

SUMMARY SECTION

PARTIAL-EQUITY INTEREST ACCRUAL with INCOME DRAWDOWNS

SUMMARY SECTION: RETIREMENT PLANNING



DATE CREATED: 08/27/22

PRIMARY INSURED: M40 - PEIA Income

ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

LIFE INSURANCE COMPARSION SUMMARY:

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

BACKTESTED HYPOTHETICAL SYNTHETIC PROXY COMPARSION SUMMARY:

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

PURPOSE OF SUMMARY SECTION:

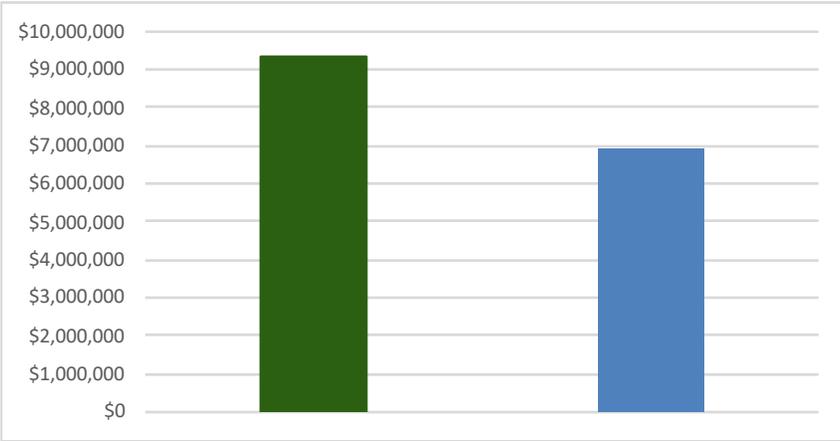
The following section is an abbreviated summary of a very expansive document. The full document includes an exhaustive articulation of granular details, including charges, fees, financial outcomes as depicted in an insurance company's illustration, as well as a "proxy" created to further explain the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

LHSA PROXY vs. E&B COMPARISON GRAPHS

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

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

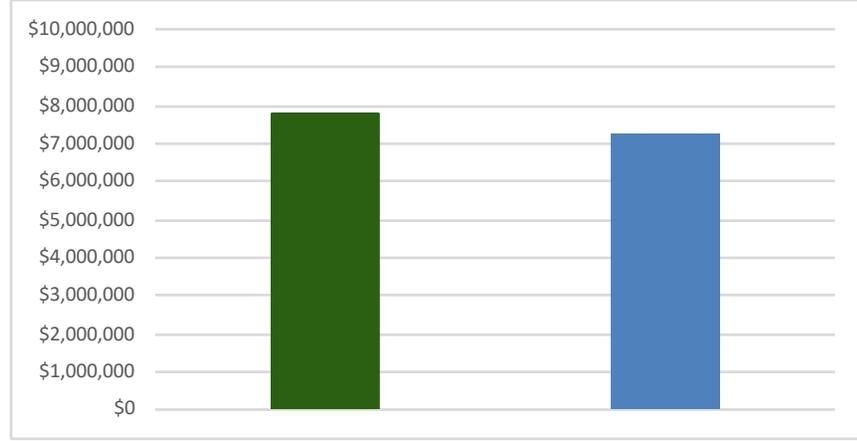
BEST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



BEST 40: PARTIAL-EQUITY INTEREST ACCRUAL EQUITIES & BONDS ACCOUNT

AVE ANNUAL INCOME:	\$622,786	\$575,716
TOTAL INCOME:	\$9,341,790	\$6,908,594
YR 40 ACCOUNT VALUE:	\$11,682,543	\$0

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

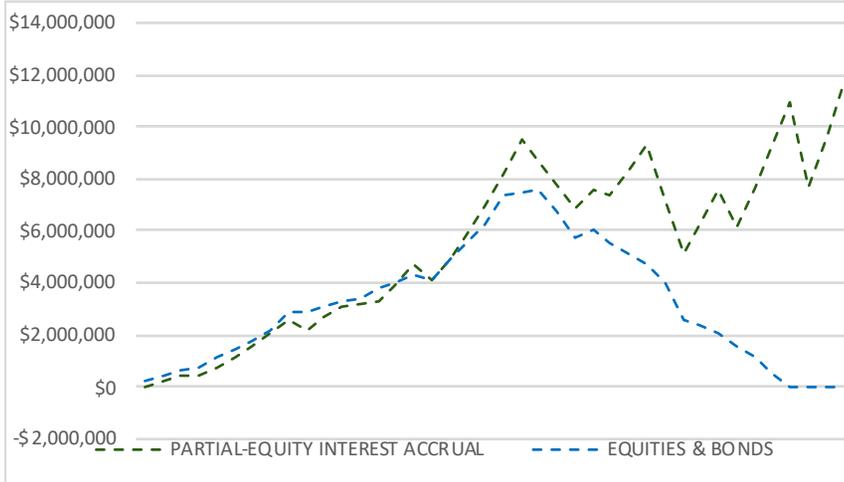


WORST 40: PARTIAL-EQUITY INTEREST ACCRUAL EQUITIES & BONDS ACCOUNT

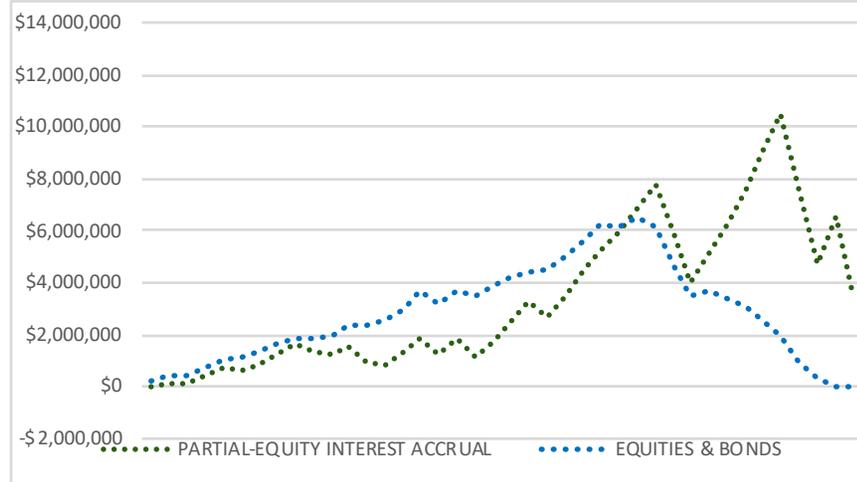
AVE ANNUAL INCOME:	\$518,529	\$517,184
TOTAL INCOME:	\$7,777,937	\$7,240,573
YR 40 ACCOUNT VALUE:	\$3,523,952	\$0

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 126560

SL

PARTIAL-EQUITY INTEREST ACCRUAL

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

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08/27/22

Health Rating: PREFERRED		Third Party Loan Payoff Type: PAR LOAN		PLR: 5.14%	Initial Gross Policy Face Amount: \$14,000,000													
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 GAP COLLATERAL (Cash)	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	40	\$700,000	\$200,000	\$500,000	\$500,000	4.79%	\$23,950	\$23,950	\$200,000	\$66,256	5.64%	\$0	\$490,635	-\$9,365	\$14,141,835	6970.92%	1	40
2	41	\$700,000	\$200,000	\$500,000	\$1,023,950	4.89%	\$50,020	\$50,020	\$200,000	\$4,626	5.64%	\$0	\$1,179,654	\$155,704	\$14,292,554	696.83%	2	41
3	42	\$700,000	\$200,000	\$500,000	\$1,573,970	4.98%	\$78,447	\$78,447	\$200,000	\$0	5.64%	\$0	\$1,902,675	\$328,705	\$14,451,065	278.34%	3	42
4	43	\$700,000	\$200,000	\$500,000	\$2,152,417	5.09%	\$109,496	\$109,496	\$200,000	\$0	5.64%	\$0	\$2,661,482	\$509,064	\$14,616,794	160.46%	4	43
5	44	\$700,000	\$200,000	\$500,000	\$2,761,913	5.19%	\$143,467	\$143,467	\$200,000	\$0	5.64%	\$0	\$3,457,988	\$696,076	\$14,788,966	108.60%	5	44
6	45	\$700,000	\$200,000	\$500,000	\$3,405,379	5.31%	\$180,699	\$180,699	\$200,000	\$0	5.64%	\$0	\$4,291,546	\$886,166	\$14,964,076	80.27%	6	45
7	46	\$700,000	\$200,000	\$500,000	\$4,086,079	5.42%	\$221,578	\$221,578	\$200,000	\$0	5.64%	\$0	\$5,166,119	\$1,080,040	\$15,142,760	62.70%	7	46
8	47	\$700,000	\$200,000	\$500,000	\$4,807,656	5.54%	\$266,538	\$266,538	\$200,000	\$0	5.64%	\$0	\$6,083,311	\$1,275,654	\$15,322,974	50.86%	8	47
9	48	\$700,000	\$200,000	\$500,000	\$5,574,195	5.67%	\$316,077	\$316,077	\$200,000	\$0	5.64%	\$0	\$7,044,845	\$1,470,650	\$15,502,360	42.40%	9	48
10	49	\$700,000	\$200,000	\$500,000	\$6,390,272	5.80%	\$370,760	\$370,760	\$200,000	\$0	5.64%	\$0	\$8,052,642	\$1,662,370	\$15,678,330	36.09%	10	49
11	50	\$0	\$0	\$0	\$6,761,032	5.94%	\$401,536	\$401,536	\$0	\$0	5.64%	\$0	\$8,482,764	\$1,721,733	\$8,932,082	22.70%	11	50
12	51	\$0	\$0	\$0	\$7,162,567	6.08%	\$435,605	\$435,605	\$0	\$0	5.64%	\$0	\$8,920,034	\$1,757,467	\$8,715,093	19.61%	12	51
13	52	\$0	\$0	\$0	\$7,598,172	6.23%	\$473,391	\$473,391	\$0	\$0	5.64%	\$0	\$9,381,945	\$1,783,772	\$8,444,953	17.07%	13	52
14	53	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$8,071,563	\$1,383,737	\$1,383,737	\$7,693,418	14.35%	14	53
15	54	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,463,768	\$1,463,768	\$7,370,488	12.61%	15	54
16	55	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,596,851	\$1,596,851	\$7,067,198	11.16%	16	55
17	56	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,740,283	\$1,740,283	\$7,053,890	10.26%	17	56
18	57	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,895,045	\$1,895,045	\$7,017,631	9.47%	18	57
19	58	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,062,226	\$2,062,226	\$6,956,205	8.76%	19	58
20	59	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,242,920	\$2,242,920	\$6,867,062	8.11%	20	59
21	60	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,438,277	\$2,438,277	\$6,747,372	7.51%	21	60
22	61	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,648,135	\$2,648,135	\$6,895,673	7.21%	22	61
23	62	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,873,220	\$2,873,220	\$7,038,666	6.93%	23	62
24	63	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$3,114,330	\$3,114,330	\$7,174,996	6.68%	24	63
25	64	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$3,372,279	\$3,372,279	\$7,303,161	6.44%	25	64
26	65	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$3,234,850	\$3,234,850	\$7,008,277	6.22%	26	65
27	66	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$3,095,023	\$3,095,023	\$6,880,026	6.13%	27	66
28	67	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,952,848	\$2,952,848	\$6,738,669	6.05%	28	67
29	68	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,808,454	\$2,808,454	\$6,583,146	5.97%	29	68
30	69	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,662,034	\$2,662,034	\$6,412,366	5.90%	30	69
31	70	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,515,076	\$2,515,076	\$6,226,621	5.84%	31	70
32	71	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,370,281	\$2,370,281	\$5,766,195	5.66%	32	71
33	72	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,229,207	\$2,229,207	\$5,263,128	5.49%	33	72
34	73	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,093,822	\$2,093,822	\$4,715,112	5.32%	34	73
35	74	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,966,547	\$1,966,547	\$4,119,880	5.15%	35	74
36	75	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,850,395	\$1,850,395	\$3,475,278	4.98%	36	75
37	76	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,737,252	\$1,737,252	\$3,453,704	5.06%	37	76
38	77	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,627,452	\$1,627,452	\$3,440,500	5.13%	38	77
39	78	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,521,332	\$1,521,332	\$3,436,265	5.21%	39	78
40	79	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,419,239	\$1,419,239	\$3,441,618	5.28%	40	79

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

\$3,071,563 \$3,071,563 \$2,000,000 TOTAL INCOME DRAWN: -\$5,887,805 (INCOME LASTS UNTIL AGE 90)

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

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

FINANCIAL BENEFIT SUMMARY	
1ST YEAR COLLATERAL REQUIREMENT:	\$66,256
PREMIUMS PAID BY CLIENT:	-\$2,000,000
LOAN INTEREST PAID BY CLIENT:	\$0
TOTAL CLIENT OUTLAY:	-\$2,000,000
TOTAL DRAWDOWNS (excluding loan payoff):	\$5,887,805
40-YEAR PROGRAM NET CASH FLOW:	\$3,887,805
YEAR 40 NET CASH SURRENDER VALUE:	\$1,419,239
40-YEAR CASH GAIN (excluding death benefit):	\$5,307,044
40-YEAR NET CSV IRR:	4.62%

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 NF108480

PREMIUM FINANCED SOLUTION

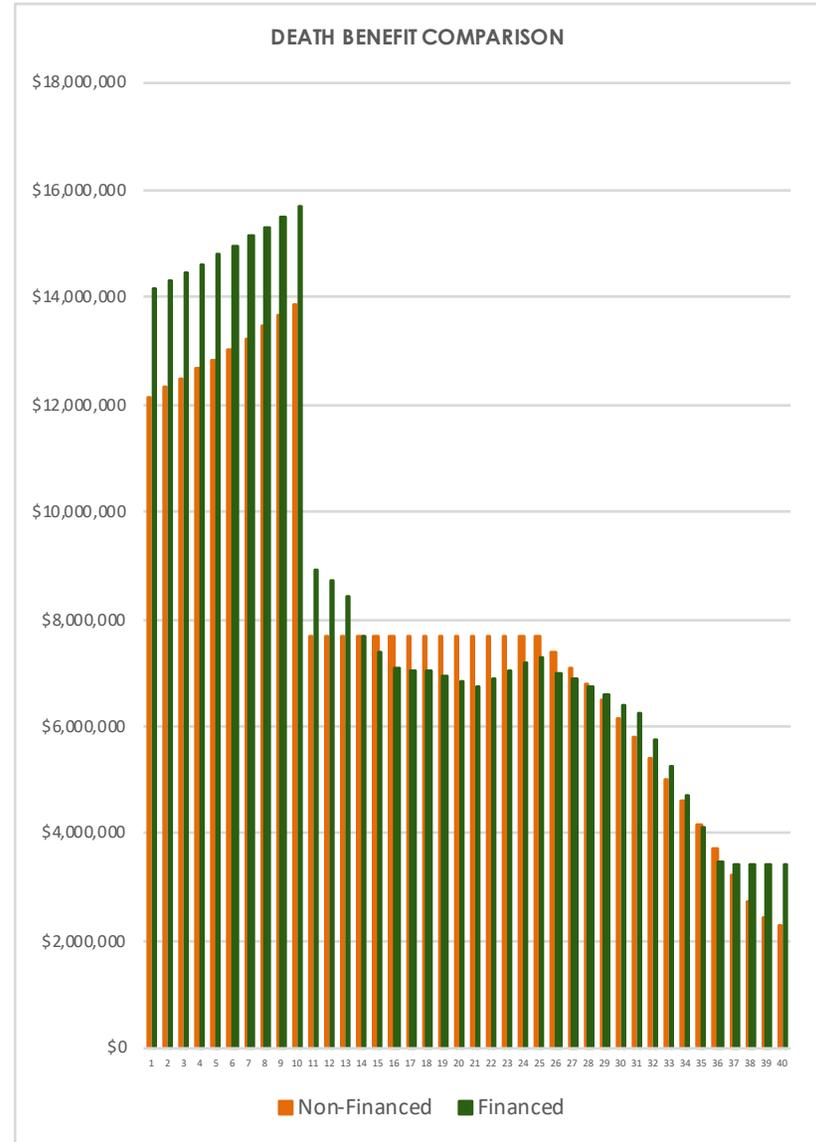
In this solution, the client is paying a portion of the premium, borrowing the remaining premium, and accruing the interest.

version 126560

NON-FINANCED IUL					
AGE	ANNUAL PREMIUM	INCOME DRAWDOWNS	CASH VALUE	DEATH BENEFIT	
1	40	\$200,000	\$0	\$25,869	\$12,155,469
2	41	\$200,000	\$0	\$200,338	\$12,317,638
3	42	\$200,000	\$0	\$382,245	\$12,487,125
4	43	\$200,000	\$0	\$571,995	\$12,664,335
5	44	\$200,000	\$0	\$770,043	\$12,849,663
6	45	\$200,000	\$0	\$974,583	\$13,041,363
7	46	\$200,000	\$0	\$1,187,697	\$13,241,457
8	47	\$200,000	\$0	\$1,409,374	\$13,449,934
9	48	\$200,000	\$0	\$1,639,634	\$13,666,814
10	49	\$200,000	\$0	\$1,878,589	\$13,892,269
11	50	\$0	\$0	\$1,953,069	\$7,678,744
12	51	\$0	\$0	\$2,016,145	\$7,678,744
13	52	\$0	\$0	\$2,081,640	\$7,678,744
14	53	\$0	\$0	\$2,149,658	\$7,678,744
15	54	\$0	\$0	\$2,220,374	\$7,678,744
16	55	\$0	\$0	\$2,333,115	\$7,678,744
17	56	\$0	\$0	\$2,451,735	\$7,678,744
18	57	\$0	\$0	\$2,576,688	\$7,678,744
19	58	\$0	\$0	\$2,708,475	\$7,678,744
20	59	\$0	\$0	\$2,847,525	\$7,678,744
21	60	\$0	\$0	\$2,994,226	\$7,678,744
22	61	\$0	\$0	\$3,148,854	\$7,678,744
23	62	\$0	\$0	\$3,311,502	\$7,678,744
24	63	\$0	\$0	\$3,482,290	\$7,678,744
25	64	\$0	\$0	\$3,661,282	\$7,678,744
26	65	\$0	-\$264,839	\$3,569,629	\$7,400,663
27	66	\$0	-\$264,839	\$3,473,650	\$7,108,677
28	67	\$0	-\$264,839	\$3,373,243	\$6,802,093
29	68	\$0	-\$264,839	\$3,268,397	\$6,480,179
30	69	\$0	-\$264,839	\$3,159,154	\$6,142,169
31	70	\$0	-\$264,839	\$3,045,640	\$5,787,259
32	71	\$0	-\$264,839	\$2,928,072	\$5,414,603
33	72	\$0	-\$264,839	\$2,806,807	\$5,023,315
34	73	\$0	-\$264,839	\$2,682,363	\$4,612,462
35	74	\$0	-\$264,839	\$2,555,429	\$4,181,067
36	75	\$0	-\$264,839	\$2,426,933	\$3,728,102
37	76	\$0	-\$264,839	\$2,298,059	\$3,252,488
38	77	\$0	-\$264,839	\$2,170,312	\$2,753,094
39	78	\$0	-\$264,839	\$2,044,963	\$2,419,712
40	79	\$0	-\$264,839	\$1,916,583	\$2,312,442
TOTAL CONTRIBUTION:			-\$2,000,000		
TOTAL INCOME:			\$3,972,590		
YEAR 40 NET CASH VALUE:			\$1,916,583		
YEAR 40 TOTAL VALUE:			\$5,889,173		

PARTIAL-EQUITY INTEREST ACCRUAL					
AGE	ANNUAL CONTRIBUTION	INCOME DRAWDOWNS	CASH VALUE NET OF LOANS	DEATH BENEFIT NET OF LOANS	
1	40	\$200,000	\$0	\$14,141,835	
2	41	\$200,000	\$155,704	\$14,292,554	
3	42	\$200,000	\$328,705	\$14,451,065	
4	43	\$200,000	\$509,064	\$14,616,794	
5	44	\$200,000	\$696,076	\$14,788,966	
6	45	\$200,000	\$886,166	\$14,964,076	
7	46	\$200,000	\$1,080,040	\$15,142,760	
8	47	\$200,000	\$1,275,654	\$15,322,974	
9	48	\$200,000	\$1,470,650	\$15,502,360	
10	49	\$200,000	\$1,662,370	\$15,678,330	
11	50	\$0	\$1,721,733	\$8,932,082	
12	51	\$0	\$1,757,467	\$8,715,093	
13	52	\$0	\$1,783,772	\$8,444,953	
14	53	\$0	\$1,383,737	\$7,693,418	
15	54	\$0	\$1,463,768	\$7,370,488	
16	55	\$0	\$1,596,851	\$7,067,198	
17	56	\$0	\$1,740,283	\$7,053,890	
18	57	\$0	\$1,895,045	\$7,017,631	
19	58	\$0	\$2,062,226	\$6,956,205	
20	59	\$0	\$2,242,920	\$6,867,062	
21	60	\$0	\$2,438,277	\$6,747,372	
22	61	\$0	\$2,648,135	\$6,895,673	
23	62	\$0	\$2,873,220	\$7,038,666	
24	63	\$0	\$3,114,330	\$7,174,996	
25	64	\$0	\$3,372,279	\$7,303,161	
26	65	\$0	-\$392,520	\$3,234,850	\$7,008,277
27	66	\$0	-\$392,520	\$3,095,023	\$6,880,026
28	67	\$0	-\$392,520	\$2,952,848	\$6,738,669
29	68	\$0	-\$392,520	\$2,808,454	\$6,583,146
30	69	\$0	-\$392,520	\$2,662,034	\$6,412,366
31	70	\$0	-\$392,520	\$2,515,076	\$6,226,621
32	71	\$0	-\$392,520	\$2,370,281	\$5,766,195
33	72	\$0	-\$392,520	\$2,229,207	\$5,263,128
34	73	\$0	-\$392,520	\$2,093,822	\$4,715,112
35	74	\$0	-\$392,520	\$1,966,547	\$4,119,880
36	75	\$0	-\$392,520	\$1,850,395	\$3,475,278
37	76	\$0	-\$392,520	\$1,737,252	\$3,453,704
38	77	\$0	-\$392,520	\$1,627,452	\$3,440,500
39	78	\$0	-\$392,520	\$1,521,332	\$3,436,265
40	79	\$0	-\$392,520	\$1,419,239	\$3,441,618
TOTAL CONTRIBUTION:			-\$2,000,000		
TOTAL INCOME:			\$5,887,805		
YEAR 40 NET CASH VALUE:			\$1,419,239		
YEAR 40 TOTAL VALUE:			\$7,307,044		

