%	+ 0.00%	= 8.36%	\$220,165	-\$39,175	\$180,990	\$2,632,066	\$2,852,231	\$1,399,876
29	0.00%	\$0	-\$41,955	2006	12.36%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$288,053	-\$41,955	\$246,098	\$2,810,276	\$3,098,329	\$1,455,767
30	0.00%	\$0	-\$44,721	2007	-4.15%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$44,721	-\$44,721	\$3,053,608	\$3,053,608	\$1,206,633
31	0.00%	\$0	-\$47,429	2008	-40.09%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$47,429	-\$47,429	\$3,006,179	\$3,006,179	\$965,498
32	0.00%	\$0	-\$50,157	2009	30.03%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$302,992	-\$50,157	\$252,835	\$2,956,022	\$3,259,014	\$1,035,197
33	0.00%	\$0	-\$52,761	2010	19.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$328,641	-\$52,761	\$275,880	\$3,206,253	\$3,534,894	\$1,112,930
34	0.00%	\$0	-\$55,209	2011	2.04%	2.04%	x 1.00	= 2.04%	+ 0.00%	= 2.04%	\$71,129	-\$55,209	\$15,920	\$3,479,685	\$3,550,815	\$914,266
35	0.00%	\$0	-\$57,359	2012	14.15%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$358,079	-\$57,359	\$300,720	\$3,493,456	\$3,851,535	\$1,006,361
36	0.00%	\$0	-\$59,607	2013	18.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$388,673	-\$59,607	\$329,066	\$3,791,928	\$4,180,601	\$1,108,633
37	0.00%	\$0	-\$61,816	2014	11.92%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$422,175	-\$61,816	\$360,359	\$4,118,785	\$4,540,960	\$1,222,269
38	0.00%	\$0	-\$63,418	2015	-2.74%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$63,418	-\$63,418	\$4,477,542	\$4,477,542	\$890,246
39	0.00%	\$0	-\$64,219	2016	17.45%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$452,366	-\$64,219	\$388,147	\$4,413,323	\$4,865,689	\$1,024,247
40	0.00%	\$0	-\$64,287	2017	23.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$492,144	-\$64,287	\$427,857	\$4,801,402	\$5,293,546	\$1,173,995