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: M40 - PEIA Income
ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

PREMIUM FINANCED LIFE INSURANCE: PARTIAL-EQUITY INTEREST ACCRUAL



NON-FINANCED LIFE INSURANCE



NON-INSURANCE BASED INVESTMENT ACCOUNT



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

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

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

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

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

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

BACKTESTED PROXY: WORST 40-YEAR PERIOD

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

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

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

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

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	(Cash) GAP COLLATERAL	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	40	\$700,000	\$200,000	\$500,000	\$500,000		4.79%	\$23,950	\$23,950	\$200,000	\$66,256	1971	12.42%	8.25%	8.25%	\$0	\$650,381	-\$819
2	41	\$700,000	\$200,000	\$500,000	\$1,023,950		4.89%	\$50,020	\$50,020	\$200,000	\$4,626	1972	-1.92%	0.00%	0.00%	\$0	\$1,239,837	\$79,037
3	42	\$700,000	\$200,000	\$500,000	\$1,573,970		4.98%	\$78,447	\$78,447	\$200,000	\$0	1973	-41.40%	0.00%	0.00%	\$0	\$1,818,071	\$121,741
4	43	\$700,000	\$200,000	\$500,000	\$2,152,417		5.09%	\$109,496	\$109,496	\$200,000	\$0	1974	32.00%	8.25%	10.90%	\$0	\$2,644,968	\$384,821
5	44	\$700,000	\$200,000	\$500,000	\$2,761,913		5.19%	\$143,467	\$143,467	\$200,000	\$5,302	1975	25.48%	8.25%	10.90%	\$0	\$3,546,446	\$691,644
6	45	\$700,000	\$200,000	\$500,000	\$3,405,379		5.31%	\$180,699	\$180,699	\$200,000	\$0	1976	-8.28%	0.00%	0.00%	\$0	\$4,081,992	\$598,703
7	46	\$700,000	\$200,000	\$500,000	\$4,086,079		5.42%	\$221,578	\$221,578	\$200,000	\$0	1977	6.23%	6.23%	9.03%	\$0	\$5,021,216	\$872,418
8	47	\$700,000	\$200,000	\$500,000	\$4,807,656		5.54%	\$266,538	\$266,538	\$200,000	\$0	1978	6.61%	6.61%	9.59%	\$0	\$6,057,784	\$1,202,807
9	48	\$700,000	\$200,000	\$500,000	\$5,574,195		5.67%	\$316,077	\$316,077	\$200,000	\$0	1979	14.76%	8.25%	10.90%	\$0	\$7,259,316	\$1,653,411
10	49	\$700,000	\$200,000	\$500,000	\$6,390,272		5.80%	\$370,760	\$370,760	\$200,000	\$0	1980	-7.40%	0.00%	0.00%	\$0	\$7,726,593	\$1,320,361
11	50	\$0	\$0	\$0	\$6,761,032		5.94%	\$401,536	\$401,536	\$0	\$0	1981	3.65%	3.65%	5.29%	\$0	\$7,995,994	\$1,234,962
12	51	\$0	\$0	\$0	\$7,162,567		6.08%	\$435,605	\$435,605	\$0	\$0	1982	37.91%	8.25%	10.90%	\$0	\$8,716,437	\$1,553,870
13	52	\$0	\$0	\$0	\$7,598,172		6.23%	\$473,391	\$473,391	\$0	\$110,398	1983	0.02%	0.02%	0.03%	\$0	\$8,574,270	\$976,098
14	53	\$0	\$0	\$0	\$0	-\$8,071,563	0.00%	\$0	\$0	\$0	\$0	1984	9.62%	8.25%	10.90%	\$0	\$9,349,461	\$874,319
15	54	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1985	27.04%	8.25%	10.90%	\$0	\$10,200,063	\$1,301,164
16	55	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1986	39.13%	8.25%	10.90%	\$0	\$11,180,978	\$1,837,135
17	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1987	-15.51%	0.00%	0.00%	\$0	\$11,052,599	\$1,241,564
18	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1988	28.41%	8.25%	10.90%	\$0	\$12,116,009	\$1,814,422
19	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	-12.34%	0.00%	0.00%	\$0	\$11,977,852	\$1,161,186
20	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	26.73%	8.25%	10.90%	\$0	\$13,131,865	\$1,774,365
21	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	7.72%	7.72%	10.90%	\$0	\$14,399,166	\$2,473,791
22	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	9.84%	8.25%	10.90%	\$0	\$15,789,599	\$3,267,956
23	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	0.82%	0.82%	1.19%	\$0	\$15,799,536	\$2,651,810
24	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	26.30%	8.25%	10.90%	\$0	\$17,324,219	\$3,519,108
25	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	17.61%	8.25%	10.90%	\$0	\$18,996,255	\$4,500,888
26	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	37.82%	8.25%	10.90%	-\$360,071	\$20,829,314	\$5,231,103
27	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	7.36%	7.36%	10.67%	-\$418,488	\$22,792,791	\$5,975,257
28	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	26.13%	8.25%	10.90%	-\$478,021	\$24,992,522	\$6,832,190
29	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	11.99%	8.25%	10.90%	-\$546,575	\$27,404,857	\$7,762,605
30	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-27.54%	0.00%	0.00%	-\$621,008	\$27,096,913	\$5,820,489
31	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-21.68%	0.00%	0.00%	-\$465,639	\$26,789,338	\$3,960,172
32	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	22.16%	8.25%	10.90%	-\$316,814	\$29,371,742	\$5,068,463
33	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	11.91%	8.25%	10.90%	-\$405,477	\$32,208,020	\$6,263,826
34	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	10.25%	8.25%	10.90%	-\$501,106	\$35,324,313	\$7,556,748
35	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.71%	8.25%	10.90%	-\$604,540	\$38,749,662	\$8,958,952
36	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	14.29%	8.25%	10.90%	-\$716,716	\$42,516,403	\$10,483,605
37	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-23.61%	0.00%	0.00%	-\$838,688	\$42,063,034	\$7,547,974
38	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-9.37%	0.00%	0.00%	-\$603,838	\$41,610,065	\$4,735,223
39	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	7.96%	7.96%	10.90%	-\$378,818	\$45,643,060	\$6,526,716
40	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	-0.86%	0.00%	0.00%	-\$522,137	\$45,144,357	\$3,523,952
		\$2,000,000	\$5,000,000					\$3,071,563	\$3,071,563	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$518,529				WORST 40

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

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

1ST YEAR COLLATERAL REQUIREMENT:	\$66,256
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$518,529
TOTAL INCOME DRAWDOWN:	\$7,777,937
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$3,523,952
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$11,301,889
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 5.98%

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

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

BACKTESTED PROXY: CHARGES & CREDITS

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

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

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

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

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,959	-\$92,227	1971	12.42%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,567	-\$99,186	-\$49,619	\$600,814	\$650,381	-\$819
2	1.00%	-\$12,594	-\$97,950	1972	-1.92%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$110,544	-\$110,544	\$1,239,837	\$1,239,837	\$79,037
3	1.00%	-\$18,462	-\$103,304	1973	-41.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$121,766	-\$121,766	\$1,818,071	\$1,818,071	\$121,741
4	1.00%	-\$24,216	-\$108,852	1974	32.00%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$259,965	-\$133,068	\$126,897	\$2,385,003	\$2,644,968	\$384,821
5	1.00%	-\$32,457	-\$114,634	1975	25.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$348,569	-\$147,091	\$201,478	\$3,197,878	\$3,546,446	\$691,644
6	1.00%	-\$41,429	-\$123,025	1976	-8.28%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$164,454	-\$164,454	\$4,081,992	\$4,081,992	\$598,703
7	1.00%	-\$46,751	-\$129,794	1977	6.23%	6.23%	x 1.45	= 9.03%	+ 0.00%	= 9.03%	\$415,769	-\$176,545	\$239,224	\$4,605,447	\$5,021,216	\$872,418
8	1.00%	-\$56,106	-\$137,304	1978	6.61%	6.61%	x 1.45	= 9.59%	+ 0.00%	= 9.59%	\$529,977	-\$193,410	\$336,568	\$5,527,806	\$6,057,784	\$1,202,807
9	1.00%	-\$66,430	-\$145,532	1979	14.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$713,495	-\$211,962	\$501,532	\$6,545,821	\$7,259,316	\$1,653,411
10	1.00%	-\$78,402	-\$154,321	1980	-7.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$232,723	-\$232,723	\$7,726,593	\$7,726,593	\$1,320,361
11	1.00%	-\$76,989	-\$55,476	1981	3.65%	3.65%	x 1.45	= 5.29%	+ 0.00%	= 5.29%	\$401,865	-\$132,465	\$269,401	\$7,594,129	\$7,995,994	\$1,234,962
12	1.00%	-\$79,677	-\$56,590	1982	37.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$856,710	-\$136,267	\$720,443	\$7,859,727	\$8,716,437	\$1,553,870
13	1.00%	-\$86,877	-\$57,536	1983	0.02%	0.02%	x 1.45	= 0.03%	+ 0.00%	= 0.03%	\$2,245	-\$144,413	-\$142,167	\$8,572,025	\$8,574,270	\$976,098
14	1.00%	-\$85,451	-\$58,286	1984	9.62%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$918,928	-\$143,737	\$775,191	\$8,430,533	\$9,349,461	\$874,319
15	1.00%	-\$93,201	-\$58,728	1985	27.04%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,002,531	-\$151,929	\$850,602	\$9,197,532	\$10,200,063	\$1,301,164
16	1.00%	-\$101,920	-\$16,106	1986	39.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,098,942	-\$118,026	\$980,916	\$10,082,036	\$11,180,978	\$1,837,135
17	1.00%	-\$111,727	-\$16,653	1987	-15.51%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$128,380	-\$128,380	\$11,052,599	\$11,052,599	\$1,241,564
18	1.00%	-\$110,441	-\$16,992	1988	28.41%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,190,843	-\$127,433	\$1,063,410	\$10,925,166	\$12,116,009	\$1,814,422
19	1.00%	-\$121,075	-\$17,082	1989	-12.34%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$138,157	-\$138,157	\$11,977,852	\$11,977,852	\$1,161,186
20	1.00%	-\$119,694	-\$16,982	1990	26.73%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,290,688	-\$136,676	\$1,154,013	\$11,841,177	\$13,131,865	\$1,774,365
21	1.00%	-\$131,235	-\$16,711	1991	7.72%	7.72%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,415,247	-\$147,946	\$1,267,301	\$12,983,919	\$14,399,166	\$2,473,791
22	1.00%	-\$143,904	-\$17,571	1992	9.84%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,551,908	-\$161,475	\$1,390,434	\$14,237,691	\$15,789,599	\$3,267,956
23	1.00%	-\$157,802	-\$18,728	1993	0.82%	0.82%	x 1.45	= 1.19%	+ 0.00%	= 1.19%	\$186,467	-\$176,530	\$9,936	\$15,613,069	\$15,799,536	\$2,651,810
24	1.00%	-\$157,895	-\$20,163	1994	26.30%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,702,741	-\$178,058	\$1,524,684	\$15,621,478	\$17,324,219	\$3,519,108
25	1.00%	-\$173,133	-\$21,912	1995	17.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,867,080	-\$195,045	\$1,672,035	\$17,129,175	\$18,996,255	\$4,500,888
26	1.00%	-\$189,841	-\$24,346	1996	37.82%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,047,245	-\$214,187	\$1,833,059	\$18,782,068	\$20,829,314	\$5,231,103
27	1.00%	-\$208,160	-\$26,540	1997	7.36%	7.36%	x 1.45	= 10.67%	+ 0.00%	= 10.67%	\$2,198,178	-\$234,700	\$1,963,477	\$20,594,613	\$22,792,791	\$5,975,257
28	1.00%	-\$227,783	-\$28,919	1998	26.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,456,434	-\$256,702	\$2,199,731	\$22,536,088	\$24,992,522	\$6,832,190
29	1.00%	-\$249,768	-\$31,431	1999	11.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,693,534	-\$281,199	\$2,412,335	\$24,711,323	\$27,404,857	\$7,762,605
30	1.00%	-\$273,878	-\$34,066	2000	-27.54%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$307,944	-\$307,944	\$27,096,913	\$27,096,913	\$5,820,489
31	1.00%	-\$270,785	-\$36,790	2001	-21.68%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$307,575	-\$307,575	\$26,789,338	\$26,789,338	\$3,960,172
32	1.00%	-\$267,710	-\$36,739	2002	22.16%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,886,853	-\$304,449	\$2,582,404	\$26,484,889	\$29,371,742	\$5,068,463
33	1.00%	-\$293,538	-\$35,805	2003	11.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,165,621	-\$329,343	\$2,836,278	\$29,042,399	\$32,208,020	\$6,263,826
34	1.00%	-\$321,912	-\$33,707	2004	10.25%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,471,912	-\$355,619	\$3,116,293	\$31,852,401	\$35,324,313	\$7,556,748
35	1.00%	-\$353,092	-\$30,137	2005	8.71%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,808,578	-\$383,229	\$3,425,349	\$34,941,084	\$38,749,662	\$8,958,952
36	1.00%	-\$387,373	-\$24,685	2006	14.29%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,178,799	-\$412,058	\$3,766,741	\$38,337,604	\$42,516,403	\$10,483,605
37	1.00%	-\$425,022	-\$28,346	2007	-23.61%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$453,368	-\$453,368	\$42,063,034	\$42,063,034	\$7,547,974
38	1.00%	-\$420,468	-\$32,501	2008	-9.37%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$452,969	-\$452,969	\$41,610,065	\$41,610,065	\$4,735,223
39	1.00%	-\$415,915	-\$37,199	2009	7.96%	7.96%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,486,108	-\$453,114	\$4,032,994	\$41,156,952	\$45,643,060	\$6,526,716
40	1.00%	-\$456,218	-\$42,484	2010	-0.86%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$498,702	-\$498,702	\$45,144,357	\$45,144,357	\$3,523,952

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

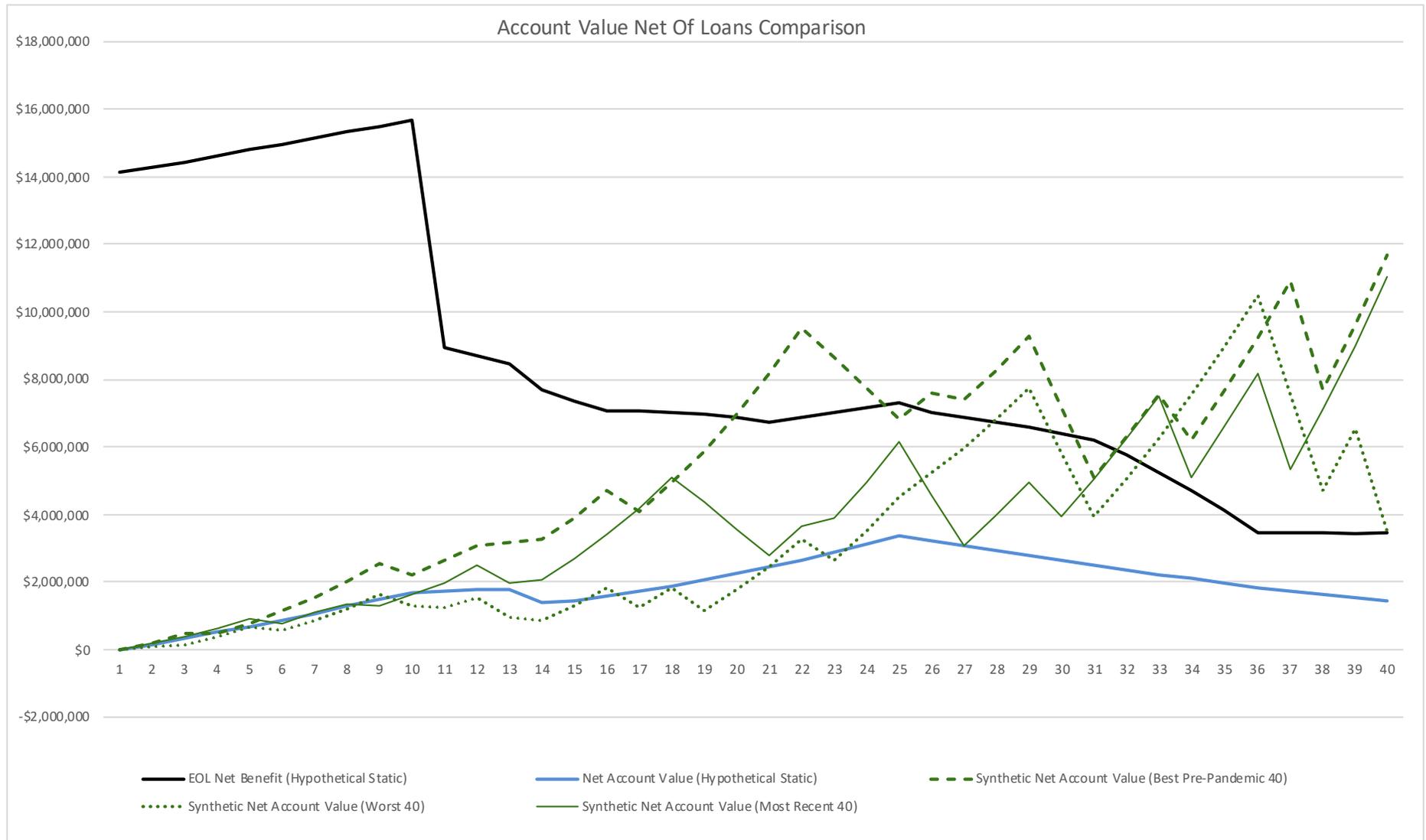
GRAPH: BACKTESTED PROXY vs. AS-ILLUSTRATED STATIC

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

vs...

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

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



SCENARIO MODELED	PAYOFF YEAR	TOTAL OUTLAY	TOTAL INCOME DRAWDOWN	NET ACCOUNT VALUE IN YEAR 40	RETURNS DEPICTED	VOLATILITY MODELED	CAGR	PAR/LOAN RATE	40-YEAR IRR
— Hypothetical Static:	14	-\$2,000,000	\$5,887,805	\$1,419,239	hypothetical static	no	5.64%	5.14%	4.62%
- - - Synthetic Best 40*:	14	-\$2,000,000	\$9,341,790	\$11,682,543	actual historical*	yes	9.02%	5.00%	7.78%
..... Synthetic Worst 40*:	14	-\$2,000,000	\$7,777,937	\$3,523,952	actual historical*	yes	6.30%	5.00%	5.98%
— Synthetic (1982-2021):	14	-\$2,000,000	\$6,939,945	\$11,040,652	actual historical*	yes	9.99%	5.00%	7.05%

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

BACKTESTED EQUITIES & BONDS ACCOUNT

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

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

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

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

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

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
YEAR	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	40	\$200,000	1971	14.42%	13.07%	9.39%	1971	5.27%	3.92%	2.46%	1.35%	7.32%	\$0	\$214,631	vs	-\$819
2	41	\$200,000	1972	0.08%	-1.27%	-1.27%	1972	-0.44%	-1.79%	-1.79%	1.35%	-1.42%	\$0	\$408,726	vs	\$79,037
3	42	\$200,000	1973	-39.40%	-40.75%	-40.75%	1973	-2.37%	-3.72%	-3.72%	1.35%	-29.64%	\$0	\$428,289	vs	\$121,741
4	43	\$200,000	1974	34.00%	32.65%	23.47%	1974	-8.16%	-9.51%	-9.51%	1.35%	13.58%	\$0	\$713,588	vs	\$384,821
5	44	\$200,000	1975	27.48%	26.13%	18.79%	1975	-5.07%	-6.42%	-6.42%	1.35%	11.22%	\$0	\$1,016,129	vs	\$691,644
6	45	\$200,000	1976	-6.28%	-7.63%	-7.63%	1976	9.68%	8.33%	5.24%	1.35%	-3.77%	\$0	\$1,170,331	vs	\$598,703
7	46	\$200,000	1977	8.23%	6.88%	4.94%	1977	-4.89%	-6.24%	-6.24%	1.35%	1.59%	\$0	\$1,392,087	vs	\$872,418
8	47	\$200,000	1978	8.61%	7.26%	5.22%	1978	-7.81%	-9.16%	-9.16%	1.35%	0.91%	\$0	\$1,606,515	vs	\$1,202,807
9	48	\$200,000	1979	16.76%	15.41%	11.08%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.50%	\$0	\$1,887,789	vs	\$1,653,411
10	49	\$200,000	1980	-5.40%	-6.75%	-6.75%	1980	-14.57%	-15.92%	-15.92%	1.35%	-9.50%	\$0	\$1,889,504	vs	\$1,320,361
11	50	\$0	1981	5.65%	4.30%	3.09%	1981	-1.94%	-3.29%	-3.29%	1.35%	1.18%	\$0	\$1,911,768	vs	\$1,234,962
12	51	\$0	1982	39.91%	38.56%	27.72%	1982	25.14%	23.79%	14.96%	1.35%	23.90%	\$0	\$2,368,608	vs	\$1,553,870
13	52	\$0	1983	2.02%	0.67%	0.48%	1983	-0.01%	-1.36%	-1.36%	1.35%	-0.07%	\$0	\$2,366,895	vs	\$976,098
14	53	\$0	1984	11.62%	10.27%	7.38%	1984	9.04%	7.69%	4.84%	1.35%	6.62%	\$0	\$2,523,609	vs	\$874,319
15	54	\$0	1985	29.04%	27.69%	19.91%	1985	21.41%	20.06%	12.62%	1.35%	17.72%	\$0	\$2,970,864	vs	\$1,301,164
16	55	\$0	1986	41.13%	39.78%	28.60%	1986	21.97%	20.62%	12.97%	1.35%	23.91%	\$0	\$3,681,225	vs	\$1,837,135
17	56	\$0	1987	-13.51%	-14.86%	-14.86%	1987	-8.32%	-9.67%	-9.67%	1.35%	-13.30%	\$0	\$3,191,477	vs	\$1,241,564
18	57	\$0	1988	30.41%	29.06%	20.89%	1988	3.98%	2.63%	1.66%	1.35%	15.12%	\$0	\$3,674,061	vs	\$1,814,422
19	58	\$0	1989	-10.34%	-11.69%	-11.69%	1989	12.27%	10.92%	6.87%	1.35%	-6.12%	\$0	\$3,449,040	vs	\$1,161,186
20	59	\$0	1990	28.73%	27.38%	19.69%	1990	0.79%	-0.56%	-0.56%	1.35%	13.61%	\$0	\$3,918,598	vs	\$1,774,365
21	60	\$0	1991	9.72%	8.37%	6.02%	1991	10.33%	8.98%	5.65%	1.35%	5.91%	\$0	\$4,150,076	vs	\$2,473,791
22	61	\$0	1992	11.84%	10.49%	7.55%	1992	6.15%	4.80%	3.02%	1.35%	6.19%	\$0	\$4,406,840	vs	\$3,267,956
23	62	\$0	1993	2.82%	1.47%	1.06%	1993	10.94%	9.59%	6.03%	1.35%	2.55%	\$0	\$4,519,243	vs	\$2,651,810
24	63	\$0	1994	28.30%	26.95%	19.38%	1994	-10.37%	-11.72%	-11.72%	1.35%	10.05%	\$0	\$4,973,321	vs	\$3,519,108
25	64	\$0	1995	19.61%	18.26%	13.13%	1995	20.11%	18.76%	11.80%	1.35%	12.73%	\$0	\$5,606,472	vs	\$4,500,888
26	65	\$0	1996	39.82%	38.47%	27.66%	1996	-1.46%	-2.81%	-2.81%	1.35%	18.52%	-\$360,071	\$6,217,990	vs	\$5,231,103
27	66	\$0	1997	9.36%	8.01%	5.76%	1997	7.43%	6.08%	3.82%	1.35%	5.18%	-\$418,488	\$6,099,849	vs	\$5,975,257
28	67	\$0	1998	28.13%	26.78%	19.25%	1998	13.16%	11.81%	7.43%	1.35%	15.71%	-\$478,021	\$6,504,771	vs	\$6,832,190
29	68	\$0	1999	13.99%	12.64%	9.09%	1999	-10.22%	-11.57%	-11.57%	1.35%	2.89%	-\$546,575	\$6,130,461	vs	\$7,762,605
30	69	\$0	2000	-25.54%	-26.89%	-26.89%	2000	12.84%	11.49%	7.23%	1.35%	-16.65%	-\$621,008	\$4,592,031	vs	\$5,820,489
31	70	\$0	2001	-19.68%	-21.03%	-21.03%	2001	2.67%	1.32%	0.83%	1.35%	-14.47%	-\$465,639	\$3,529,272	vs	\$3,960,172
32	71	\$0	2002	24.16%	22.81%	16.40%	2002	13.32%	11.97%	7.53%	1.35%	13.74%	-\$316,814	\$3,653,861	vs	\$5,068,463
33	72	\$0	2003	13.91%	12.56%	9.03%	2003	-1.85%	-3.20%	-3.20%	1.35%	5.36%	-\$405,477	\$3,422,501	vs	\$6,263,826
34	73	\$0	2004	12.25%	10.90%	7.84%	2004	1.77%	0.42%	0.26%	1.35%	5.56%	-\$501,106	\$3,083,937	vs	\$7,556,748
35	74	\$0	2005	10.71%	9.36%	6.73%	2005	-0.51%	-1.86%	-1.86%	1.35%	4.15%	-\$604,540	\$2,582,390	vs	\$8,958,952
36	75	\$0	2006	16.29%	14.94%	10.74%	2006	-1.23%	-2.58%	-2.58%	1.35%	6.75%	-\$716,716	\$1,991,549	vs	\$10,483,605
37	76	\$0	2007	-21.61%	-22.96%	-22.96%	2007	7.15%	5.80%	3.65%	1.35%	-14.97%	-\$838,688	\$980,238	vs	\$7,547,974
38	77	\$0	2008	-7.37%	-8.72%	-8.72%	2008	15.66%	14.31%	9.00%	1.35%	-3.40%	-\$603,838	\$363,591	vs	\$4,735,223
39	78	\$0	2009	9.96%	8.61%	6.19%	2009	-10.80%	-12.15%	-12.15%	1.35%	0.69%	-\$363,591	\$0	vs	\$6,526,716
40	79	\$0	2010	1.14%	-0.21%	-0.21%	2010	6.71%	5.36%	3.37%	1.35%	0.87%	\$0	\$0	vs	\$3,523,952

Average Equities Return: **10.02%** Average T-Bond Return: **3.46%** Average Net Portfolio Return: **3.62%** **WORST 40**

AVERAGE ANNUAL INCOME DRAWN DOWN: **\$517,184**

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*

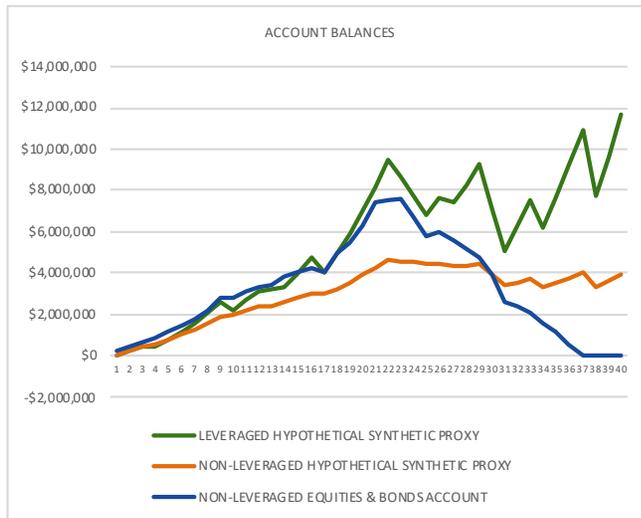
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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*

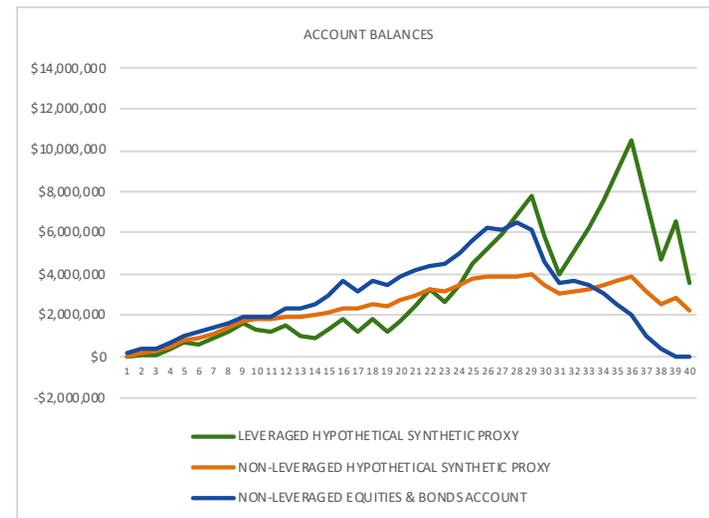
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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: M40 - PEIA Income
 ADVISOR: Darren Sugiyama
 DATE CREATED: 8/27/2022

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

FULL ANALYSIS REPORT

PARTIAL-EQUITY INTEREST ACCRUAL with COST RECOVERY

FULL ANALYSIS REPORT: RETIREMENT PLANNING



DATE CREATED: 08/27/22

PRIMARY INSURED: M40 - PEIA Income

ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

LIFE INSURANCE COMPARISON SUMMARY:

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

BACKTESTED HYPOTHETICAL SYNTHETIC PROXY COMPARISON SUMMARY:

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

3 DIFFERENT FINANCIAL SOLUTIONS



DATE CREATED: 08/27/22

PRIMARY INSURED: M40 - PEIA Income
ADDITIONAL INSURED: N/A

AGENT: Darren Sugiyama

PREMIUM FINANCED LIFE INSURANCE: PARTIAL-EQUITY INTEREST ACCRUAL



NON-FINANCED LIFE INSURANCE



NON-INSURANCE BASED INVESTMENT ACCOUNT



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

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

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

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

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

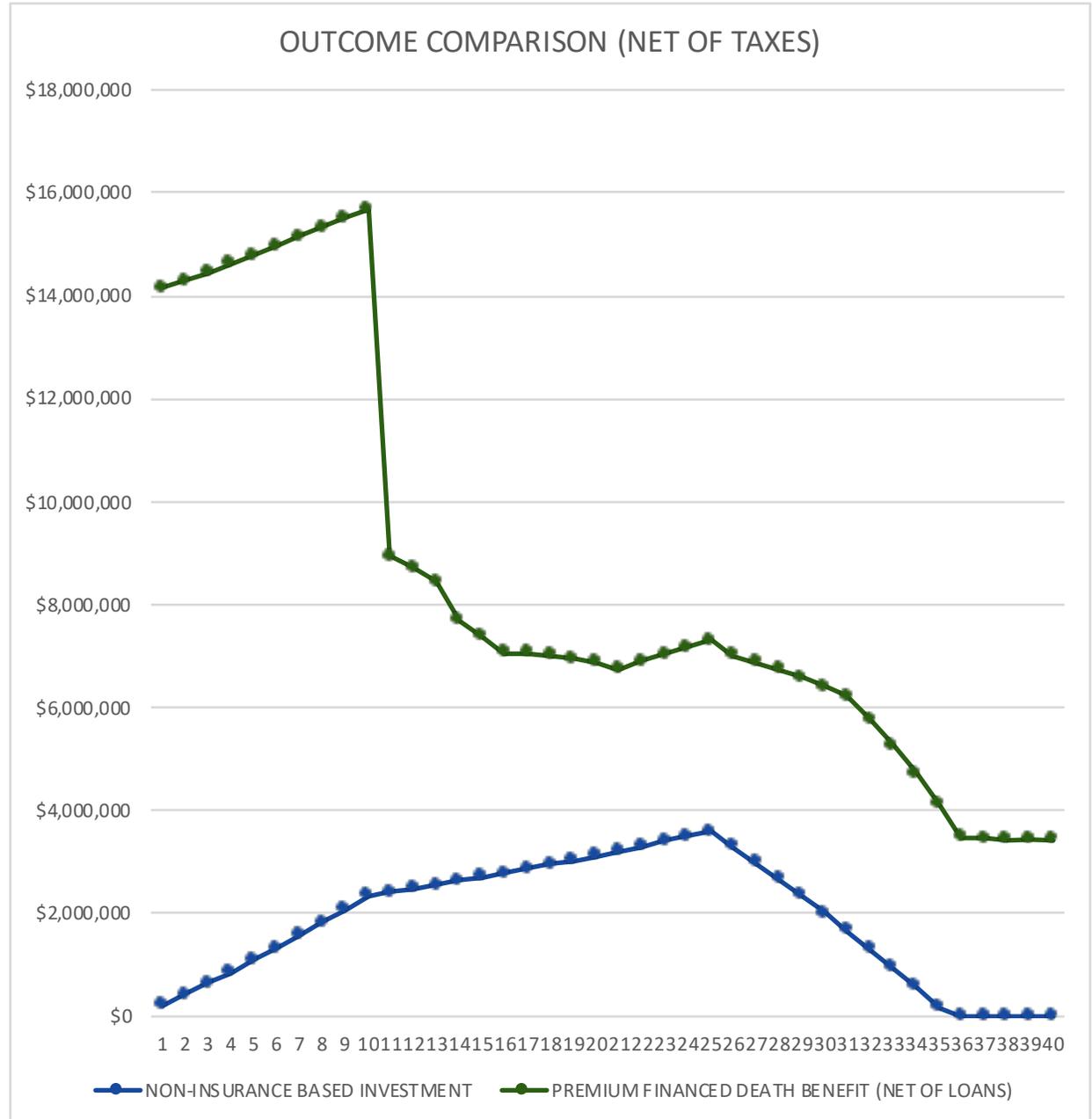
*****TOTAL INCOME DRAWDOWNS + YEAR 40 VALUE assumes a 5.64% return, 1.35% investment fees, 32.6% tax on gains, and 0% estate taxes.

Is Premium Financed Life Insurance An Effective Estate Planning Tool?

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

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

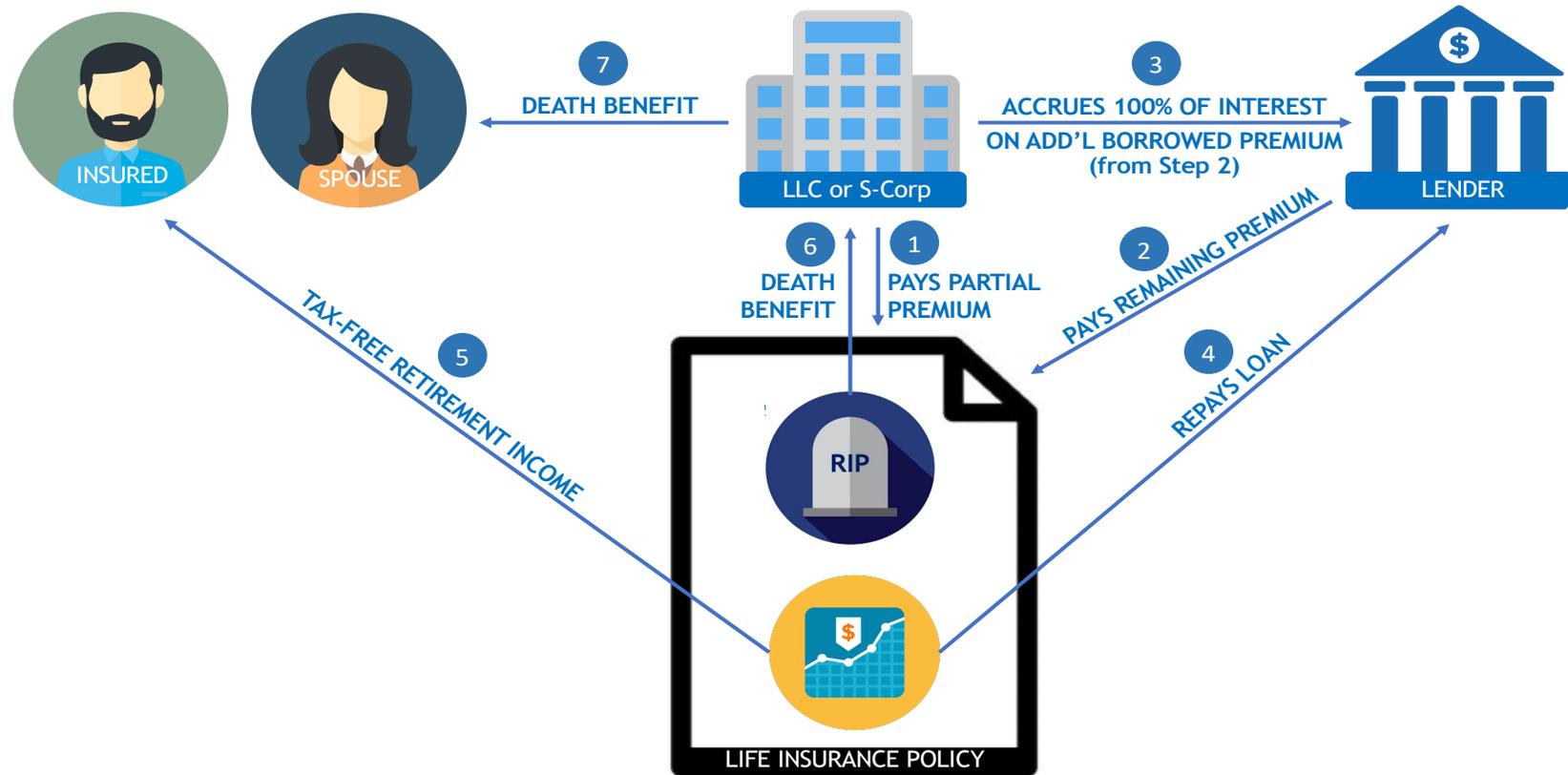
(+ SAME ANNUAL CONTRIBUTION (-) INCOME DRAWDOWNS)		NON-INSURANCE BASED INVESTMENT AFTER ESTATE TAX ACCOUNT VALUE	PREMIUM FINANCED LIFE INSURANCE TAX-FREE NET DEATH BENEFIT	
1	40	\$200,000	\$205,783	\$14,141,835
2	41	\$200,000	\$417,516	\$14,292,554
3	42	\$200,000	\$635,371	\$14,451,065
4	43	\$200,000	\$859,526	\$14,616,794
5	44	\$200,000	\$1,090,161	\$14,788,966
6	45	\$200,000	\$1,327,466	\$14,964,076
7	46	\$200,000	\$1,571,632	\$15,142,760
8	47	\$200,000	\$1,822,858	\$15,322,974
9	48	\$200,000	\$2,081,348	\$15,502,360
10	49	\$200,000	\$2,347,312	\$15,678,330
11	50	\$0	\$2,415,184	\$8,932,082
12	51	\$0	\$2,485,018	\$8,715,093
13	52	\$0	\$2,556,871	\$8,444,953
14	53	\$0	\$2,630,802	\$7,693,418
15	54	\$0	\$2,706,871	\$7,370,488
16	55	\$0	\$2,785,139	\$7,067,198
17	56	\$0	\$2,865,670	\$7,053,890
18	57	\$0	\$2,948,530	\$7,017,631
19	58	\$0	\$3,033,785	\$6,956,205
20	59	\$0	\$3,121,506	\$6,867,062
21	60	\$0	\$3,211,763	\$6,747,372
22	61	\$0	\$3,304,630	\$6,895,673
23	62	\$0	\$3,400,182	\$7,038,666
24	63	\$0	\$3,498,497	\$7,174,996
25	64	\$0	\$3,599,655	\$7,303,161
26	65	-\$392,520	\$3,299,867	\$7,008,277
27	66	-\$392,520	\$2,991,412	\$6,880,026
28	67	-\$392,520	\$2,674,037	\$6,738,669
29	68	-\$392,520	\$2,347,486	\$6,583,146
30	69	-\$392,520	\$2,011,493	\$6,412,366
31	70	-\$392,520	\$1,665,784	\$6,226,621
32	71	-\$392,520	\$1,310,080	\$5,766,195
33	72	-\$392,520	\$944,091	\$5,263,128
34	73	-\$392,520	\$567,519	\$4,715,112
35	74	-\$392,520	\$180,058	\$4,119,880
36	75	-\$392,520	\$0	\$3,475,278
37	76	-\$392,520	\$0	\$3,453,704
38	77	-\$392,520	\$0	\$3,440,500
39	78	-\$392,520	\$0	\$3,436,265
40	79	-\$392,520	\$0	\$3,441,618