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 VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	0.00%	\$0	-\$26,585	1971	12.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$7,525	-\$26,585	-\$19,060	\$73,415	\$80,940	\$11,313
2	0.00%	\$0	-\$27,366	1972	-1.92%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$27,366	-\$27,366	\$153,574	\$153,574	\$10,920
3	0.00%	\$0	-\$28,326	1973	-41.40%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$28,326	-\$28,326	\$225,248	\$225,248	\$76,360
4	0.00%	\$0	-\$29,091	1974	32.00%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$30,356	-\$29,091	\$1,265	\$296,157	\$326,513	\$181,547
5	0.00%	\$0	-\$29,684	1975	25.48%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$40,675	-\$29,684	\$10,991	\$396,829	\$437,504	\$296,423
6	0.00%	\$0	-\$30,018	1976	-8.28%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$30,018	-\$30,018	\$507,486	\$507,486	\$370,327
7	0.00%	\$0	-\$30,371	1977	6.23%	6.23%	x 1.00	= 6.23%	+ 0.00%	= 6.23%	\$35,931	-\$30,371	\$5,560	\$577,115	\$613,047	\$479,773
8	0.00%	\$0	-\$30,771	1978	6.61%	6.61%	x 1.00	= 6.61%	+ 0.00%	= 6.61%	\$45,112	-\$30,771	\$14,341	\$682,276	\$727,388	\$616,351
9	0.00%	\$0	-\$31,268	1979	14.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$81,602	-\$31,268	\$50,334	\$796,120	\$877,722	\$788,885
10	0.00%	\$0	-\$27,855	1980	-7.40%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$27,855	-\$27,855	\$949,867	\$949,867	\$883,230
11	0.00%	\$0	-\$21,795	1981	3.65%	3.65%	x 1.00	= 3.65%	+ 0.00%	= 3.65%	\$33,870	-\$21,795	\$12,075	\$928,072	\$961,942	\$961,942
12	0.00%	\$0	-\$22,337	1982	37.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$96,310	-\$22,337	\$73,973	\$939,605	\$1,035,915	\$1,035,915
13	0.00%	\$0	-\$22,890	1983	0.02%	0.02%	x 1.00	= 0.02%	+ 0.00%	= 0.02%	\$183	-\$22,890	-\$22,707	\$1,013,025	\$1,013,208	\$1,013,208
14	0.00%	\$0	-\$23,473	1984	9.62%	9.62%	x 1.00	= 9.62%	+ 0.00%	= 9.62%	\$95,220	-\$23,473	\$71,747	\$989,735	\$1,084,954	\$1,084,954
15	0.00%	\$0	-\$24,012	1985	27.04%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$108,747	-\$24,012	\$84,735	\$1,060,942	\$1,169,689	\$1,169,689
16	0.00%	\$0	-\$13,988	1986	39.13%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$118,459	-\$13,988	\$104,471	\$1,155,701	\$1,274,160	\$1,274,160
17	0.00%	\$0	-\$14,591	1987	-15.51%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$14,591	-\$14,591	\$1,259,569	\$1,259,569	\$1,259,569
18	0.00%	\$0	-\$15,633	1988	28.41%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$127,503	-\$15,633	\$111,870	\$1,243,936	\$1,371,440	\$1,371,440
19	0.00%	\$0	-\$16,754	1989	-12.34%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$16,754	-\$16,754	\$1,354,686	\$1,354,686	\$1,354,686
20	0.00%	\$0	-\$17,986	1990	26.73%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$137,012	-\$17,986	\$119,026	\$1,336,700	\$1,473,712	\$1,473,712
21	0.00%	\$0	-\$19,569	1991	7.72%	7.72%	x 1.00	= 7.72%	+ 0.00%	= 7.72%	\$112,249	-\$19,569	\$92,680	\$1,454,143	\$1,566,392	\$1,442,600
22	0.00%	\$0	-\$21,583	1992	9.84%	9.84%	x 1.00	= 9.84%	+ 0.00%	= 9.84%	\$152,078	-\$21,583	\$130,495	\$1,544,809	\$1,696,886	\$1,445,727
23	0.00%	\$0	-\$24,003	1993	0.82%	0.82%	x 1.00	= 0.82%	+ 0.00%	= 0.82%	\$13,779	-\$24,003	-\$10,224	\$1,672,883	\$1,686,662	\$1,301,503
24	0.00%	\$0	-\$26,901	1994	26.30%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$170,126	-\$26,901	\$143,225	\$1,659,761	\$1,829,887	\$1,316,144
25	0.00%	\$0	-\$30,259	1995	17.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$184,462	-\$30,259	\$154,203	\$1,799,628	\$1,984,090	\$1,334,103
26	0.00%	\$0	-\$33,923	1996	37.82%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$199,892	-\$33,923	\$165,969	\$1,950,167	\$2,150,059	\$1,355,508
27	0.00%	\$0	-\$36,497	1997	7.36%	7.36%	x 1.00	= 7.36%	+ 0.00%	= 7.36%	\$155,581	-\$36,497	\$119,084	\$2,113,562	\$2,269,143	\$1,321,002
28	0.00%	\$0	-\$39,175	1998	26.13%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$228,572	-\$39,175	\$189,397	\$2,229,968	\$2,458,539	\$1,352,028
29	0.00%	\$0	-\$41,955	1999	11.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$247,700	-\$41,955	\$205,745	\$2,416,584	\$2,664,284	\$1,388,877
30	0.00%	\$0	-\$44,721	2000	-27.54%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$44,721	-\$44,721	\$2,619,563	\$2,619,563	\$1,163,720
31	0.00%	\$0	-\$47,429	2001	-21.68%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$47,429	-\$47,429	\$2,572,134	\$2,572,134	\$945,746
32	0.00%	\$0	-\$50,157	2002	22.16%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$258,503	-\$50,157	\$208,346	\$2,521,977	\$2,780,480	\$993,329
33	0.00%	\$0	-\$52,761	2003	11.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$279,591	-\$52,761	\$226,830	\$2,727,719	\$3,007,310	\$1,047,362
34	0.00%	\$0	-\$55,209	2004	10.25%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$302,552	-\$55,209	\$247,343	\$2,952,101	\$3,254,653	\$1,108,730
35	0.00%	\$0	-\$57,359	2005	8.71%	8.71%	x 1.00	= 8.71%	+ 0.00%	= 8.71%	\$278,512	-\$57,359	\$221,153	\$3,197,294	\$3,475,806	\$1,129,453
36	0.00%	\$0	-\$59,607	2006	14.29%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$350,160	-\$59,607	\$290,553	\$3,416,199	\$3,766,359	\$1,207,815
37	0.00%	\$0	-\$61,816	2007	-23.61%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$61,816	-\$61,816	\$3,704,543	\$3,704,543	\$916,615
38	0.00%	\$0	-\$63,418	2008	-9.37%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$63,418	-\$63,418	\$3,641,125	\$3,641,125	\$636,805
39	0.00%	\$0	-\$64,219	2009	7.96%	7.96%	x 1.00	= 7.96%	+ 0.00%	= 7.96%	\$284,642	-\$64,219	\$220,423	\$3,576,906	\$3,861,548	\$653,521
40	0.00%	\$0	-\$64,287	2010	-0.86%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$64,287	-\$64,287	\$3,797,261	\$3,797,261	\$373,936