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



PARTIAL-EQUITY INTEREST ACCRUAL: TAX-FREE INCOME



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

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

NON-FINANCED SOLUTION

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

version NF108480

PREMIUM FINANCED SOLUTION

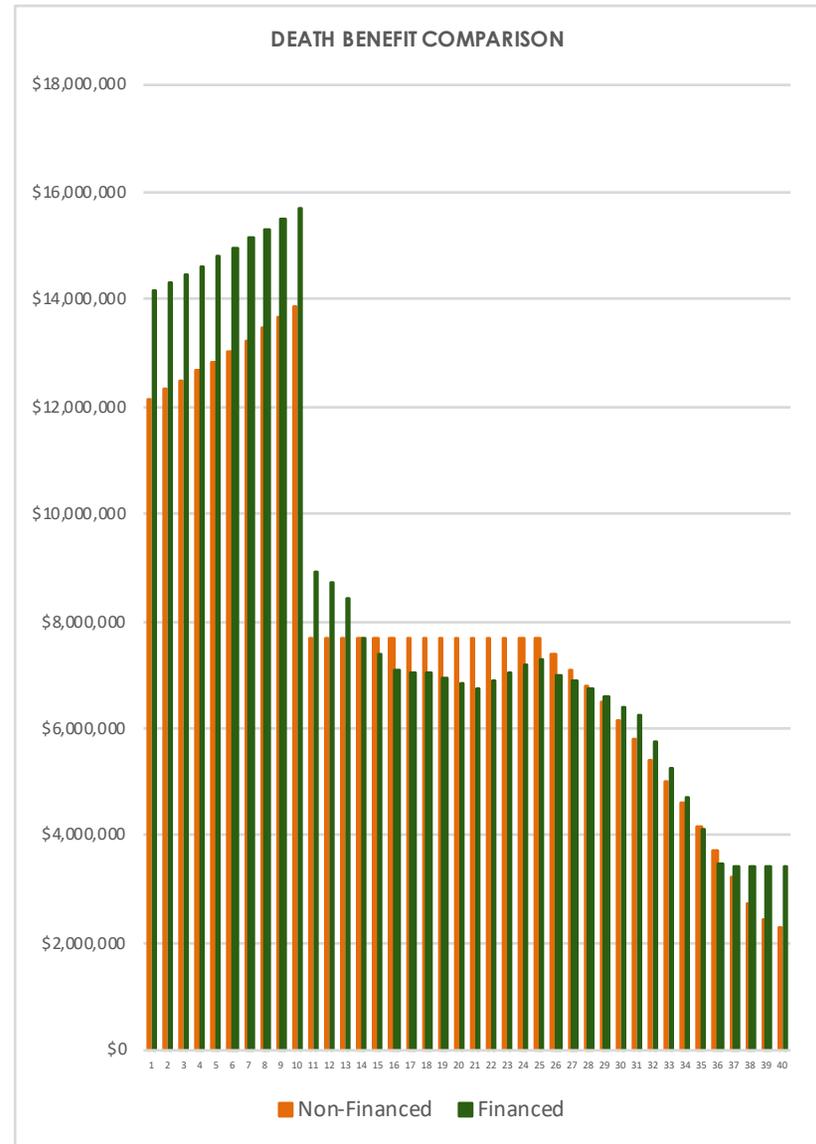
In this solution, the client is paying a portion of the premium, borrowing the remaining premium, and accruing the interest.

version 126560

NON-FINANCED IUL					
AGE	ANNUAL PREMIUM	INCOME DRAWDOWNS	CASH VALUE	DEATH BENEFIT	
1	40	\$200,000	\$0	\$25,869	\$12,155,469
2	41	\$200,000	\$0	\$200,338	\$12,317,638
3	42	\$200,000	\$0	\$382,245	\$12,487,125
4	43	\$200,000	\$0	\$571,995	\$12,664,335
5	44	\$200,000	\$0	\$770,043	\$12,849,663
6	45	\$200,000	\$0	\$974,583	\$13,041,363
7	46	\$200,000	\$0	\$1,187,697	\$13,241,457
8	47	\$200,000	\$0	\$1,409,374	\$13,449,934
9	48	\$200,000	\$0	\$1,639,634	\$13,666,814
10	49	\$200,000	\$0	\$1,878,589	\$13,892,269
11	50	\$0	\$0	\$1,953,069	\$7,678,744
12	51	\$0	\$0	\$2,016,145	\$7,678,744
13	52	\$0	\$0	\$2,081,640	\$7,678,744
14	53	\$0	\$0	\$2,149,658	\$7,678,744
15	54	\$0	\$0	\$2,220,374	\$7,678,744
16	55	\$0	\$0	\$2,333,115	\$7,678,744
17	56	\$0	\$0	\$2,451,735	\$7,678,744
18	57	\$0	\$0	\$2,576,688	\$7,678,744
19	58	\$0	\$0	\$2,708,475	\$7,678,744
20	59	\$0	\$0	\$2,847,525	\$7,678,744
21	60	\$0	\$0	\$2,994,226	\$7,678,744
22	61	\$0	\$0	\$3,148,854	\$7,678,744
23	62	\$0	\$0	\$3,311,502	\$7,678,744
24	63	\$0	\$0	\$3,482,290	\$7,678,744
25	64	\$0	\$0	\$3,661,282	\$7,678,744
26	65	\$0	-\$264,839	\$3,569,629	\$7,400,663
27	66	\$0	-\$264,839	\$3,473,650	\$7,108,677
28	67	\$0	-\$264,839	\$3,373,243	\$6,802,093
29	68	\$0	-\$264,839	\$3,268,397	\$6,480,179
30	69	\$0	-\$264,839	\$3,159,154	\$6,142,169
31	70	\$0	-\$264,839	\$3,045,640	\$5,787,259
32	71	\$0	-\$264,839	\$2,928,072	\$5,414,603
33	72	\$0	-\$264,839	\$2,806,807	\$5,023,315
34	73	\$0	-\$264,839	\$2,682,363	\$4,612,462
35	74	\$0	-\$264,839	\$2,555,429	\$4,181,067
36	75	\$0	-\$264,839	\$2,426,933	\$3,728,102
37	76	\$0	-\$264,839	\$2,298,059	\$3,252,488
38	77	\$0	-\$264,839	\$2,170,312	\$2,753,094
39	78	\$0	-\$264,839	\$2,044,963	\$2,419,712
40	79	\$0	-\$264,839	\$1,916,583	\$2,312,442
TOTAL CONTRIBUTION:			-\$2,000,000		
TOTAL INCOME:			\$3,972,590		
YEAR 40 NET CASH VALUE:			\$1,916,583		
YEAR 40 TOTAL VALUE:			\$5,889,173		

PARTIAL-EQUITY INTEREST ACCRUAL					
AGE	ANNUAL CONTRIBUTION	INCOME DRAWDOWNS	CASH VALUE NET OF LOANS	DEATH BENEFIT NET OF LOANS	
1	40	\$200,000	\$0	\$14,141,835	
2	41	\$200,000	\$155,704	\$14,292,554	
3	42	\$200,000	\$328,705	\$14,451,065	
4	43	\$200,000	\$509,064	\$14,616,794	
5	44	\$200,000	\$696,076	\$14,788,966	
6	45	\$200,000	\$886,166	\$14,964,076	
7	46	\$200,000	\$1,080,040	\$15,142,760	
8	47	\$200,000	\$1,275,654	\$15,322,974	
9	48	\$200,000	\$1,470,650	\$15,502,360	
10	49	\$200,000	\$1,662,370	\$15,678,330	
11	50	\$0	\$1,721,733	\$8,932,082	
12	51	\$0	\$1,757,467	\$8,715,093	
13	52	\$0	\$1,783,772	\$8,444,953	
14	53	\$0	\$1,383,737	\$7,693,418	
15	54	\$0	\$1,463,768	\$7,370,488	
16	55	\$0	\$1,596,851	\$7,067,198	
17	56	\$0	\$1,740,283	\$7,053,890	
18	57	\$0	\$1,895,045	\$7,017,631	
19	58	\$0	\$2,062,226	\$6,956,205	
20	59	\$0	\$2,242,920	\$6,867,062	
21	60	\$0	\$2,438,277	\$6,747,372	
22	61	\$0	\$2,648,135	\$6,895,673	
23	62	\$0	\$2,873,220	\$7,038,666	
24	63	\$0	\$3,114,330	\$7,174,996	
25	64	\$0	\$3,372,279	\$7,303,161	
26	65	\$0	-\$392,520	\$3,234,850	\$7,008,277
27	66	\$0	-\$392,520	\$3,095,023	\$6,880,026
28	67	\$0	-\$392,520	\$2,952,848	\$6,738,669
29	68	\$0	-\$392,520	\$2,808,454	\$6,583,146
30	69	\$0	-\$392,520	\$2,662,034	\$6,412,366
31	70	\$0	-\$392,520	\$2,515,076	\$6,226,621
32	71	\$0	-\$392,520	\$2,370,281	\$5,766,195
33	72	\$0	-\$392,520	\$2,229,207	\$5,263,128
34	73	\$0	-\$392,520	\$2,093,822	\$4,715,112
35	74	\$0	-\$392,520	\$1,966,547	\$4,119,880
36	75	\$0	-\$392,520	\$1,850,395	\$3,475,278
37	76	\$0	-\$392,520	\$1,737,252	\$3,453,704
38	77	\$0	-\$392,520	\$1,627,452	\$3,440,500
39	78	\$0	-\$392,520	\$1,521,332	\$3,436,265
40	79	\$0	-\$392,520	\$1,419,239	\$3,441,618
TOTAL CONTRIBUTION:			-\$2,000,000		
TOTAL INCOME:			\$5,887,805		
YEAR 40 NET CASH VALUE:			\$1,419,239		
YEAR 40 TOTAL VALUE:			\$7,307,044		

vs.
vs.
vs.



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

version 126560

SL

PARTIAL-EQUITY INTEREST ACCRUAL

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

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08/27/22

Health Rating:		3			5		7		8		10		11		13		15	
		Borrowed			Financing		Interest		Client		Hypothetical		Policy		Death Benefit		Death Benefit + YTY	
		Premiums			Interest Rate		Due		Contribution		Index Credit		Drawdowns		Net of Loans		Income Drawdown IRR	
Year	Age	Total Policy Premiums	Equity Premiums	Borrowed Premiums	Cumulative PF Loan Balance	Financing Interest Rate	Interest Due	Interest Accrued	Client Contribution	Gap Collateral	Hypothetical Index Credit	Policy Drawdowns	Gross Policy CSV	Policy CSV Net of Loans	Death Benefit Net of Loans	Death Benefit + YTY Income Drawdown IRR	Year	Age
1	40	\$700,000	\$200,000	\$500,000	\$500,000	4.79%	\$23,950	\$23,950	\$200,000	\$66,256	5.64%	\$0	\$490,635	-\$9,365	\$14,141,835	6970.92%	1	40
2	41	\$700,000	\$200,000	\$500,000	\$1,023,950	4.89%	\$50,020	\$50,020	\$200,000	\$4,626	5.64%	\$0	\$1,179,654	\$155,704	\$14,292,554	696.83%	2	41
3	42	\$700,000	\$200,000	\$500,000	\$1,573,970	4.98%	\$78,447	\$78,447	\$200,000	\$0	5.64%	\$0	\$1,902,675	\$328,705	\$14,451,065	278.34%	3	42
4	43	\$700,000	\$200,000	\$500,000	\$2,152,417	5.09%	\$109,496	\$109,496	\$200,000	\$0	5.64%	\$0	\$2,661,482	\$509,064	\$14,616,794	160.46%	4	43
5	44	\$700,000	\$200,000	\$500,000	\$2,761,913	5.19%	\$143,467	\$143,467	\$200,000	\$0	5.64%	\$0	\$3,457,988	\$696,076	\$14,788,966	108.60%	5	44
6	45	\$700,000	\$200,000	\$500,000	\$3,405,379	5.31%	\$180,699	\$180,699	\$200,000	\$0	5.64%	\$0	\$4,291,546	\$886,166	\$14,964,076	80.27%	6	45
7	46	\$700,000	\$200,000	\$500,000	\$4,086,079	5.42%	\$221,578	\$221,578	\$200,000	\$0	5.64%	\$0	\$5,166,119	\$1,080,040	\$15,142,760	62.70%	7	46
8	47	\$700,000	\$200,000	\$500,000	\$4,807,656	5.54%	\$266,538	\$266,538	\$200,000	\$0	5.64%	\$0	\$6,083,311	\$1,275,654	\$15,322,974	50.86%	8	47
9	48	\$700,000	\$200,000	\$500,000	\$5,574,195	5.67%	\$316,077	\$316,077	\$200,000	\$0	5.64%	\$0	\$7,044,845	\$1,470,650	\$15,502,360	42.40%	9	48
10	49	\$700,000	\$200,000	\$500,000	\$6,390,272	5.80%	\$370,760	\$370,760	\$200,000	\$0	5.64%	\$0	\$8,052,642	\$1,662,370	\$15,678,330	36.09%	10	49
11	50	\$0	\$0	\$0	\$6,761,032	5.94%	\$401,536	\$401,536	\$0	\$0	5.64%	\$0	\$8,482,764	\$1,721,733	\$8,932,082	22.70%	11	50
12	51	\$0	\$0	\$0	\$7,162,567	6.08%	\$435,605	\$435,605	\$0	\$0	5.64%	\$0	\$8,920,034	\$1,757,467	\$8,715,093	19.61%	12	51
13	52	\$0	\$0	\$0	\$7,598,172	6.23%	\$473,391	\$473,391	\$0	\$0	5.64%	\$0	\$9,381,945	\$1,783,772	\$8,444,953	17.07%	13	52
14	53	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$8,071,563	\$1,383,737	\$1,383,737	\$7,693,418	14.35%	14	53
15	54	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,463,768	\$1,463,768	\$7,370,488	12.61%	15	54
16	55	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,596,851	\$1,596,851	\$7,067,198	11.16%	16	55
17	56	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,740,283	\$1,740,283	\$7,053,890	10.26%	17	56
18	57	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$1,895,045	\$1,895,045	\$7,017,631	9.47%	18	57
19	58	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,062,226	\$2,062,226	\$6,956,205	8.76%	19	58
20	59	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,242,920	\$2,242,920	\$6,867,062	8.11%	20	59
21	60	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,438,277	\$2,438,277	\$6,747,372	7.51%	21	60
22	61	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,648,135	\$2,648,135	\$6,895,673	7.21%	22	61
23	62	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$2,873,220	\$2,873,220	\$7,038,666	6.93%	23	62
24	63	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$3,114,330	\$3,114,330	\$7,174,996	6.68%	24	63
25	64	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	\$0	\$3,372,279	\$3,372,279	\$7,303,161	6.44%	25	64
26	65	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$3,234,850	\$3,234,850	\$7,008,277	6.22%	26	65
27	66	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$3,095,023	\$3,095,023	\$6,880,026	6.13%	27	66
28	67	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,952,848	\$2,952,848	\$6,738,669	6.05%	28	67
29	68	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,808,454	\$2,808,454	\$6,583,146	5.97%	29	68
30	69	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,662,034	\$2,662,034	\$6,412,366	5.90%	30	69
31	70	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,515,076	\$2,515,076	\$6,226,621	5.84%	31	70
32	71	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,370,281	\$2,370,281	\$5,766,195	5.66%	32	71
33	72	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,229,207	\$2,229,207	\$5,263,128	5.49%	33	72
34	73	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$2,093,822	\$2,093,822	\$4,715,112	5.32%	34	73
35	74	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,966,547	\$1,966,547	\$4,119,880	5.15%	35	74
36	75	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,850,395	\$1,850,395	\$3,475,278	4.98%	36	75
37	76	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,737,252	\$1,737,252	\$3,453,704	5.06%	37	76
38	77	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,627,452	\$1,627,452	\$3,440,500	5.13%	38	77
39	78	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,521,332	\$1,521,332	\$3,436,265	5.21%	39	78
40	79	\$0	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	5.64%	-\$392,520	\$1,419,239	\$1,419,239	\$3,441,618	5.28%	40	79

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

\$3,071,563 \$3,071,563 \$2,000,000 TOTAL INCOME DRAWN: -\$5,887,805 (INCOME LASTS UNTIL AGE 90)

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

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

FINANCIAL BENEFIT SUMMARY	
1ST YEAR COLLATERAL REQUIREMENT:	\$66,256
PREMIUMS PAID BY CLIENT:	-\$2,000,000
LOAN INTEREST PAID BY CLIENT:	\$0
TOTAL CLIENT OUTLAY:	-\$2,000,000
TOTAL DRAWDOWNS (excluding loan payoff):	\$5,887,805
40-YEAR PROGRAM NET CASH FLOW:	\$3,887,805
YEAR 40 NET CASH SURRENDER VALUE:	\$1,419,239
40-YEAR CASH GAIN (excluding death benefit):	\$5,307,044
40-YEAR NET CSV IRR:	4.62%

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



Program Assumptions

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

Financing Premiums

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

Collateral

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

Interest Due & Client Contributions

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

Interest Rates & Loan Fees

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

Loan Renewal

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

Loan Payoff

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

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

Policy Design - Death Benefit

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

Policy Design - Crediting Methodology

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

Policy Design - Charges Methodology

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

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

Crediting & Drawdown Assumptions

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

Election To Modify The Program

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

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

Acknowledgement Of Suitability

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

PROPOSED INSURED:

M40 - PEIA Income

 SIGN HERE

X

Signature Date Signed

ADDITIONAL INSURED (if applicable):

N/A

 SIGN HERE

X

Signature Date Signed

POLICY OWNER:

,

 SIGN HERE

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

 SIGN HERE

X

Signature Date Signed

LIONSMARK CAPITAL:

Darren Sugiyama

 SIGN HERE

X

Signature Date Signed

HYPOTHETICAL SYNTHETIC PROXIES: BACKTESTING REPORT

BEST CAGR IN 40-YEAR PERIOD*

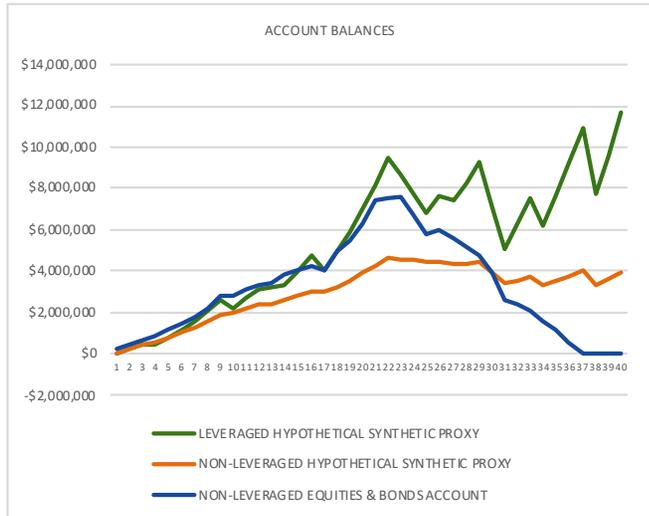
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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*

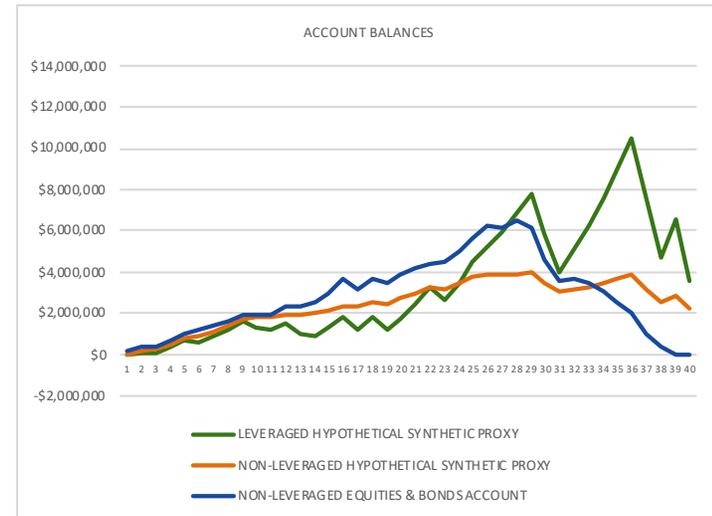
LEVERAGED HYPOTHETICAL SYNTHETIC PROXY



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: M40 - PEIA Income
 ADVISOR: Darren Sugiyama
 DATE CREATED: 8/27/2022

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

PURPOSE OF THIS DOCUMENT

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

LEVERAGED HYPOTHETICAL SYNTHETIC PROXY

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

0.00% Protective Floor
8.25% Cap

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

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

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

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

INTEREST ACCRUAL

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

WHAT THIS DOCUMENT IS NOT

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

BACKTESTING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PARTIAL-EQUITY INTEREST ACCRUAL

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

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

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

PAGE 5

		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	(Cash) GAP COLLATERAL	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	40	\$700,000	\$200,000	\$500,000	\$500,000		4.79%	\$23,950	\$23,950	\$200,000	\$66,256	1978	11.97%	8.25%	8.25%	\$0	\$650,381	-\$819
2	41	\$700,000	\$200,000	\$500,000	\$1,023,950		4.89%	\$50,020	\$50,020	\$200,000	\$4,626	1979	14.24%	8.25%	10.90%	\$0	\$1,374,979	\$214,179
3	42	\$700,000	\$200,000	\$500,000	\$1,573,970		4.98%	\$78,447	\$78,447	\$200,000	\$0	1980	13.48%	8.25%	10.90%	\$0	\$2,164,615	\$468,285
4	43	\$700,000	\$200,000	\$500,000	\$2,152,417		5.09%	\$109,496	\$109,496	\$200,000	\$0	1981	-7.06%	0.00%	0.00%	\$0	\$2,728,081	\$467,934
5	44	\$700,000	\$200,000	\$500,000	\$2,761,913		5.19%	\$143,467	\$143,467	\$200,000	\$0	1982	20.68%	8.25%	10.90%	\$0	\$3,637,697	\$782,894
6	45	\$700,000	\$200,000	\$500,000	\$3,405,379		5.31%	\$180,699	\$180,699	\$200,000	\$0	1983	12.46%	8.25%	10.90%	\$0	\$4,627,114	\$1,143,825
7	46	\$700,000	\$200,000	\$500,000	\$4,086,079		5.42%	\$221,578	\$221,578	\$200,000	\$0	1984	9.93%	8.25%	10.90%	\$0	\$5,705,936	\$1,557,137
8	47	\$700,000	\$200,000	\$500,000	\$4,807,656		5.54%	\$266,538	\$266,538	\$200,000	\$0	1985	17.90%	8.25%	10.90%	\$0	\$6,882,098	\$2,027,122
9	48	\$700,000	\$200,000	\$500,000	\$5,574,195		5.67%	\$316,077	\$316,077	\$200,000	\$0	1986	29.42%	8.25%	10.90%	\$0	\$8,164,339	\$2,558,434
10	49	\$700,000	\$200,000	\$500,000	\$6,390,272		5.80%	\$370,760	\$370,760	\$200,000	\$0	1987	-6.21%	0.00%	0.00%	\$0	\$8,622,566	\$2,216,334
11	50	\$0	\$0	\$0	\$6,761,032		5.94%	\$401,536	\$401,536	\$0	\$0	1988	15.72%	8.25%	10.90%	\$0	\$9,405,587	\$2,644,555
12	51	\$0	\$0	\$0	\$7,162,567		6.08%	\$435,605	\$435,605	\$0	\$0	1989	10.63%	8.25%	10.90%	\$0	\$10,264,043	\$3,101,476
13	52	\$0	\$0	\$0	\$7,598,172		6.23%	\$473,391	\$473,391	\$0	\$0	1990	4.51%	4.51%	6.54%	\$0	\$10,765,294	\$3,167,122
14	53	\$0	\$0	\$0	\$0	-\$8,071,563	0.00%	\$0	\$0	\$0	\$0	1991	18.86%	8.25%	10.90%	\$0	\$11,755,008	\$3,279,867
15	54	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	7.34%	7.34%	10.64%	\$0	\$12,811,196	\$3,912,298
16	55	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	9.76%	8.25%	10.90%	\$0	\$14,047,768	\$4,703,925
17	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$13,890,720	\$4,079,685
18	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	35.20%	8.25%	10.90%	\$0	\$15,232,011	\$4,930,424
19	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	23.61%	8.25%	10.90%	\$0	\$16,704,528	\$5,887,862
20	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	24.69%	8.25%	10.90%	\$0	\$18,321,329	\$6,963,830
21	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	30.54%	8.25%	10.90%	\$0	\$20,096,731	\$8,171,356
22	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	8.97%	8.25%	10.90%	\$0	\$22,045,013	\$9,523,370
23	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-2.04%	0.00%	0.00%	\$0	\$21,805,928	\$8,658,203
24	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-17.26%	0.00%	0.00%	\$0	\$21,567,807	\$7,762,695
25	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	-24.29%	0.00%	0.00%	\$0	\$21,330,326	\$6,834,959
26	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	32.19%	8.25%	10.90%	-\$546,797	\$23,391,914	\$7,597,642
27	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	4.43%	4.43%	6.43%	-\$607,811	\$24,618,363	\$7,396,175
28	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.36%	8.25%	10.90%	-\$591,694	\$26,996,836	\$8,292,260
29	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	12.36%	8.25%	10.90%	-\$663,381	\$29,605,414	\$9,269,059
30	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-4.15%	0.00%	0.00%	-\$741,525	\$29,275,464	\$7,143,691
31	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-40.09%	0.00%	0.00%	-\$571,495	\$28,946,103	\$5,107,671
32	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	30.03%	8.25%	10.90%	-\$408,614	\$31,739,676	\$6,280,278
33	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	19.76%	8.25%	10.90%	-\$502,422	\$34,807,799	\$7,547,888
34	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2011	2.04%	2.04%	2.96%	-\$603,831	\$35,446,573	\$6,189,644
35	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2012	14.15%	8.25%	10.90%	-\$495,172	\$38,883,892	\$7,644,187
36	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2013	18.99%	8.25%	10.90%	-\$611,535	\$42,663,776	\$9,219,973
37	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2014	11.92%	8.25%	10.90%	-\$737,598	\$46,809,707	\$10,919,237
38	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2015	-2.74%	0.00%	0.00%	-\$873,539	\$46,309,272	\$7,707,062
39	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2016	17.45%	8.25%	10.90%	-\$616,565	\$50,802,365	\$9,622,651
40	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2017	23.91%	8.25%	10.90%	-\$769,812	\$55,729,545	\$11,682,543
		\$2,000,000	\$5,000,000					\$3,071,563	\$3,071,563	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$622,786	BEST 40			

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

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

CASH FLOW SUMMARY	
1ST YEAR COLLATERAL REQUIREMENT:	\$66,256
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$622,786
TOTAL INCOME DRAWDOWN:	\$9,341,790
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$11,682,543
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$21,024,333
RAW S&P 500 CAGR:	9.02%
40-YEAR NET ACCOUNT IRR:	7.78%

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

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



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

PARTIAL-EQUITY INTEREST ACCRUAL

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

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

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL INDEX CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	(Cash) GAP COLLATERAL	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	40	\$700,000	\$200,000	\$500,000	\$500,000		4.79%	\$23,950	\$23,950	\$200,000	\$66,256	1971	12.42%	8.25%	8.25%	\$0	\$650,381	-\$819
2	41	\$700,000	\$200,000	\$500,000	\$1,023,950		4.89%	\$50,020	\$50,020	\$200,000	\$4,626	1972	-1.92%	0.00%	0.00%	\$0	\$1,239,837	\$79,037
3	42	\$700,000	\$200,000	\$500,000	\$1,573,970		4.98%	\$78,447	\$78,447	\$200,000	\$0	1973	-41.40%	0.00%	0.00%	\$0	\$1,818,071	\$121,741
4	43	\$700,000	\$200,000	\$500,000	\$2,152,417		5.09%	\$109,496	\$109,496	\$200,000	\$0	1974	32.00%	8.25%	10.90%	\$0	\$2,644,968	\$384,821
5	44	\$700,000	\$200,000	\$500,000	\$2,761,913		5.19%	\$143,467	\$143,467	\$200,000	\$5,302	1975	25.48%	8.25%	10.90%	\$0	\$3,546,446	\$691,644
6	45	\$700,000	\$200,000	\$500,000	\$3,405,379		5.31%	\$180,699	\$180,699	\$200,000	\$0	1976	-8.28%	0.00%	0.00%	\$0	\$4,081,992	\$598,703
7	46	\$700,000	\$200,000	\$500,000	\$4,086,079		5.42%	\$221,578	\$221,578	\$200,000	\$0	1977	6.23%	6.23%	9.03%	\$0	\$5,021,216	\$872,418
8	47	\$700,000	\$200,000	\$500,000	\$4,807,656		5.54%	\$266,538	\$266,538	\$200,000	\$0	1978	6.61%	6.61%	9.59%	\$0	\$6,057,784	\$1,202,807
9	48	\$700,000	\$200,000	\$500,000	\$5,574,195		5.67%	\$316,077	\$316,077	\$200,000	\$0	1979	14.76%	8.25%	10.90%	\$0	\$7,259,316	\$1,653,411
10	49	\$700,000	\$200,000	\$500,000	\$6,390,272		5.80%	\$370,760	\$370,760	\$200,000	\$0	1980	-7.40%	0.00%	0.00%	\$0	\$7,726,593	\$1,320,361
11	50	\$0	\$0	\$0	\$6,761,032		5.94%	\$401,536	\$401,536	\$0	\$0	1981	3.65%	3.65%	5.29%	\$0	\$7,995,994	\$1,234,962
12	51	\$0	\$0	\$0	\$7,162,567		6.08%	\$435,605	\$435,605	\$0	\$0	1982	37.91%	8.25%	10.90%	\$0	\$8,716,437	\$1,553,870
13	52	\$0	\$0	\$0	\$7,598,172		6.23%	\$473,391	\$473,391	\$0	\$110,398	1983	0.02%	0.02%	0.03%	\$0	\$8,574,270	\$976,098
14	53	\$0	\$0	\$0	\$0	-\$8,071,563	0.00%	\$0	\$0	\$0	\$0	1984	9.62%	8.25%	10.90%	\$0	\$9,349,461	\$874,319
15	54	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1985	27.04%	8.25%	10.90%	\$0	\$10,200,063	\$1,301,164
16	55	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1986	39.13%	8.25%	10.90%	\$0	\$11,180,978	\$1,837,135
17	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1987	-15.51%	0.00%	0.00%	\$0	\$11,052,599	\$1,241,564
18	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1988	28.41%	8.25%	10.90%	\$0	\$12,116,009	\$1,814,422
19	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1989	-12.34%	0.00%	0.00%	\$0	\$11,977,852	\$1,161,186
20	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1990	26.73%	8.25%	10.90%	\$0	\$13,131,865	\$1,774,365
21	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1991	7.72%	7.72%	10.90%	\$0	\$14,399,166	\$2,473,791
22	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1992	9.84%	8.25%	10.90%	\$0	\$15,789,599	\$3,267,956
23	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1993	0.82%	0.82%	1.19%	\$0	\$15,799,536	\$2,651,810
24	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1994	26.30%	8.25%	10.90%	\$0	\$17,324,219	\$3,519,108
25	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1995	17.61%	8.25%	10.90%	\$0	\$18,996,255	\$4,500,888
26	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	37.82%	8.25%	10.90%	-\$360,071	\$20,829,314	\$5,231,103
27	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	7.36%	7.36%	10.67%	-\$418,488	\$22,792,791	\$5,975,257
28	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	26.13%	8.25%	10.90%	-\$478,021	\$24,992,522	\$6,832,190
29	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	11.99%	8.25%	10.90%	-\$546,575	\$27,404,857	\$7,762,605
30	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-27.54%	0.00%	0.00%	-\$621,008	\$27,096,913	\$5,820,489
31	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-21.68%	0.00%	0.00%	-\$465,639	\$26,789,338	\$3,960,172
32	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	22.16%	8.25%	10.90%	-\$316,814	\$29,371,742	\$5,068,463
33	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	11.91%	8.25%	10.90%	-\$405,477	\$32,208,020	\$6,263,826
34	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	10.25%	8.25%	10.90%	-\$501,106	\$35,324,313	\$7,556,748
35	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.71%	8.25%	10.90%	-\$604,540	\$38,749,662	\$8,958,952
36	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	14.29%	8.25%	10.90%	-\$716,716	\$42,516,403	\$10,483,605
37	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-23.61%	0.00%	0.00%	-\$838,688	\$42,063,034	\$7,547,974
38	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-9.37%	0.00%	0.00%	-\$603,838	\$41,610,065	\$4,735,223
39	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	7.96%	7.96%	10.90%	-\$378,818	\$45,643,060	\$6,526,716
40	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	-0.86%	0.00%	0.00%	-\$522,137	\$45,144,357	\$3,523,952
		\$2,000,000	\$5,000,000					\$3,071,563	\$3,071,563	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:		\$518,529				WORST 40

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

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

1ST YEAR COLLATERAL REQUIREMENT:	\$66,256
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$518,529
TOTAL INCOME DRAWDOWN:	\$7,777,937
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$3,523,952
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$11,301,889
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 5.98%

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

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



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

HYPOTHETICAL SYNTHETIC PROXY

PARTIAL-EQUITY INTEREST ACCRUAL

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

Current Pre-Bonus Cap: 8.75%

Current Post-Bonus Max Cap: 10.90%

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		Participation Rate: 100.00%		Floor Modeled: 0.00%		Upside Design: CAPPED		Pre-Bonus Cap Modeled: 8.25%		Post-Bonus Max Cap Modeled: 10.90%		8/27/2022						
#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
YEAR	AGE	TOTAL CONTRIBUTION	CLIENT INDEX CONTRIBUTIONS	LENDER INDEX CONTRIBUTIONS	CUMULATIVE LOAN BALANCE	THIRD PARTY LOAN PAYOFF	FINANCING INTEREST RATE	INTEREST DUE	INTEREST ACCRUED	TOTAL CLIENT CONTRIBUTION	GAP COLLATERAL	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	40	\$700,000	\$200,000	\$500,000	\$500,000		9.40%	\$47,000	\$47,000	\$200,000	\$66,256	1982	20.68%	8.25%	8.25%	\$0	\$650,381	-\$819
2	41	\$700,000	\$200,000	\$500,000	\$1,047,000		9.40%	\$98,418	\$98,418	\$200,000	\$27,676	1983	12.46%	8.25%	10.90%	\$0	\$1,374,979	\$191,129
3	42	\$700,000	\$200,000	\$500,000	\$1,645,418		9.15%	\$150,556	\$150,556	\$200,000	\$4,989	1984	9.93%	8.25%	10.90%	\$0	\$2,164,615	\$396,837
4	43	\$700,000	\$200,000	\$500,000	\$2,295,974		7.90%	\$181,382	\$181,382	\$200,000	\$0	1985	17.90%	8.25%	10.90%	\$0	\$3,025,442	\$621,738
5	44	\$700,000	\$200,000	\$500,000	\$2,977,356		5.90%	\$175,664	\$175,664	\$200,000	\$0	1986	29.42%	8.25%	10.90%	\$0	\$3,964,173	\$893,927
6	45	\$700,000	\$200,000	\$500,000	\$3,653,020		7.15%	\$261,191	\$261,191	\$200,000	\$0	1987	-6.21%	0.00%	0.00%	\$0	\$4,495,541	\$764,611
7	46	\$700,000	\$200,000	\$500,000	\$4,414,211		8.90%	\$392,865	\$392,865	\$200,000	\$0	1988	15.72%	8.25%	10.90%	\$0	\$5,561,480	\$1,084,550
8	47	\$700,000	\$200,000	\$500,000	\$5,307,075		9.90%	\$525,400	\$525,400	\$200,000	\$5,009	1989	10.63%	8.25%	10.90%	\$0	\$6,723,499	\$1,369,104
9	48	\$700,000	\$200,000	\$500,000	\$6,332,476		8.40%	\$531,928	\$531,928	\$200,000	\$17,888	1990	4.51%	4.51%	6.54%	\$0	\$7,676,312	\$1,312,127
10	49	\$700,000	\$200,000	\$500,000	\$7,364,404		6.90%	\$508,144	\$508,144	\$200,000	\$0	1991	18.86%	8.25%	10.90%	\$0	\$9,026,617	\$1,646,253
11	50	\$0	\$0	\$0	\$7,872,548		4.40%	\$346,392	\$346,392	\$0	\$114,358	1992	7.34%	7.34%	10.64%	\$0	\$9,826,233	\$1,953,685
12	51	\$0	\$0	\$0	\$8,218,940		4.65%	\$382,181	\$382,181	\$0	\$0	1993	9.76%	8.25%	10.90%	\$0	\$10,725,875	\$2,506,935
13	52	\$0	\$0	\$0	\$8,601,120		4.65%	\$399,952	\$399,952	\$0	\$0	1994	-2.32%	0.00%	0.00%	\$0	\$10,561,367	\$1,960,247
14	53	\$0	\$0	\$0	\$0	-\$9,001,072	0.00%	\$0	\$0	\$0	\$0	1995	35.20%	8.25%	10.90%	\$0	\$11,531,115	\$2,079,989
15	54	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1996	23.61%	8.25%	10.90%	\$0	\$12,595,323	\$2,671,640
16	55	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1997	24.69%	8.25%	10.90%	\$0	\$13,810,759	\$3,390,892
17	56	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1998	30.54%	8.25%	10.90%	\$0	\$15,144,594	\$4,203,734
18	57	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	1999	8.97%	8.25%	10.90%	\$0	\$16,608,651	\$5,120,749
19	58	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2000	-2.04%	0.00%	0.00%	\$0	\$16,425,568	\$4,363,270
20	59	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2001	-17.26%	0.00%	0.00%	\$0	\$16,244,415	\$3,579,003
21	60	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2002	-24.29%	0.00%	0.00%	\$0	\$16,065,344	\$2,766,660
22	61	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2003	32.19%	8.25%	10.90%	\$0	\$17,618,913	\$3,655,295
23	62	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2004	4.43%	4.43%	6.43%	\$0	\$18,544,017	\$3,882,219
24	63	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2005	8.36%	8.25%	10.90%	\$0	\$20,337,413	\$4,942,524
25	64	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2006	12.36%	8.25%	10.90%	\$0	\$22,304,470	\$6,139,837
26	65	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2007	-4.15%	0.00%	0.00%	-\$491,187	\$22,057,201	\$4,568,590
27	66	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2008	-40.09%	0.00%	0.00%	-\$365,487	\$21,810,222	\$3,063,419
28	67	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2009	30.03%	8.25%	10.90%	-\$245,074	\$23,913,750	\$3,972,280
29	68	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2010	19.76%	8.25%	10.90%	-\$317,782	\$26,220,462	\$4,948,247
30	69	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2011	2.04%	2.04%	2.96%	-\$395,860	\$26,692,759	\$3,941,281
31	70	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2012	14.15%	8.25%	10.90%	-\$315,302	\$29,265,651	\$5,045,531
32	71	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2013	18.99%	8.25%	10.90%	-\$403,642	\$32,090,511	\$6,235,560
33	72	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2014	11.92%	8.25%	10.90%	-\$498,845	\$35,192,984	\$7,521,499
34	73	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2015	-2.74%	0.00%	0.00%	-\$601,720	\$34,807,516	\$5,120,650
35	74	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2016	17.45%	8.25%	10.90%	-\$409,652	\$38,182,265	\$6,580,921
36	75	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2017	23.91%	8.25%	10.90%	-\$526,474	\$41,893,452	\$8,159,244
37	76	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2018	-4.41%	0.00%	0.00%	-\$652,739	\$41,446,313	\$5,340,018
38	77	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2019	31.74%	8.25%	10.90%	-\$427,201	\$45,468,458	\$7,108,287
39	78	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2020	18.38%	8.25%	10.90%	-\$568,663	\$49,879,227	\$9,003,951
40	79	\$0	\$0	\$0	\$0		0.00%	\$0	\$0	\$0	\$0	2021	28.83%	8.25%	10.90%	-\$720,316	\$54,716,023	\$11,040,652
		\$2,000,000	\$5,000,000					\$4,001,072	\$4,001,072	\$2,000,000		AVERAGE ANNUAL INCOME DRAWDOWN:			\$462,663		MOST RECENT 40	

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

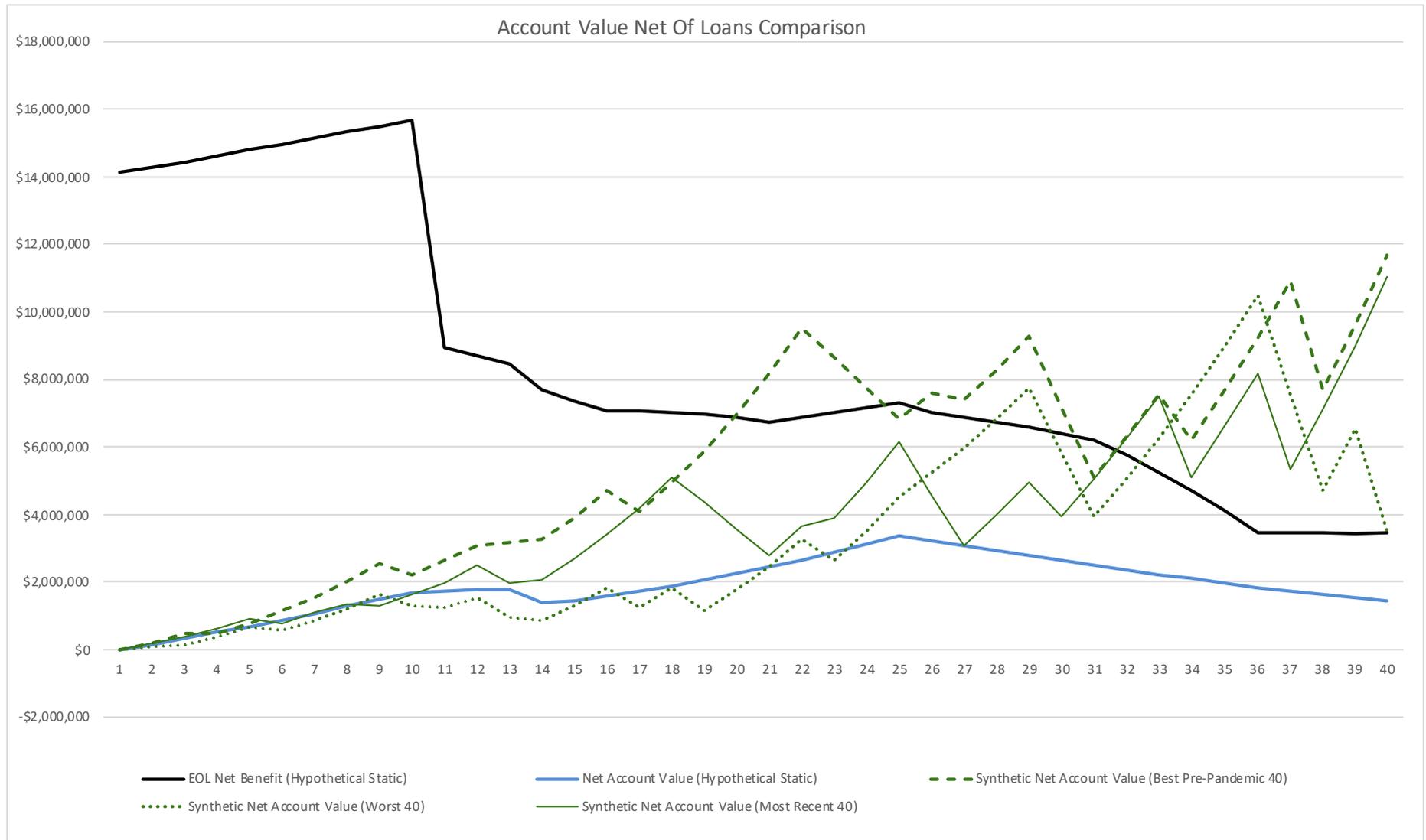
GAP COLLATERAL REQUIREMENTS	
Type Of Gap Collateral:	Cash
Credit Assumption:	0.00%
Collateral Valued At:	100.00%
The Gap Collateral amount (in years 3+) is only an estimation and is calculated by the cumulative loan balance in a given year, minus 95% of (the EOY AV two years prior, plus the Total Index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