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 VALU	EOY INDEX VALUE NET OF INT & EXT LOANS
1	0.00%	\$0	-\$26,585	1982	20.68%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$7,525	-\$26,585	-\$19,060	\$73,415	\$80,940	\$11,313
2	0.00%	\$0	-\$27,366	1983	12.46%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$15,741	-\$27,366	-\$11,625	\$153,574	\$169,315	\$26,661
3	0.00%	\$0	-\$28,326	1984	9.93%	9.93%	x 1.00	= 9.93%	+ 0.00%	= 9.93%	\$23,920	-\$28,326	-\$4,406	\$240,989	\$264,910	\$116,022
4	0.00%	\$0	-\$29,091	1985	17.90%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$34,421	-\$29,091	\$5,330	\$335,819	\$370,240	\$225,274
5	0.00%	\$0	-\$29,684	1986	29.42%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$45,157	-\$29,684	\$15,473	\$440,556	\$485,713	\$344,632
6	0.00%	\$0	-\$30,018	1987	-6.21%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$30,018	-\$30,018	\$555,695	\$555,695	\$418,536
7	0.00%	\$0	-\$30,371	1988	15.72%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$64,096	-\$30,371	\$33,725	\$625,324	\$689,420	\$556,146
8	0.00%	\$0	-\$30,771	1989	10.63%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$77,762	-\$30,771	\$46,991	\$758,649	\$836,411	\$725,374
9	0.00%	\$0	-\$31,268	1990	4.51%	4.51%	x 1.00	= 4.51%	+ 0.00%	= 4.51%	\$40,845	-\$31,268	\$9,577	\$905,143	\$945,988	\$857,151
10	0.00%	\$0	-\$27,855	1991	18.86%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$104,359	-\$27,855	\$76,504	\$1,018,133	\$1,122,492	\$1,055,855
11	0.00%	\$0	-\$21,795	1992	7.34%	7.34%	x 1.00	= 7.34%	+ 0.00%	= 7.34%	\$80,779	-\$21,795	\$58,984	\$1,100,697	\$1,181,476	\$1,181,476
12	0.00%	\$0	-\$22,337	1993	9.76%	9.76%	x 1.00	= 9.76%	+ 0.00%	= 9.76%	\$113,145	-\$22,337	\$90,808	\$1,159,139	\$1,272,284	\$1,272,284
13	0.00%	\$0	-\$22,890	1994	-2.32%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$22,890	-\$22,890	\$1,249,394	\$1,249,394	\$1,249,394
14	0.00%	\$0	-\$23,473	1995	35.20%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$125,657	-\$23,473	\$102,184	\$1,225,921	\$1,351,578	\$1,351,578
15	0.00%	\$0	-\$24,012	1996	23.61%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$136,076	-\$24,012	\$112,064	\$1,327,566	\$1,463,641	\$1,463,641
16	0.00%	\$0	-\$13,988	1997	24.69%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$148,589	-\$13,988	\$134,601	\$1,449,653	\$1,598,243	\$1,598,243
17	0.00%	\$0	-\$14,591	1998	30.54%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$162,324	-\$14,591	\$147,733	\$1,583,652	\$1,745,976	\$1,745,976
18	0.00%	\$0	-\$15,633	1999	8.97%	8.97%	x 1.00	= 8.97%	+ 0.00%	= 8.97%	\$155,261	-\$15,633	\$139,628	\$1,730,343	\$1,885,604	\$1,885,604
19	0.00%	\$0	-\$16,754	2000	-2.04%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$16,754	-\$16,754	\$1,868,850	\$1,868,850	\$1,868,850
20	0.00%	\$0	-\$17,986	2001	-17.26%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$17,986	-\$17,986	\$1,850,864	\$1,850,864	\$1,850,864