1ST YEAR COLLATERAL REQUIREMENT:	\$66,256
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$462,663
TOTAL INCOME DRAWDOWN:	\$6,939,945
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$11,040,652
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$17,980,597
RAW S&P 500 CAGR: 9.99%	40-YEAR NET ACCOUNT IRR: 7.05%

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

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





SCENARIO MODELED	PAYOFF YEAR	TOTAL OUTLAY	TOTAL INCOME DRAWDOWN	NET ACCOUNT VALUE IN YEAR 40	RETURNS DEPICTED	VOLATILITY MODELED	CAGR	PAR/LOAN RATE	40-YEAR IRR
— Hypothetical Static:	14	-\$2,000,000	\$5,887,805	\$1,419,239	hypothetical static	no	5.64%	5.14%	4.62%
- - - Synthetic Best 40*:	14	-\$2,000,000	\$9,341,790	\$11,682,543	actual historical*	yes	9.02%	5.00%	7.78%
..... Synthetic Worst 40*:	14	-\$2,000,000	\$7,777,937	\$3,523,952	actual historical*	yes	6.30%	5.00%	5.98%
— Synthetic (1982-2021):	14	-\$2,000,000	\$6,939,945	\$11,040,652	actual historical*	yes	9.99%	5.00%	7.05%

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

ACCOUNT CHARGES + INDEX CREDITS + BONUSES

AN ANNUAL EXPLANATION OF POSITIVE & NEGATIVE ARBITRAGE

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

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

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,959	-\$92,227	1978	11.97%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,567	-\$99,186	-\$49,619	\$600,814	\$650,381	-\$819
2	1.00%	-\$12,594	-\$97,950	1979	14.24%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$135,142	-\$110,544	\$24,598	\$1,239,837	\$1,374,979	\$214,179
3	1.00%	-\$19,813	-\$103,304	1980	13.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$212,753	-\$123,117	\$89,636	\$1,951,862	\$2,164,615	\$468,285
4	1.00%	-\$27,682	-\$108,852	1981	-7.06%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$136,534	-\$136,534	\$2,728,081	\$2,728,081	\$467,934
5	1.00%	-\$33,288	-\$114,634	1982	20.68%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$357,537	-\$147,922	\$209,616	\$3,280,160	\$3,637,697	\$782,894
6	1.00%	-\$42,342	-\$123,025	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$454,784	-\$165,367	\$289,417	\$4,172,330	\$4,627,114	\$1,143,825
7	1.00%	-\$52,202	-\$129,794	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$560,818	-\$181,996	\$378,822	\$5,145,118	\$5,705,936	\$1,557,137
8	1.00%	-\$62,953	-\$137,304	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$676,419	-\$200,257	\$476,162	\$6,205,679	\$6,882,098	\$2,027,122
9	1.00%	-\$74,673	-\$145,532	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$802,446	-\$220,205	\$582,241	\$7,361,893	\$8,164,339	\$2,558,434
10	1.00%	-\$87,452	-\$154,321	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$241,773	-\$241,773	\$8,622,566	\$8,622,566	\$2,216,334
11	1.00%	-\$85,948	-\$55,476	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$924,444	-\$141,424	\$783,020	\$8,481,142	\$9,405,587	\$2,644,555
12	1.00%	-\$93,773	-\$56,590	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,008,819	-\$150,363	\$858,456	\$9,255,224	\$10,264,043	\$3,101,476
13	1.00%	-\$102,353	-\$57,536	1990	4.51%	4.51%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$661,140	-\$159,889	\$501,251	\$10,104,154	\$10,765,294	\$3,167,122
14	1.00%	-\$107,362	-\$58,286	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,155,361	-\$165,648	\$989,714	\$10,599,646	\$11,755,008	\$3,279,867
15	1.00%	-\$117,256	-\$58,728	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$1,232,173	-\$175,984	\$1,056,188	\$11,579,023	\$12,811,196	\$3,912,298
16	1.00%	-\$128,031	-\$16,106	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,380,709	-\$144,137	\$1,236,572	\$12,667,058	\$14,047,768	\$4,703,925
17	1.00%	-\$140,394	-\$16,653	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$157,047	-\$157,047	\$13,890,720	\$13,890,720	\$4,079,685
18	1.00%	-\$138,822	-\$16,992	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,497,105	-\$155,814	\$1,341,291	\$13,734,906	\$15,232,011	\$4,930,424
19	1.00%	-\$152,235	-\$17,082	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,641,834	-\$169,317	\$1,472,517	\$15,062,694	\$16,704,528	\$5,887,862
20	1.00%	-\$166,960	-\$16,982	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,800,744	-\$183,942	\$1,616,801	\$16,520,585	\$18,321,329	\$6,963,830
21	1.00%	-\$183,130	-\$16,711	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,975,242	-\$199,841	\$1,775,402	\$18,121,489	\$20,096,731	\$8,171,356
22	1.00%	-\$200,879	-\$17,571	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,166,733	-\$218,450	\$1,948,282	\$19,878,280	\$22,045,013	\$9,523,370
23	1.00%	-\$220,356	-\$18,728	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$239,084	-\$239,084	\$21,805,928	\$21,805,928	\$8,658,203
24	1.00%	-\$217,958	-\$20,163	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$238,121	-\$238,121	\$21,567,807	\$21,567,807	\$7,762,695
25	1.00%	-\$215,569	-\$21,912	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$237,481	-\$237,481	\$21,330,326	\$21,330,326	\$6,834,959
26	1.00%	-\$213,182	-\$24,346	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,299,115	-\$237,528	\$2,061,588	\$21,092,799	\$23,391,914	\$7,597,642
27	1.00%	-\$233,786	-\$26,540	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$1,486,775	-\$260,326	\$1,226,449	\$23,131,588	\$24,618,363	\$7,396,175
28	1.00%	-\$246,039	-\$28,919	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,653,431	-\$274,958	\$2,378,473	\$24,343,405	\$26,996,836	\$8,292,260
29	1.00%	-\$269,811	-\$31,431	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,909,820	-\$301,242	\$2,608,578	\$26,695,594	\$29,605,414	\$9,269,059
30	1.00%	-\$295,884	-\$34,066	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$329,950	-\$329,950	\$29,275,464	\$29,275,464	\$7,143,691
31	1.00%	-\$292,571	-\$36,790	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$329,361	-\$329,361	\$28,946,103	\$28,946,103	\$5,107,671
32	1.00%	-\$289,277	-\$36,739	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,119,589	-\$326,016	\$2,793,573	\$28,620,087	\$31,739,676	\$6,280,278
33	1.00%	-\$317,218	-\$35,805	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,421,145	-\$353,023	\$3,068,122	\$31,386,654	\$34,807,799	\$7,547,888
34	1.00%	-\$347,909	-\$33,707	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$1,020,391	-\$381,616	\$638,775	\$34,426,182	\$35,446,573	\$6,189,644
35	1.00%	-\$354,315	-\$30,137	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,821,771	-\$384,452	\$3,437,319	\$35,062,121	\$38,883,892	\$7,644,187
36	1.00%	-\$388,715	-\$24,685	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,193,284	-\$413,400	\$3,779,883	\$38,470,492	\$42,663,776	\$9,219,973
37	1.00%	-\$426,496	-\$28,346	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,600,774	-\$454,842	\$4,145,932	\$42,208,934	\$46,809,707	\$10,919,237
38	1.00%	-\$467,935	-\$32,501	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$500,436	-\$500,436	\$46,309,272	\$46,309,272	\$7,707,062
39	1.00%	-\$462,907	-\$37,199	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,993,199	-\$500,106	\$4,493,093	\$45,809,166	\$50,802,365	\$9,622,651
40	1.00%	-\$507,811	-\$42,484	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$5,477,476	-\$550,295	\$4,927,180	\$50,252,070	\$55,729,545	\$11,682,543

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

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

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,959	-\$92,227	1971	12.42%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,567	-\$99,186	-\$49,619	\$600,814	\$650,381	-\$819
2	1.00%	-\$12,594	-\$97,950	1972	-1.92%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$110,544	-\$110,544	\$1,239,837	\$1,239,837	\$79,037
3	1.00%	-\$18,462	-\$103,304	1973	-41.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$121,766	-\$121,766	\$1,818,071	\$1,818,071	\$121,741
4	1.00%	-\$24,216	-\$108,852	1974	32.00%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$259,965	-\$133,068	\$126,897	\$2,385,003	\$2,644,968	\$384,821
5	1.00%	-\$32,457	-\$114,634	1975	25.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$348,569	-\$147,091	\$201,478	\$3,197,878	\$3,546,446	\$691,644
6	1.00%	-\$41,429	-\$123,025	1976	-8.28%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$164,454	-\$164,454	\$4,081,992	\$4,081,992	\$598,703
7	1.00%	-\$46,751	-\$129,794	1977	6.23%	6.23%	x 1.45	= 9.03%	+ 0.00%	= 9.03%	\$415,769	-\$176,545	\$239,224	\$4,605,447	\$5,021,216	\$872,418
8	1.00%	-\$56,106	-\$137,304	1978	6.61%	6.61%	x 1.45	= 9.59%	+ 0.00%	= 9.59%	\$529,977	-\$193,410	\$336,568	\$5,527,806	\$6,057,784	\$1,202,807
9	1.00%	-\$66,430	-\$145,532	1979	14.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$713,495	-\$211,962	\$501,532	\$6,545,821	\$7,259,316	\$1,653,411
10	1.00%	-\$78,402	-\$154,321	1980	-7.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$232,723	-\$232,723	\$7,726,593	\$7,726,593	\$1,320,361
11	1.00%	-\$76,989	-\$55,476	1981	3.65%	3.65%	x 1.45	= 5.29%	+ 0.00%	= 5.29%	\$401,865	-\$132,465	\$269,401	\$7,594,129	\$7,995,994	\$1,234,962
12	1.00%	-\$79,677	-\$56,590	1982	37.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$856,710	-\$136,267	\$720,443	\$7,859,727	\$8,716,437	\$1,553,870
13	1.00%	-\$86,877	-\$57,536	1983	0.02%	0.02%	x 1.45	= 0.03%	+ 0.00%	= 0.03%	\$2,245	-\$144,413	-\$142,167	\$8,572,025	\$8,574,270	\$976,098
14	1.00%	-\$85,451	-\$58,286	1984	9.62%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$918,928	-\$143,737	\$775,191	\$8,430,533	\$9,349,461	\$874,319
15	1.00%	-\$93,201	-\$58,728	1985	27.04%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,002,531	-\$151,929	\$850,602	\$9,197,532	\$10,200,063	\$1,301,164
16	1.00%	-\$101,920	-\$16,106	1986	39.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,098,942	-\$118,026	\$980,916	\$10,082,036	\$11,180,978	\$1,837,135
17	1.00%	-\$111,727	-\$16,653	1987	-15.51%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$128,380	-\$128,380	\$11,052,599	\$11,052,599	\$1,241,564
18	1.00%	-\$110,441	-\$16,992	1988	28.41%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,190,843	-\$127,433	\$1,063,410	\$10,925,166	\$12,116,009	\$1,814,422
19	1.00%	-\$121,075	-\$17,082	1989	-12.34%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$138,157	-\$138,157	\$11,977,852	\$11,977,852	\$1,161,186
20	1.00%	-\$119,694	-\$16,982	1990	26.73%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,290,688	-\$136,676	\$1,154,013	\$11,841,177	\$13,131,865	\$1,774,365
21	1.00%	-\$131,235	-\$16,711	1991	7.72%	7.72%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,415,247	-\$147,946	\$1,267,301	\$12,983,919	\$14,399,166	\$2,473,791
22	1.00%	-\$143,904	-\$17,571	1992	9.84%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,551,908	-\$161,475	\$1,390,434	\$14,237,691	\$15,789,599	\$3,267,956
23	1.00%	-\$157,802	-\$18,728	1993	0.82%	0.82%	x 1.45	= 1.19%	+ 0.00%	= 1.19%	\$186,467	-\$176,530	\$9,936	\$15,613,069	\$15,799,536	\$2,651,810
24	1.00%	-\$157,895	-\$20,163	1994	26.30%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,702,741	-\$178,058	\$1,524,684	\$15,621,478	\$17,324,219	\$3,519,108
25	1.00%	-\$173,133	-\$21,912	1995	17.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,867,080	-\$195,045	\$1,672,035	\$17,129,175	\$18,996,255	\$4,500,888
26	1.00%	-\$189,841	-\$24,346	1996	37.82%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,047,245	-\$214,187	\$1,833,059	\$18,782,068	\$20,829,314	\$5,231,103
27	1.00%	-\$208,160	-\$26,540	1997	7.36%	7.36%	x 1.45	= 10.67%	+ 0.00%	= 10.67%	\$2,198,178	-\$234,700	\$1,963,477	\$20,594,613	\$22,792,791	\$5,975,257
28	1.00%	-\$227,783	-\$28,919	1998	26.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,456,434	-\$256,702	\$2,199,731	\$22,536,088	\$24,992,522	\$6,832,190
29	1.00%	-\$249,768	-\$31,431	1999	11.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,693,534	-\$281,199	\$2,412,335	\$24,711,323	\$27,404,857	\$7,762,605
30	1.00%	-\$273,878	-\$34,066	2000	-27.54%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$307,944	-\$307,944	\$27,096,913	\$27,096,913	\$5,820,489
31	1.00%	-\$270,785	-\$36,790	2001	-21.68%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$307,575	-\$307,575	\$26,789,338	\$26,789,338	\$3,960,172
32	1.00%	-\$267,710	-\$36,739	2002	22.16%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,886,853	-\$304,449	\$2,582,404	\$26,484,889	\$29,371,742	\$5,068,463
33	1.00%	-\$293,538	-\$35,805	2003	11.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,165,621	-\$329,343	\$2,836,278	\$29,042,399	\$32,208,020	\$6,263,826
34	1.00%	-\$321,912	-\$33,707	2004	10.25%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,471,912	-\$355,619	\$3,116,293	\$31,852,401	\$35,324,313	\$7,556,748
35	1.00%	-\$353,092	-\$30,137	2005	8.71%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,808,578	-\$383,229	\$3,425,349	\$34,941,084	\$38,749,662	\$8,958,952
36	1.00%	-\$387,373	-\$24,685	2006	14.29%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,178,799	-\$412,058	\$3,766,741	\$38,337,604	\$42,516,403	\$10,483,605
37	1.00%	-\$425,022	-\$28,346	2007	-23.61%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$453,368	-\$453,368	\$42,063,034	\$42,063,034	\$7,547,974
38	1.00%	-\$420,468	-\$32,501	2008	-9.37%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$452,969	-\$452,969	\$41,610,065	\$41,610,065	\$4,735,223
39	1.00%	-\$415,915	-\$37,199	2009	7.96%	7.96%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,486,108	-\$453,114	\$4,032,994	\$41,156,952	\$45,643,060	\$6,526,716
40	1.00%	-\$456,218	-\$42,484	2010	-0.86%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$498,702	-\$498,702	\$45,144,357	\$45,144,357	\$3,523,952

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

HYPOTHETICAL SYNTHETIC PROXY

CHARGES + CREDITS + BONUSES

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

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CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$6,959	-\$92,227	1982	20.68%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$49,567	-\$99,186	-\$49,619	\$600,814	\$650,381	-\$819
2	1.00%	-\$12,594	-\$97,950	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$135,142	-\$110,544	\$24,598	\$1,239,837	\$1,374,979	\$191,129
3	1.00%	-\$19,813	-\$103,304	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$212,753	-\$123,117	\$89,636	\$1,951,862	\$2,164,615	\$396,837
4	1.00%	-\$27,682	-\$108,852	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$297,361	-\$136,534	\$160,827	\$2,728,081	\$3,025,442	\$621,738
5	1.00%	-\$36,261	-\$114,634	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$389,626	-\$150,895	\$238,730	\$3,574,547	\$3,964,173	\$893,927
6	1.00%	-\$45,607	-\$123,025	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$168,632	-\$168,632	\$4,495,541	\$4,495,541	\$764,611
7	1.00%	-\$50,886	-\$129,794	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$546,620	-\$180,680	\$365,939	\$5,014,860	\$5,561,480	\$1,084,550
8	1.00%	-\$61,508	-\$137,304	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$660,831	-\$198,812	\$462,019	\$6,062,668	\$6,723,499	\$1,369,104
9	1.00%	-\$73,087	-\$145,532	1990	4.51%	4.51%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$471,433	-\$218,619	\$252,814	\$7,204,879	\$7,676,312	\$1,312,127
10	1.00%	-\$82,572	-\$154,321	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$887,197	-\$236,893	\$650,304	\$8,139,420	\$9,026,617	\$1,646,253
11	1.00%	-\$89,989	-\$55,476	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$945,081	-\$145,465	\$799,616	\$8,881,152	\$9,826,233	\$1,953,685
12	1.00%	-\$97,979	-\$56,590	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,054,211	-\$154,569	\$899,642	\$9,671,663	\$10,725,825	\$2,506,935
13	1.00%	-\$106,971	-\$57,536	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$164,507	-\$164,507	\$10,561,367	\$10,561,367	\$1,960,247
14	1.00%	-\$105,322	-\$58,286	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,133,356	-\$163,608	\$969,748	\$10,397,759	\$11,531,115	\$2,079,989
15	1.00%	-\$115,018	-\$58,728	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,237,953	-\$173,746	\$1,064,208	\$11,357,369	\$12,595,323	\$2,671,640
16	1.00%	-\$125,873	-\$16,106	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,357,414	-\$141,979	\$1,215,436	\$12,453,344	\$13,810,759	\$3,390,892
17	1.00%	-\$138,024	-\$16,653	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,488,513	-\$154,677	\$1,333,836	\$13,656,081	\$15,144,594	\$4,203,734
18	1.00%	-\$151,361	-\$16,992	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,632,410	-\$168,353	\$1,464,057	\$14,976,241	\$16,608,651	\$5,120,749
19	1.00%	-\$166,001	-\$17,082	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$183,083	-\$183,083	\$16,425,568	\$16,425,568	\$4,363,270
20	1.00%	-\$164,171	-\$16,982	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$181,153	-\$181,153	\$16,244,415	\$16,244,415	\$3,579,003
21	1.00%	-\$162,361	-\$16,711	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$179,072	-\$179,072	\$16,065,344	\$16,065,344	\$2,766,660
22	1.00%	-\$160,566	-\$17,571	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,731,706	-\$178,137	\$1,553,569	\$15,887,207	\$17,618,913	\$3,655,295
23	1.00%	-\$176,095	-\$18,728	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$1,119,928	-\$194,823	\$925,104	\$17,424,089	\$18,544,017	\$3,882,219
24	1.00%	-\$185,339	-\$20,163	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,998,898	-\$205,502	\$1,793,396	\$18,338,515	\$20,337,413	\$4,942,524
25	1.00%	-\$203,265	-\$21,912	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,192,234	-\$225,177	\$1,967,057	\$20,112,236	\$22,304,470	\$6,139,837
26	1.00%	-\$222,923	-\$24,346	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$247,269	-\$247,269	\$22,057,201	\$22,057,201	\$4,568,590
27	1.00%	-\$220,439	-\$26,540	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$246,979	-\$246,979	\$21,810,222	\$21,810,222	\$3,063,419
28	1.00%	-\$217,958	-\$28,919	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,350,405	-\$246,877	\$2,103,528	\$21,563,345	\$23,913,750	\$3,972,280
29	1.00%	-\$238,980	-\$31,431	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,577,124	-\$270,411	\$2,306,713	\$23,643,339	\$26,220,462	\$4,948,247
30	1.00%	-\$262,034	-\$34,066	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$768,397	-\$296,100	\$472,297	\$25,924,362	\$26,692,759	\$3,941,281
31	1.00%	-\$266,744	-\$36,790	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$2,876,426	-\$303,534	\$2,572,892	\$26,389,226	\$29,265,651	\$5,045,531
32	1.00%	-\$292,473	-\$36,739	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,154,072	-\$329,212	\$2,824,860	\$28,936,440	\$32,090,511	\$6,235,560
33	1.00%	-\$320,726	-\$35,805	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,459,004	-\$356,531	\$3,102,473	\$31,733,980	\$35,192,984	\$7,521,499
34	1.00%	-\$351,761	-\$33,707	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$385,468	-\$385,468	\$34,807,516	\$34,807,516	\$5,120,650
35	1.00%	-\$347,924	-\$30,137	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$3,752,811	-\$378,061	\$3,374,749	\$34,429,454	\$38,182,265	\$6,580,921
36	1.00%	-\$381,699	-\$24,685	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,117,571	-\$406,384	\$3,711,187	\$37,775,881	\$41,893,452	\$8,159,244
37	1.00%	-\$418,793	-\$28,346	2018	-4.41%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$447,139	-\$447,139	\$41,446,313	\$41,446,313	\$5,340,018
38	1.00%	-\$414,301	-\$32,501	2019	31.74%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,468,947	-\$446,802	\$4,022,145	\$40,999,511	\$45,468,458	\$7,108,287
39	1.00%	-\$454,499	-\$37,199	2020	18.38%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$4,902,467	-\$491,698	\$4,410,769	\$44,976,761	\$49,879,227	\$9,003,951
40	1.00%	-\$498,580	-\$42,484	2021	28.83%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$5,377,860	-\$541,064	\$4,836,796	\$49,338,164	\$54,716,023	\$11,040,652