21	0.00%	\$0	-\$19,569	2002	-24.29%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$19,569	-\$19,569	\$1,831,295	\$1,831,295	\$1,675,822
22	0.00%	\$0	-\$21,583	2003	32.19%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$185,495	-\$21,583	\$163,912	\$1,809,712	\$1,995,207	\$1,691,192
23	0.00%	\$0	-\$24,003	2004	4.43%	4.43%	x 1.00	= 4.43%	+ 0.00%	= 4.43%	\$87,378	-\$24,003	\$63,375	\$1,971,204	\$2,058,583	\$1,597,307
24	0.00%	\$0	-\$26,901	2005	8.36%	8.36%	x 1.00	= 8.36%	+ 0.00%	= 8.36%	\$169,944	-\$26,901	\$143,043	\$2,031,682	\$2,201,626	\$1,583,112
25	0.00%	\$0	-\$30,259	2006	12.36%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$222,565	-\$30,259	\$192,306	\$2,171,367	\$2,393,932	\$1,611,511
26	0.00%	\$0	-\$33,923	2007	-4.15%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$33,923	-\$33,923	\$2,360,009	\$2,360,009	\$1,403,100
27	0.00%	\$0	-\$36,497	2008	-40.09%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$36,497	-\$36,497	\$2,323,512	\$2,323,512	\$1,200,898
28	0.00%	\$0	-\$39,175	2009	30.03%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$234,145	-\$39,175	\$194,970	\$2,284,337	\$2,518,482	\$1,238,861
29	0.00%	\$0	-\$41,955	2010	19.76%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$253,844	-\$41,955	\$211,889	\$2,476,527	\$2,730,371	\$1,282,705
30	0.00%	\$0	-\$44,721	2011	2.04%	2.04%	x 1.00	= 2.04%	+ 0.00%	= 2.04%	\$54,898	-\$44,721	\$10,177	\$2,685,650	\$2,740,548	\$1,112,751
31	0.00%	\$0	-\$47,429	2012	14.15%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$276,045	-\$47,429	\$228,616	\$2,693,119	\$2,969,164	\$1,166,506
32	0.00%	\$0	-\$50,157	2013	18.99%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$299,198	-\$50,157	\$249,041	\$2,919,007	\$3,218,205	\$1,227,428
33	0.00%	\$0	-\$52,761	2014	11.92%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$324,458	-\$52,761	\$271,697	\$3,165,444	\$3,489,902	\$1,296,482
34	0.00%	\$0	-\$55,209	2015	-2.74%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$55,209	-\$55,209	\$3,434,693	\$3,434,693	\$1,022,698
35	0.00%	\$0	-\$57,359	2016	17.45%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$346,177	-\$57,359	\$288,818	\$3,377,334	\$3,723,511	\$1,105,009
36	0.00%	\$0	-\$59,607	2017	23.91%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$375,550	-\$59,607	\$315,943	\$3,663,904	\$4,039,454	\$1,197,206
37	0.00%	\$0	-\$61,816	2018	-4.41%	0.00%	x 1.00	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$61,816	-\$61,816	\$3,977,638	\$3,977,638	\$892,713
38	0.00%	\$0	-\$63,418	2019	31.74%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$401,208	-\$63,418	\$337,790	\$3,914,220	\$4,315,428	\$1,001,268
39	0.00%	\$0	-\$64,219	2020	18.38%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$435,749	-\$64,219	\$371,530	\$4,251,209	\$4,686,958	\$1,122,984
40	0.00%	\$0	-\$64,287	2021	28.83%	10.25%	x 1.00	= 10.25%	+ 0.00%	= 10.25%	\$473,824	-\$64,287	\$409,537	\$4,622,671	\$5,096,494	\$1,259,991

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	\$80,940	\$11,313
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$169,315	\$26,661
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$265,691	\$116,803
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$336,600	\$191,634
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$448,625	\$307,544
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$571,764	\$434,605
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$705,057	\$571,783
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$853,651	\$742,614
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,016,927	\$928,090
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,089,072	\$1,022,435
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,176,673	\$1,176,673
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,272,655	\$1,272,655
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,306,162	\$1,306,162
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,414,164	\$1,414,164
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,492,174	\$1,492,174
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,622,474	\$1,622,474
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,607,883	\$1,607,883
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,755,456	\$1,755,456
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,916,919	\$1,916,919
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,093,574	\$2,093,574
21	\$0	-\$167,486	-\$167,486	-\$8,374	\$17,007	-\$175,860	\$182,927	\$7,067	\$2,286,590	\$2,110,730
22	\$0	-\$168,858	-\$344,719	-\$17,236	\$31,267	-\$361,954	\$379,732	\$17,778	\$2,468,242	\$2,106,288
23	\$0	-\$168,503	-\$530,458	-\$26,523	\$0	-\$556,980	\$542,904	-\$14,077	\$2,444,239	\$1,887,259
24	\$0	-\$150,981	-\$707,961	-\$35,398	\$0	-\$743,359	\$686,248	-\$57,111	\$2,417,338	\$1,673,979
25	\$0	-\$133,918	-\$877,277	-\$43,864	\$0	-\$921,141	\$809,900	-\$111,242	\$2,387,079	\$1,465,938
26	\$0	-\$117,275	-\$1,038,416	-\$51,921	\$93,685	-\$1,090,337	\$1,007,683	-\$82,654	\$2,594,355	\$1,504,018
27	\$0	-\$120,321	-\$1,210,659	-\$60,533	\$49,298	-\$1,271,192	\$1,161,434	-\$109,757	\$2,671,241	\$1,400,049
28	\$0	-\$112,004	-\$1,383,196	-\$69,160	\$104,957	-\$1,452,355	\$1,359,720	-\$92,635	\$2,852,231	\$1,399,876
29	\$0	-\$111,990	-\$1,564,345	-\$78,217	\$148,631	-\$1,642,563	\$1,598,693	-\$43,869	\$3,098,329	\$1,455,767
30	\$0	-\$116,461	-\$1,759,024	-\$87,951	\$0	-\$1,846,975	\$1,690,398	-\$156,577	\$3,053,608	\$1,206,633
31	\$0	-\$96,531	-\$1,943,506	-\$97,175	\$0	-\$2,040,681	\$1,759,174	-\$281,507	\$3,006,179	\$965,498
32	\$0	-\$77,240	-\$2,117,921	-\$105,896	\$185,092	-\$2,223,817	\$1,990,866	-\$232,951	\$3,259,014	\$1,035,197
33	\$0	-\$82,816	-\$2,306,633	-\$115,332	\$209,111	-\$2,421,964	\$2,249,222	-\$172,743	\$3,534,894	\$1,112,930
34	\$0	-\$89,034	-\$2,510,999	-\$125,550	\$47,051	-\$2,636,549	\$2,348,787	-\$287,762	\$3,550,815	\$914,266
35	\$0	-\$73,141	-\$2,709,690	-\$135,485	\$244,238	-\$2,845,175	\$2,627,043	-\$218,132	\$3,851,535	\$1,006,361
36	\$0	-\$80,509	-\$2,925,683	-\$146,284	\$273,229	-\$3,071,968	\$2,938,878	-\$133,090	\$4,180,601	\$1,108,633
37	\$0	-\$88,691	-\$3,160,658	-\$158,033	\$305,737	-\$3,318,691	\$3,288,539	-\$30,152	\$4,540,960	\$1,222,269
38	\$0	-\$97,782	-\$3,416,473	-\$170,824	\$0	-\$3,587,296	\$3,339,028	-\$248,268	\$4,477,542	\$890,246
39	\$0	-\$71,220	-\$3,658,516	-\$182,926	\$344,537	-\$3,841,442	\$3,705,873	-\$135,568	\$4,865,689	\$1,024,247
40	\$0	-\$81,940	-\$3,923,382	-\$196,169	\$383,121	-\$4,119,551	\$4,120,888	\$1,338	\$5,293,546	\$1,173,995