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	\$650,381	-\$819	
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,374,979	\$214,179	
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,164,615	\$468,285	
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,728,081	\$467,934	
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,637,697	\$782,894	
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,627,114	\$1,143,825	
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,705,936	\$1,557,137	
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,882,098	\$2,027,122	
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,164,339	\$2,558,434	
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,622,566	\$2,216,334	
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,405,587	\$2,644,555	
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,264,043	\$3,101,476	
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,765,294	\$3,167,122	
14	-\$8,071,563	\$0	-\$8,071,563	-\$403,578	\$655,658	-\$8,475,141	\$8,813,627	\$338,486	\$11,755,008	\$3,279,867	
15	\$0	\$0	-\$8,475,141	-\$423,757	\$637,141	-\$8,898,898	\$9,605,532	\$706,634	\$12,811,196	\$3,912,298	
16	\$0	\$0	-\$8,898,898	-\$444,945	\$783,541	-\$9,343,843	\$10,532,684	\$1,188,841	\$14,047,768	\$4,703,925	
17	\$0	\$0	-\$9,343,843	-\$467,192	\$0	-\$9,811,035	\$10,414,934	\$603,899	\$13,890,720	\$4,079,685	
18	\$0	\$0	-\$9,811,035	-\$490,552	\$849,594	-\$10,301,587	\$11,420,602	\$1,119,015	\$15,232,011	\$4,930,424	
19	\$0	\$0	-\$10,301,587	-\$515,079	\$931,726	-\$10,816,666	\$12,524,660	\$1,707,994	\$16,704,528	\$5,887,862	
20	\$0	\$0	-\$10,816,666	-\$540,833	\$1,021,906	-\$11,357,500	\$13,736,900	\$2,379,400	\$18,321,329	\$6,963,830	
21	\$0	\$0	-\$11,357,500	-\$567,875	\$1,120,933	-\$11,925,375	\$15,068,054	\$3,142,679	\$20,096,731	\$8,171,356	
22	\$0	\$0	-\$11,925,375	-\$596,269	\$1,229,602	-\$12,521,643	\$16,528,830	\$4,007,187	\$22,045,013	\$9,523,370	
23	\$0	\$0	-\$12,521,643	-\$626,082	\$0	-\$13,147,726	\$16,349,570	\$3,201,845	\$21,805,928	\$8,658,203	
24	\$0	\$0	-\$13,147,726	-\$657,386	\$0	-\$13,805,112	\$16,171,032	\$2,365,920	\$21,567,807	\$7,762,695	
25	\$0	\$0	-\$13,805,112	-\$690,256	\$0	-\$14,495,367	\$15,992,975	\$1,497,608	\$21,330,326	\$6,834,959	
26	\$0	-\$546,797	-\$15,042,164	-\$752,108	\$1,349,336	-\$15,794,272	\$18,138,349	\$2,344,077	\$23,391,914	\$7,597,642	
27	\$0	-\$607,811	-\$16,402,084	-\$820,104	\$821,720	-\$17,222,188	\$19,729,031	\$2,506,843	\$24,618,363	\$7,396,175	
28	\$0	-\$591,694	-\$17,813,882	-\$890,694	\$1,657,736	-\$18,704,576	\$22,283,987	\$3,579,411	\$26,996,836	\$8,292,260	
29	\$0	-\$663,381	-\$19,367,957	-\$968,398	\$1,872,033	-\$20,336,355	\$25,164,664	\$4,828,309	\$29,605,414	\$9,269,059	
30	\$0	-\$741,525	-\$21,077,879	-\$1,053,894	\$0	-\$22,131,773	\$25,617,467	\$3,485,693	\$29,275,464	\$7,143,691	
31	\$0	-\$571,495	-\$22,703,269	-\$1,135,163	\$0	-\$23,838,432	\$25,894,325	\$2,055,894	\$28,946,103	\$5,107,671	
32	\$0	-\$408,614	-\$24,247,046	-\$1,212,352	\$2,145,552	-\$25,459,398	\$28,841,422	\$3,382,024	\$31,739,676	\$6,280,278	
33	\$0	-\$502,422	-\$25,961,820	-\$1,298,091	\$2,393,941	-\$27,259,911	\$32,180,373	\$4,920,462	\$34,807,799	\$7,547,888	
34	\$0	-\$603,831	-\$27,863,742	-\$1,393,187	\$662,806	-\$29,256,929	\$33,385,843	\$4,128,913	\$35,446,573	\$6,189,644	
35	\$0	-\$495,172	-\$29,752,101	-\$1,487,605	\$2,764,867	-\$31,239,706	\$37,166,518	\$5,926,812	\$38,883,892	\$7,644,187	
36	\$0	-\$611,535	-\$31,851,241	-\$1,592,562	\$3,083,554	-\$33,443,803	\$41,450,438	\$8,006,635	\$42,663,776	\$9,219,973	
37	\$0	-\$737,598	-\$34,181,401	-\$1,709,070	\$3,443,407	-\$35,890,471	\$46,287,737	\$10,397,266	\$46,809,707	\$10,919,237	
38	\$0	-\$873,539	-\$36,764,010	-\$1,838,200	\$0	-\$38,602,210	\$46,657,082	\$8,054,872	\$46,309,272	\$7,707,062	
39	\$0	-\$616,565	-\$39,218,775	-\$1,960,939	\$3,857,958	-\$41,179,714	\$51,860,307	\$10,680,593	\$50,802,365	\$9,622,651	
40	\$0	-\$769,812	-\$41,949,526	-\$2,097,476	\$4,294,952	-\$44,047,002	\$57,734,568	\$13,687,566	\$55,729,545	\$11,682,543	

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	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$650,381	-\$819
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,239,837	\$79,037
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,818,071	\$121,741
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,644,968	\$384,821
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,546,446	\$691,644
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,081,992	\$598,703
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,021,216	\$872,418
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,057,784	\$1,202,807
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,259,316	\$1,653,411
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,726,593	\$1,320,361
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,995,994	\$1,234,962
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,716,437	\$1,553,870
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,574,270	\$976,098
14	-\$8,071,563	\$0	-\$8,071,563	-\$403,578	\$654,741	-\$8,475,141	\$8,801,305	\$326,163	\$9,349,461	\$874,319
15	\$0	\$0	-\$8,475,141	-\$423,757	\$714,308	-\$8,898,898	\$9,602,036	\$703,138	\$10,200,063	\$1,301,164
16	\$0	\$0	-\$8,898,898	-\$444,945	\$783,002	-\$9,343,843	\$10,525,441	\$1,181,598	\$11,180,978	\$1,837,135
17	\$0	\$0	-\$9,343,843	-\$467,192	\$0	-\$9,811,035	\$10,404,588	\$593,553	\$11,052,599	\$1,241,564
18	\$0	\$0	-\$9,811,035	-\$490,552	\$848,482	-\$10,301,587	\$11,405,651	\$1,104,064	\$12,116,009	\$1,814,422
19	\$0	\$0	-\$10,301,587	-\$515,079	\$0	-\$10,816,666	\$11,275,594	\$458,928	\$11,977,852	\$1,161,186
20	\$0	\$0	-\$10,816,666	-\$540,833	\$919,622	-\$11,357,500	\$12,361,948	\$1,004,448	\$13,131,865	\$1,774,365
21	\$0	\$0	-\$11,357,500	-\$567,875	\$943,503	-\$11,925,375	\$13,554,947	\$1,629,573	\$14,399,166	\$2,473,791
22	\$0	\$0	-\$11,925,375	-\$596,269	\$1,105,743	-\$12,521,643	\$14,863,860	\$2,342,217	\$15,789,599	\$3,267,956
23	\$0	\$0	-\$12,521,643	-\$626,082	\$121,058	-\$13,147,726	\$14,873,214	\$1,725,488	\$15,799,536	\$2,651,810
24	\$0	\$0	-\$13,147,726	-\$657,386	\$1,213,212	-\$13,805,112	\$16,308,506	\$2,503,394	\$17,324,219	\$3,519,108
25	\$0	\$0	-\$13,805,112	-\$690,256	\$1,330,304	-\$14,495,367	\$17,882,510	\$3,387,143	\$18,996,255	\$4,500,888
26	\$0	-\$360,071	-\$14,855,438	-\$742,772	\$1,488,044	-\$15,598,210	\$20,002,914	\$4,404,703	\$20,829,314	\$5,231,103
27	\$0	-\$418,488	-\$16,016,699	-\$800,835	\$1,486,296	-\$16,817,533	\$22,346,427	\$5,528,894	\$22,792,791	\$5,975,257
28	\$0	-\$478,021	-\$17,295,554	-\$864,778	\$1,861,810	-\$18,160,332	\$25,027,234	\$6,866,903	\$24,992,522	\$6,832,190
29	\$0	-\$546,575	-\$18,706,907	-\$935,345	\$2,086,101	-\$19,642,252	\$28,042,252	\$8,400,000	\$27,404,857	\$7,762,605
30	\$0	-\$621,008	-\$20,263,261	-\$1,013,163	\$0	-\$21,276,424	\$28,341,176	\$7,064,752	\$27,096,913	\$5,820,489
31	\$0	-\$465,639	-\$21,742,063	-\$1,087,103	\$0	-\$22,829,166	\$28,479,831	\$5,650,665	\$26,789,338	\$3,960,172
32	\$0	-\$316,814	-\$23,145,980	-\$1,157,299	\$2,348,724	-\$24,303,279	\$31,572,546	\$7,269,268	\$29,371,742	\$5,068,463
33	\$0	-\$405,477	-\$24,708,756	-\$1,235,438	\$2,608,605	-\$25,944,194	\$35,065,977	\$9,121,783	\$32,208,020	\$6,263,826
34	\$0	-\$501,106	-\$26,445,300	-\$1,322,265	\$2,901,886	-\$27,767,565	\$39,008,383	\$11,240,818	\$35,324,313	\$7,556,748
35	\$0	-\$604,540	-\$28,372,105	-\$1,418,605	\$3,232,611	-\$29,790,710	\$43,454,132	\$13,663,422	\$38,749,662	\$8,958,952
36	\$0	-\$716,716	-\$30,507,426	-\$1,525,371	\$3,605,344	-\$32,032,797	\$48,464,566	\$16,431,768	\$42,516,403	\$10,483,605
37	\$0	-\$838,688	-\$32,871,486	-\$1,643,574	\$0	-\$34,515,060	\$48,777,515	\$14,262,455	\$42,063,034	\$7,547,974
38	\$0	-\$603,838	-\$35,118,898	-\$1,755,945	\$0	-\$36,874,843	\$48,849,575	\$11,974,732	\$41,610,065	\$4,735,223
39	\$0	-\$378,818	-\$37,253,661	-\$1,862,683	\$3,874,823	-\$39,116,344	\$53,999,782	\$14,883,438	\$45,643,060	\$6,526,716
40	\$0	-\$522,137	-\$39,638,481	-\$1,981,924	\$0	-\$41,620,405	\$53,926,205	\$12,305,800	\$45,144,357	\$3,523,952

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

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

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

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

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

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

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

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

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

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

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

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

HYPOTHETICAL SYNTHETIC PROXY

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

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%										
1	2	3	4	5	6	7	8	9	10	
YEAR	3RD PARTY PAYOFF USING PARTICIPATING LOAN	INCOME DRAWDOWNS PARTICIPATING LOANS	CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	ACCRUED INTERNAL LOAN INTEREST	INDEX CREDIT AFTER CHARGES	CUMULATIVE INTERNAL DEBT BALANCE	CUMULATIVE INDEXED LOAN ACCOUNT VALUE	CUMULATIVE PAR LOAN GAIN/LOSS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$650,381	-\$819
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,374,979	\$191,129
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,164,615	\$396,837
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,025,442	\$621,738
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,964,173	\$893,927
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,495,541	\$764,611
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,561,480	\$1,084,550
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,723,499	\$1,369,104
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,676,312	\$1,312,127
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,026,617	\$1,646,253
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,826,233	\$1,953,685
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,725,875	\$2,506,935
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,561,367	\$1,960,247
14	-\$9,001,072	\$0	-\$9,001,072	-\$450,054	\$731,085	-\$9,451,126	\$9,827,553	\$376,427	\$11,531,115	\$2,079,989
15	\$0	\$0	-\$9,451,126	-\$472,556	\$798,557	-\$9,923,682	\$10,734,539	\$810,857	\$12,595,323	\$2,671,640
16	\$0	\$0	-\$9,923,682	-\$496,184	\$875,617	-\$10,419,867	\$11,770,411	\$1,350,545	\$13,810,759	\$3,390,892
17	\$0	\$0	-\$10,419,867	-\$520,993	\$960,183	-\$10,940,860	\$12,907,191	\$1,966,331	\$15,144,594	\$4,203,734
18	\$0	\$0	-\$10,940,860	-\$547,043	\$1,053,006	-\$11,487,903	\$14,154,954	\$2,667,052	\$16,608,651	\$5,120,749
19	\$0	\$0	-\$11,487,903	-\$574,395	\$0	-\$12,062,298	\$13,998,919	\$1,936,621	\$16,425,568	\$4,363,270
20	\$0	\$0	-\$12,062,298	-\$603,115	\$0	-\$12,665,413	\$13,844,529	\$1,179,116	\$16,244,415	\$3,579,003
21	\$0	\$0	-\$12,665,413	-\$633,271	\$0	-\$13,298,684	\$13,691,913	\$393,229	\$16,065,344	\$2,766,660
22	\$0	\$0	-\$13,298,684	-\$664,934	\$1,117,058	-\$13,963,618	\$15,015,964	\$1,052,346	\$17,618,913	\$3,655,295
23	\$0	\$0	-\$13,963,618	-\$698,181	\$658,258	-\$14,661,799	\$15,804,397	\$1,142,598	\$18,544,017	\$3,882,219
24	\$0	\$0	-\$14,661,799	-\$733,090	\$1,289,414	-\$15,394,889	\$17,332,843	\$1,937,955	\$20,337,413	\$4,942,524
25	\$0	\$0	-\$15,394,889	-\$769,744	\$1,414,127	-\$16,164,633	\$19,009,295	\$2,844,662	\$22,304,470	\$6,139,837
26	\$0	-\$491,187	-\$16,655,820	-\$832,791	\$0	-\$17,488,611	\$19,284,298	\$1,795,688	\$22,057,201	\$4,568,590
27	\$0	-\$365,487	-\$17,854,098	-\$892,705	\$0	-\$18,746,803	\$19,429,763	\$682,960	\$21,810,222	\$3,063,419
28	\$0	-\$245,074	-\$18,991,877	-\$949,594	\$1,604,801	-\$19,941,470	\$21,572,413	\$1,630,943	\$23,913,750	\$3,972,280
29	\$0	-\$317,782	-\$20,259,253	-\$1,012,963	\$1,785,520	-\$21,272,215	\$24,001,716	\$2,729,501	\$26,220,462	\$4,948,247
30	\$0	-\$395,860	-\$21,668,075	-\$1,083,404	\$493,088	-\$22,751,479	\$24,837,038	\$2,085,560	\$26,692,759	\$3,941,281
31	\$0	-\$315,302	-\$23,066,781	-\$1,153,339	\$2,051,472	-\$24,220,120	\$27,576,753	\$3,356,633	\$29,265,651	\$5,045,531
32	\$0	-\$403,642	-\$24,623,763	-\$1,231,188	\$2,282,415	-\$25,854,951	\$30,681,197	\$4,826,246	\$32,090,511	\$6,235,560
33	\$0	-\$498,845	-\$26,353,796	-\$1,317,690	\$2,543,774	-\$27,671,486	\$34,194,491	\$6,523,006	\$35,192,984	\$7,521,499
34	\$0	-\$601,720	-\$28,273,206	-\$1,413,660	\$0	-\$29,686,866	\$34,415,089	\$4,728,223	\$34,807,516	\$5,120,650
35	\$0	-\$409,652	-\$30,096,518	-\$1,504,826	\$2,841,836	-\$31,601,344	\$38,201,160	\$6,599,816	\$38,182,265	\$6,580,921
36	\$0	-\$526,474	-\$32,127,817	-\$1,606,391	\$3,161,024	-\$33,734,208	\$42,491,828	\$8,757,620	\$41,893,452	\$8,159,244
37	\$0	-\$652,739	-\$34,386,948	-\$1,719,347	\$0	-\$36,106,295	\$42,684,075	\$6,577,780	\$41,446,313	\$5,340,018
38	\$0	-\$427,201	-\$36,533,497	-\$1,826,675	\$3,518,338	-\$38,360,171	\$47,294,998	\$8,934,827	\$45,468,458	\$7,108,287
39	\$0	-\$568,663	-\$38,928,834	-\$1,946,442	\$3,906,050	-\$40,875,276	\$52,506,782	\$11,631,506	\$49,879,227	\$9,003,951
40	\$0	-\$720,316	-\$41,595,592	-\$2,079,780	\$4,343,602	-\$43,675,372	\$58,388,538	\$14,713,166	\$54,716,023	\$11,040,652

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).

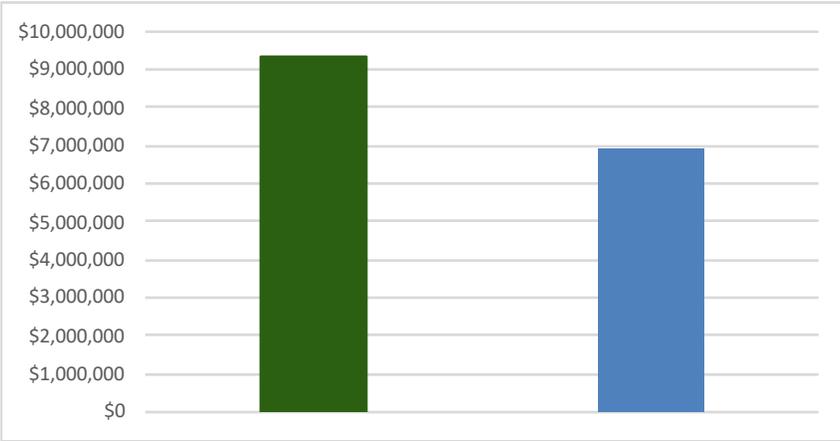
EOY GROSS INDEX ACCUMULATED VALUE The indexed accumulated value, not including any surrender charges, internal loans, or 3rd party lender debt.

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

PARTIAL-EQUITY INTEREST ACCRUAL vs. EQUITIES & BONDS PORTFOLIO

AN INCOME DRAWDOWN & ACCOUNT VALUE COMPARISON

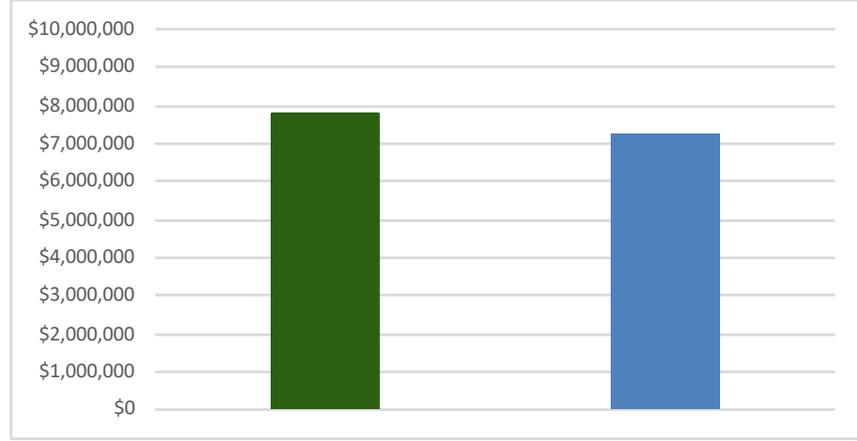
BEST CAGR PERIOD OUT OF 121 DIFFERENT 40-YEAR S&P PERIODS ANALYZED



BEST 40: PARTIAL-EQUITY INTEREST ACCRUAL EQUITIES & BONDS ACCOUNT

AVE ANNUAL INCOME:	\$622,786	\$575,716
TOTAL INCOME:	\$9,341,790	\$6,908,594
YR 40 ACCOUNT VALUE:	\$11,682,543	\$0

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

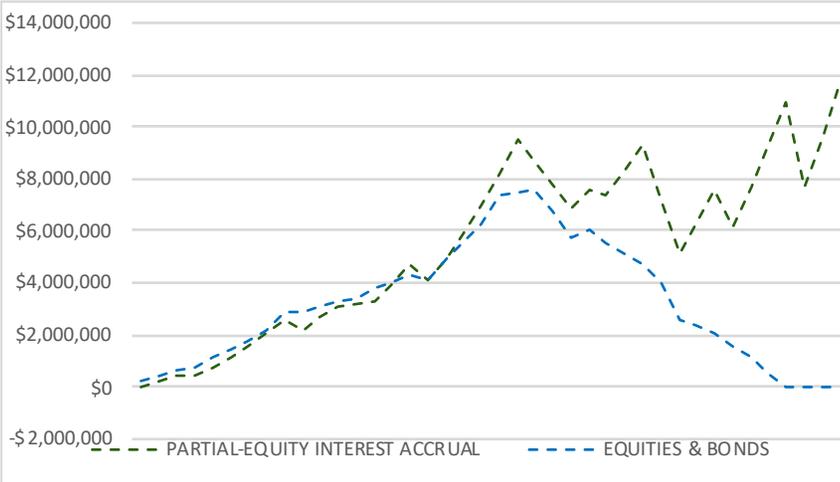


WORST 40: PARTIAL-EQUITY INTEREST ACCRUAL EQUITIES & BONDS ACCOUNT

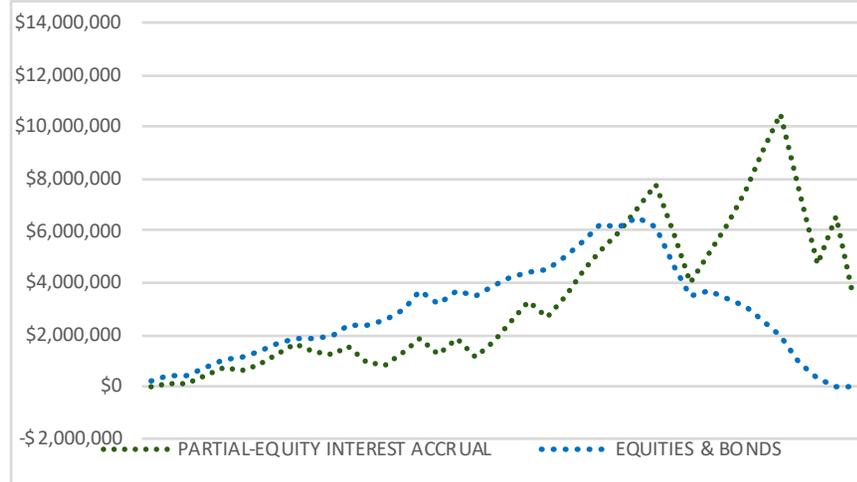
AVE ANNUAL INCOME:	\$518,529	\$517,184
TOTAL INCOME:	\$7,777,937	\$7,240,573
YR 40 ACCOUNT VALUE:	\$3,523,952	\$0