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	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	\$80,940	\$11,313
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$153,574	\$10,920
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$225,248	\$76,360
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$326,513	\$181,547
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$437,504	\$296,423
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$507,486	\$370,327
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$613,047	\$479,773
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$727,388	\$616,351
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$877,722	\$788,885
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$949,867	\$883,230
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$961,942	\$961,942
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,035,915	\$1,035,915
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,013,208	\$1,013,208
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,084,954	\$1,084,954
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,169,689	\$1,169,689
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,274,160	\$1,274,160
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,259,569	\$1,259,569
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,371,440	\$1,371,440
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,354,686	\$1,354,686
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,473,712	\$1,473,712
21	\$0	-\$117,897	-\$117,897	-\$5,895	\$8,980	-\$123,792	\$125,311	\$1,520	\$1,566,392	\$1,442,600
22	\$0	-\$115,408	-\$239,200	-\$11,960	\$23,371	-\$251,160	\$260,773	\$9,614	\$1,696,886	\$1,445,727
23	\$0	-\$115,658	-\$366,818	-\$18,341	\$3,057	-\$385,159	\$374,163	-\$10,995	\$1,686,662	\$1,301,503
24	\$0	-\$104,120	-\$489,279	-\$24,464	\$48,242	-\$513,743	\$518,898	\$5,155	\$1,829,887	\$1,316,144
25	\$0	-\$105,291	-\$619,035	-\$30,952	\$62,921	-\$649,986	\$676,789	\$26,803	\$1,984,090	\$1,334,103
26	\$0	-\$106,728	-\$756,715	-\$37,836	\$78,937	-\$794,550	\$849,059	\$54,508	\$2,150,059	\$1,355,508
27	\$0	-\$108,441	-\$902,991	-\$45,150	\$69,286	-\$948,140	\$1,010,532	\$62,391	\$2,269,143	\$1,321,002
28	\$0	-\$105,680	-\$1,053,821	-\$52,691	\$112,436	-\$1,106,512	\$1,209,378	\$102,866	\$2,458,539	\$1,352,028
29	\$0	-\$108,162	-\$1,214,674	-\$60,734	\$132,743	-\$1,275,408	\$1,427,799	\$152,392	\$2,664,284	\$1,388,877
30	\$0	-\$111,110	-\$1,386,518	-\$69,326	\$0	-\$1,455,844	\$1,513,078	\$57,235	\$2,619,563	\$1,163,720
31	\$0	-\$93,098	-\$1,548,941	-\$77,447	\$0	-\$1,626,388	\$1,577,095	-\$49,293	\$2,572,134	\$945,746
32	\$0	-\$75,660	-\$1,702,048	-\$85,102	\$166,104	-\$1,787,150	\$1,786,629	-\$521	\$2,780,480	\$993,329
33	\$0	-\$79,466	-\$1,866,617	-\$93,331	\$187,645	-\$1,959,947	\$2,018,331	\$58,383	\$3,007,310	\$1,047,362
34	\$0	-\$83,789	-\$2,043,736	-\$102,187	\$211,485	-\$2,145,923	\$2,275,014	\$129,091	\$3,254,653	\$1,108,730
35	\$0	-\$88,698	-\$2,234,622	-\$111,731	\$202,271	-\$2,346,353	\$2,524,326	\$177,973	\$3,475,806	\$1,129,453
36	\$0	-\$90,356	-\$2,436,709	-\$121,835	\$263,409	-\$2,558,544	\$2,833,251	\$274,707	\$3,766,359	\$1,207,815
37	\$0	-\$96,625	-\$2,655,170	-\$132,758	\$0	-\$2,787,928	\$2,881,790	\$93,861	\$3,704,543	\$916,615
38	\$0	-\$73,329	-\$2,861,257	-\$143,063	\$0	-\$3,004,320	\$2,904,530	-\$99,790	\$3,641,125	\$636,805
39	\$0	-\$50,944	-\$3,055,265	-\$152,763	\$231,042	-\$3,208,028	\$3,134,390	-\$73,638	\$3,861,548	\$653,521
40	\$0	-\$52,282	-\$3,260,310	-\$163,015	\$0	-\$3,423,325	\$3,133,620	-\$289,705	\$3,797,261	\$373,936

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	\$80,940	\$11,313
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$169,315	\$26,661
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$264,910	\$116,022
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$370,240	\$225,274
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$485,713	\$344,632
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$555,695	\$418,536
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$689,420	\$556,146
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$836,411	\$725,374
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$945,988	\$857,151
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,122,492	\$1,055,855
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,181,476	\$1,181,476
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,272,284	\$1,272,284
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,249,394	\$1,249,394
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,351,578	\$1,351,578
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,463,641	\$1,463,641
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,598,243	\$1,598,243
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,745,976	\$1,745,976
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,885,604	\$1,885,604
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,868,850	\$1,868,850
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,850,864	\$1,850,864
21	\$0	-\$148,069	-\$148,069	-\$7,403	\$0	-\$155,473	\$146,504	-\$8,969	\$1,831,295	\$1,675,822
22	\$0	-\$134,066	-\$289,538	-\$14,477	\$28,419	-\$304,015	\$305,682	\$1,667	\$1,995,207	\$1,691,192
23	\$0	-\$135,295	-\$439,311	-\$21,966	\$19,312	-\$461,276	\$454,985	-\$6,292	\$2,058,583	\$1,597,307
24	\$0	-\$127,785	-\$589,061	-\$29,453	\$48,110	-\$618,514	\$623,264	\$4,750	\$2,201,626	\$1,583,112
25	\$0	-\$126,649	-\$745,163	-\$37,258	\$75,810	-\$782,421	\$815,415	\$32,995	\$2,393,932	\$1,611,511
26	\$0	-\$128,921	-\$911,342	-\$45,567	\$0	-\$956,909	\$930,955	-\$25,954	\$2,360,009	\$1,403,100
27	\$0	-\$112,248	-\$1,069,157	-\$53,458	\$0	-\$1,122,615	\$1,027,070	-\$95,545	\$2,323,512	\$1,200,898
28	\$0	-\$96,072	-\$1,218,687	-\$60,934	\$113,181	-\$1,279,621	\$1,217,386	-\$62,235	\$2,518,482	\$1,238,861
29	\$0	-\$99,109	-\$1,378,730	-\$68,936	\$132,693	-\$1,447,666	\$1,427,257	-\$20,410	\$2,730,371	\$1,282,705
30	\$0	-\$102,616	-\$1,550,283	-\$77,514	\$30,760	-\$1,627,797	\$1,535,576	-\$92,221	\$2,740,548	\$1,112,751
31	\$0	-\$89,020	-\$1,716,817	-\$85,841	\$163,639	-\$1,802,658	\$1,760,119	-\$42,539	\$2,969,164	\$1,166,506
32	\$0	-\$93,320	-\$1,895,978	-\$94,799	\$186,768	-\$1,990,777	\$2,008,898	\$18,121	\$3,218,205	\$1,227,428
33	\$0	-\$98,194	-\$2,088,971	-\$104,449	\$212,436	-\$2,193,420	\$2,284,984	\$91,564	\$3,489,902	\$1,296,482
34	\$0	-\$103,719	-\$2,297,139	-\$114,857	\$0	-\$2,411,995	\$2,350,914	-\$61,081	\$3,434,693	\$1,022,698
35	\$0	-\$81,816	-\$2,493,811	-\$124,691	\$245,191	-\$2,618,502	\$2,637,294	\$18,792	\$3,723,511	\$1,105,009
36	\$0	-\$88,401	-\$2,706,903	-\$135,345	\$274,911	-\$2,842,248	\$2,956,973	\$114,725	\$4,039,454	\$1,197,206
37	\$0	-\$95,777	-\$2,938,024	-\$146,901	\$0	-\$3,084,925	\$3,006,033	-\$78,893	\$3,977,638	\$892,713
38	\$0	-\$71,417	-\$3,156,342	-\$157,817	\$310,409	-\$3,314,160	\$3,338,793	\$24,634	\$4,315,428	\$1,001,268
39	\$0	-\$80,101	-\$3,394,261	-\$169,713	\$345,222	-\$3,563,974	\$3,713,239	\$149,265	\$4,686,958	\$1,122,984
40	\$0	-\$89,839	-\$3,653,813	-\$182,691	\$384,469	-\$3,836,503	\$4,135,383	\$298,880	\$5,096,494	\$1,259,991

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.
- 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.

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.

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INTERESTED PARTY:

M45 - 3YF Income

CLIENT ADVISOR:

Darren Sugiyama

signature *date*

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.

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signature *date*