NET ACCOUNT VALUE (COMPARISON)

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



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



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

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

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

EQUITIES BONDS
 <AGE 56: 70.00% 30.00%
 AGE 56+: 70.00% 30.00%

Current Adjusted Gross Income (AGI): \$250,000
 Current Income Tax Rate: 37.10%
 Long-Term Capital Gains Tax Rate: 28.10%
 State of Residence: CA

% of Equities Taxed at STCG Tax Rates: 0.00%
 % of Equities Taxed at LTCG Tax Rates: 100.00%
 % of Bonds Taxed at STCG Tax Rates: 100.00%

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

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
YEAR	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	40	\$200,000	1978	13.97%	12.62%	9.07%	1978	-7.81%	-9.16%	-10.86%	1.35%	3.60%	\$207,202	vs	-\$819
2	41	\$200,000	1979	16.24%	14.89%	10.71%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.24%	\$424,448	vs	\$214,179
3	42	\$200,000	1980	15.48%	14.13%	10.16%	1980	-14.57%	-15.92%	-15.92%	1.35%	2.34%	\$639,045	vs	\$468,285
4	43	\$200,000	1981	-5.06%	-6.41%	-6.41%	1981	-1.94%	-3.29%	-3.29%	1.35%	-5.47%	\$793,110	vs	\$467,934
5	44	\$200,000	1982	22.68%	21.33%	15.34%	1982	25.14%	23.79%	14.96%	1.35%	15.23%	\$1,144,315	vs	\$782,894
6	45	\$200,000	1983	14.46%	13.11%	9.43%	1983	-0.01%	-1.36%	-1.36%	1.35%	6.19%	\$1,427,550	vs	\$1,143,825
7	46	\$200,000	1984	11.93%	10.58%	7.60%	1984	9.04%	7.69%	4.84%	1.35%	6.77%	\$1,737,812	vs	\$1,557,137
8	47	\$200,000	1985	19.90%	18.55%	13.34%	1985	21.41%	20.06%	12.62%	1.35%	13.12%	\$2,192,054	vs	\$2,027,122
9	48	\$200,000	1986	31.42%	30.07%	21.62%	1986	21.97%	20.62%	12.97%	1.35%	19.02%	\$2,847,112	vs	\$2,558,434
10	49	\$200,000	1987	-4.21%	-5.56%	-5.56%	1987	-8.32%	-9.67%	-9.67%	1.35%	-6.79%	\$2,840,201	vs	\$2,216,334 -21.97%
11	50	\$0	1988	17.72%	16.37%	11.77%	1988	3.98%	2.63%	1.66%	1.35%	8.73%	\$3,088,255	vs	\$2,644,555 -14.37%
12	51	\$0	1989	12.63%	11.28%	8.11%	1989	12.27%	10.92%	6.87%	1.35%	7.74%	\$3,327,186	vs	\$3,101,476 -6.78%
13	52	\$0	1990	6.51%	5.16%	3.71%	1990	0.79%	-0.56%	-0.56%	1.35%	2.43%	\$3,408,093	vs	\$3,167,122 -7.07%
14	53	\$0	1991	20.86%	19.51%	14.02%	1991	10.33%	8.98%	5.65%	1.35%	11.51%	\$3,800,434	vs	\$3,279,867 -13.70%
15	54	\$0	1992	9.34%	7.99%	5.74%	1992	6.15%	4.80%	3.02%	1.35%	4.93%	\$3,987,642	vs	\$3,912,298 -1.89%
16	55	\$0	1993	11.76%	10.41%	7.49%	1993	10.94%	9.59%	6.03%	1.35%	7.05%	\$4,268,727	vs	\$4,703,925 10.20%
17	56	\$0	1994	-0.32%	-1.67%	-1.67%	1994	-10.37%	-11.72%	-11.72%	1.35%	-4.69%	\$4,068,587	vs	\$4,079,685 0.27%
18	57	\$0	1995	37.20%	35.85%	25.78%	1995	20.11%	18.76%	11.80%	1.35%	21.58%	\$4,946,785	vs	\$4,930,424 -0.33%
19	58	\$0	1996	25.61%	24.26%	17.44%	1996	-1.46%	-2.81%	-2.81%	1.35%	11.37%	\$5,508,997	vs	\$5,887,862 6.88%
20	59	\$0	1997	26.69%	25.34%	18.22%	1997	7.43%	6.08%	3.82%	1.35%	13.90%	\$6,274,836	vs	\$6,963,830 10.98%
21	60	\$0	1998	32.54%	31.19%	22.42%	1998	13.16%	11.81%	7.43%	1.35%	17.93%	\$7,399,693	vs	\$8,171,356 10.43%
22	61	\$0	1999	10.97%	9.62%	6.92%	1999	-10.22%	-11.57%	-11.57%	1.35%	1.37%	\$7,501,259	vs	\$9,523,370 26.96%
23	62	\$0	2000	-0.04%	-1.39%	-1.39%	2000	12.84%	11.49%	7.23%	1.35%	1.20%	\$7,590,966	vs	\$8,658,203 14.06%
24	63	\$0	2001	-15.26%	-16.61%	-16.61%	2001	2.67%	1.32%	0.83%	1.35%	-11.38%	\$6,727,137	vs	\$7,762,695 15.39%
25	64	\$0	2002	-22.29%	-23.64%	-23.64%	2002	13.32%	11.97%	7.53%	1.35%	-14.29%	\$5,765,975	vs	\$6,834,959 18.54%
26	65	\$0	2003	34.19%	32.84%	23.61%	2003	-1.85%	-3.20%	-3.20%	1.35%	15.57%	\$6,031,616	vs	\$7,597,642 23.81%
27	66	\$0	2004	6.43%	5.08%	3.65%	2004	1.77%	0.42%	0.26%	1.35%	2.64%	\$5,566,812	vs	\$7,396,175 27.22%
28	67	\$0	2005	10.36%	9.01%	6.48%	2005	-0.51%	-1.86%	-1.86%	1.35%	3.98%	\$5,173,114	vs	\$8,292,260 45.08%
29	68	\$0	2006	14.36%	13.01%	9.35%	2006	-1.23%	-2.58%	-2.58%	1.35%	5.77%	\$4,770,081	vs	\$9,269,059 62.66%
30	69	\$0	2007	-2.15%	-3.50%	-3.50%	2007	7.15%	5.80%	3.65%	1.35%	-1.36%	\$3,973,966	vs	\$7,143,691 44.49%
31	70	\$0	2008	-38.09%	-39.44%	-39.44%	2008	15.66%	14.31%	9.00%	1.35%	-24.91%	\$2,554,984	vs	\$5,107,671 49.66%
32	71	\$0	2009	32.03%	30.68%	22.06%	2009	-10.80%	-12.15%	-12.15%	1.35%	11.80%	\$2,399,535	vs	\$6,280,278 59.42%
33	72	\$0	2010	21.76%	20.41%	14.68%	2010	6.71%	5.36%	3.37%	1.35%	11.29%	\$2,111,237	vs	\$7,547,888 80.60%
34	73	\$0	2011	4.04%	2.69%	1.94%	2011	12.48%	11.13%	7.00%	1.35%	3.46%	\$1,559,517	vs	\$6,189,644 68.12%
35	74	\$0	2012	16.15%	14.80%	10.64%	2012	0.88%	-0.47%	-0.47%	1.35%	7.31%	\$1,142,136	vs	\$7,644,187 94.58%
36	75	\$0	2013	20.99%	19.64%	14.12%	2013	-10.42%	-11.77%	-11.77%	1.35%	6.35%	\$564,318	vs	\$9,219,973 125.29%
37	76	\$0	2014	13.92%	12.57%	9.03%	2014	8.98%	7.63%	4.80%	1.35%	7.76%	\$0	vs	\$10,919,237 160.56%
38	77	\$0	2015	-0.74%	-2.09%	-2.09%	2015	1.16%	-0.19%	-0.19%	1.35%	-1.52%	\$0	vs	\$7,707,062 126.71%
39	78	\$0	2016	19.45%	18.10%	13.02%	2016	-0.56%	-1.91%	-1.91%	1.35%	8.54%	\$0	vs	\$9,622,651 163.36%
40	79	\$0	2017	25.91%	24.56%	17.66%	2017	0.66%	-0.69%	-0.69%	1.35%	12.15%	\$0	vs	\$11,682,543 204.32%

Average Equities Return: 12.23%

Average T-Bond Return: 3.94%

Average Net Portfolio Return: 5.16%

BEST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$575,716

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

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

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

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

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
YEAR	ANNUAL INVESTED	CALENDAR YEAR	GROSS EQUITIES RETURN	AFTER-FEE EQUITIES RETURN	AFTER-FEE & TAX EQUITIES RETURN	CALENDAR YEAR	GROSS BOND RETURN	AFTER-FEE BOND RETURN	AFTER-FEE & TAX BOND RETURN	TOTAL CHARGES	NET RETURN	INCOME DRAWDOWNS	AFTER-TAX ACCOUNT VALUE	LEVERAGED SYNTHETIC ACCOUNT VALUE	LEVERAGED SYNTHETIC INCREASE	
1	40	\$200,000	1971	14.42%	13.07%	9.39%	1971	5.27%	3.92%	2.46%	1.35%	7.32%	\$0	\$214,631	vs	-\$819
2	41	\$200,000	1972	0.08%	-1.27%	-1.27%	1972	-0.44%	-1.79%	-1.79%	1.35%	-1.42%	\$0	\$408,726	vs	\$79,037
3	42	\$200,000	1973	-39.40%	-40.75%	-40.75%	1973	-2.37%	-3.72%	-3.72%	1.35%	-29.64%	\$0	\$428,289	vs	\$121,741
4	43	\$200,000	1974	34.00%	32.65%	23.47%	1974	-8.16%	-9.51%	-9.51%	1.35%	13.58%	\$0	\$713,588	vs	\$384,821
5	44	\$200,000	1975	27.48%	26.13%	18.79%	1975	-5.07%	-6.42%	-6.42%	1.35%	11.22%	\$0	\$1,016,129	vs	\$691,644
6	45	\$200,000	1976	-6.28%	-7.63%	-7.63%	1976	9.68%	8.33%	5.24%	1.35%	-3.77%	\$0	\$1,170,331	vs	\$598,703
7	46	\$200,000	1977	8.23%	6.88%	4.94%	1977	-4.89%	-6.24%	-6.24%	1.35%	1.59%	\$0	\$1,392,087	vs	\$872,418
8	47	\$200,000	1978	8.61%	7.26%	5.22%	1978	-7.81%	-9.16%	-9.16%	1.35%	0.91%	\$0	\$1,606,515	vs	\$1,202,807
9	48	\$200,000	1979	16.76%	15.41%	11.08%	1979	-9.51%	-10.86%	-10.86%	1.35%	4.50%	\$0	\$1,887,789	vs	\$1,653,411
10	49	\$200,000	1980	-5.40%	-6.75%	-6.75%	1980	-14.57%	-15.92%	-15.92%	1.35%	-9.50%	\$0	\$1,889,504	vs	\$1,320,361
11	50	\$0	1981	5.65%	4.30%	3.09%	1981	-1.94%	-3.29%	-3.29%	1.35%	1.18%	\$0	\$1,911,768	vs	\$1,234,962
12	51	\$0	1982	39.91%	38.56%	27.72%	1982	25.14%	23.79%	14.96%	1.35%	23.90%	\$0	\$2,368,608	vs	\$1,553,870
13	52	\$0	1983	2.02%	0.67%	0.48%	1983	-0.01%	-1.36%	-1.36%	1.35%	-0.07%	\$0	\$2,366,895	vs	\$976,098
14	53	\$0	1984	11.62%	10.27%	7.38%	1984	9.04%	7.69%	4.84%	1.35%	6.62%	\$0	\$2,523,609	vs	\$874,319
15	54	\$0	1985	29.04%	27.69%	19.91%	1985	21.41%	20.06%	12.62%	1.35%	17.72%	\$0	\$2,970,864	vs	\$1,301,164
16	55	\$0	1986	41.13%	39.78%	28.60%	1986	21.97%	20.62%	12.97%	1.35%	23.91%	\$0	\$3,681,225	vs	\$1,837,135
17	56	\$0	1987	-13.51%	-14.86%	-14.86%	1987	-8.32%	-9.67%	-9.67%	1.35%	-13.30%	\$0	\$3,191,477	vs	\$1,241,564
18	57	\$0	1988	30.41%	29.06%	20.89%	1988	3.98%	2.63%	1.66%	1.35%	15.12%	\$0	\$3,674,061	vs	\$1,814,422
19	58	\$0	1989	-10.34%	-11.69%	-11.69%	1989	12.27%	10.92%	6.87%	1.35%	-6.12%	\$0	\$3,449,040	vs	\$1,161,186
20	59	\$0	1990	28.73%	27.38%	19.69%	1990	0.79%	-0.56%	-0.56%	1.35%	13.61%	\$0	\$3,918,598	vs	\$1,774,365
21	60	\$0	1991	9.72%	8.37%	6.02%	1991	10.33%	8.98%	5.65%	1.35%	5.91%	\$0	\$4,150,076	vs	\$2,473,791
22	61	\$0	1992	11.84%	10.49%	7.55%	1992	6.15%	4.80%	3.02%	1.35%	6.19%	\$0	\$4,406,840	vs	\$3,267,956
23	62	\$0	1993	2.82%	1.47%	1.06%	1993	10.94%	9.59%	6.03%	1.35%	2.55%	\$0	\$4,519,243	vs	\$2,651,810
24	63	\$0	1994	28.30%	26.95%	19.38%	1994	-10.37%	-11.72%	-11.72%	1.35%	10.05%	\$0	\$4,973,321	vs	\$3,519,108
25	64	\$0	1995	19.61%	18.26%	13.13%	1995	20.11%	18.76%	11.80%	1.35%	12.73%	\$0	\$5,606,472	vs	\$4,500,888
26	65	\$0	1996	39.82%	38.47%	27.66%	1996	-1.46%	-2.81%	-2.81%	1.35%	18.52%	-\$360,071	\$6,217,990	vs	\$5,231,103
27	66	\$0	1997	9.36%	8.01%	5.76%	1997	7.43%	6.08%	3.82%	1.35%	5.18%	-\$418,488	\$6,099,849	vs	\$5,975,257
28	67	\$0	1998	28.13%	26.78%	19.25%	1998	13.16%	11.81%	7.43%	1.35%	15.71%	-\$478,021	\$6,504,771	vs	\$6,832,190
29	68	\$0	1999	13.99%	12.64%	9.09%	1999	-10.22%	-11.57%	-11.57%	1.35%	2.89%	-\$546,575	\$6,130,461	vs	\$7,762,605
30	69	\$0	2000	-25.54%	-26.89%	-26.89%	2000	12.84%	11.49%	7.23%	1.35%	-16.65%	-\$621,008	\$4,592,031	vs	\$5,820,489
31	70	\$0	2001	-19.68%	-21.03%	-21.03%	2001	2.67%	1.32%	0.83%	1.35%	-14.47%	-\$465,639	\$3,529,272	vs	\$3,960,172
32	71	\$0	2002	24.16%	22.81%	16.40%	2002	13.32%	11.97%	7.53%	1.35%	13.74%	-\$316,814	\$3,653,861	vs	\$5,068,463
33	72	\$0	2003	13.91%	12.56%	9.03%	2003	-1.85%	-3.20%	-3.20%	1.35%	5.36%	-\$405,477	\$3,422,501	vs	\$6,263,826
34	73	\$0	2004	12.25%	10.90%	7.84%	2004	1.77%	0.42%	0.26%	1.35%	5.56%	-\$501,106	\$3,083,937	vs	\$7,556,748
35	74	\$0	2005	10.71%	9.36%	6.73%	2005	-0.51%	-1.86%	-1.86%	1.35%	4.15%	-\$604,540	\$2,582,390	vs	\$8,958,952
36	75	\$0	2006	16.29%	14.94%	10.74%	2006	-1.23%	-2.58%	-2.58%	1.35%	6.75%	-\$716,716	\$1,991,549	vs	\$10,483,605
37	76	\$0	2007	-21.61%	-22.96%	-22.96%	2007	7.15%	5.80%	3.65%	1.35%	-14.97%	-\$838,688	\$980,238	vs	\$7,547,974
38	77	\$0	2008	-7.37%	-8.72%	-8.72%	2008	15.66%	14.31%	9.00%	1.35%	-3.40%	-\$603,838	\$363,591	vs	\$4,735,223
39	78	\$0	2009	9.96%	8.61%	6.19%	2009	-10.80%	-12.15%	-12.15%	1.35%	0.69%	-\$363,591	\$0	vs	\$6,526,716
40	79	\$0	2010	1.14%	-0.21%	-0.21%	2010	6.71%	5.36%	3.37%	1.35%	0.87%	\$0	\$0	vs	\$3,523,952

Average Equities Return: 10.02%

Average T-Bond Return: 3.46%

Average Net Portfolio Return: 3.62%

WORST 40

AVERAGE ANNUAL INCOME DRAWN DOWN: \$517,184

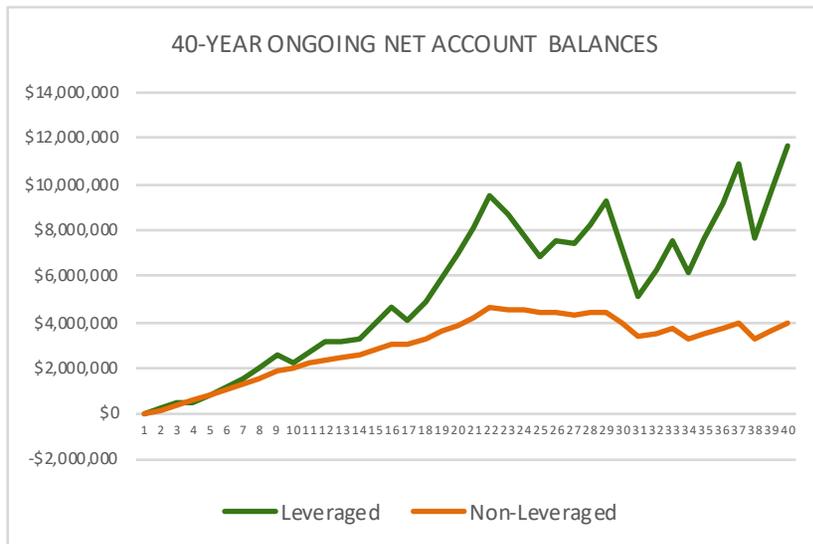
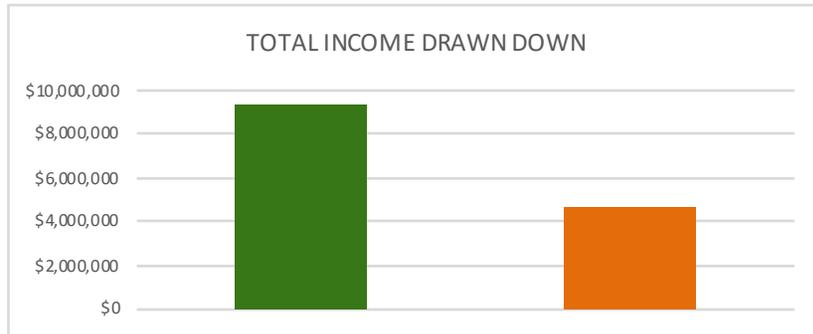
DISCLAIMER: The "Gross Equities Return" is a hypothetical return based on historical annual point-to-point S&P 500 performance (starting on the first day of a particular month) not including dividends, plus a 2.00% bonus added. The "Gross Bond Return" is a hypothetical return based on historical 10-Year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

BEST CAGR IN 40-YEAR PERIOD*

LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

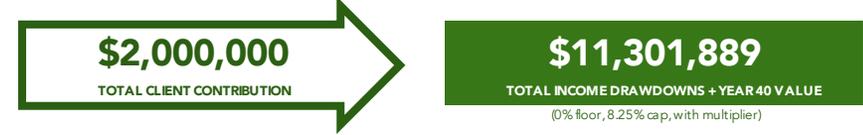


NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

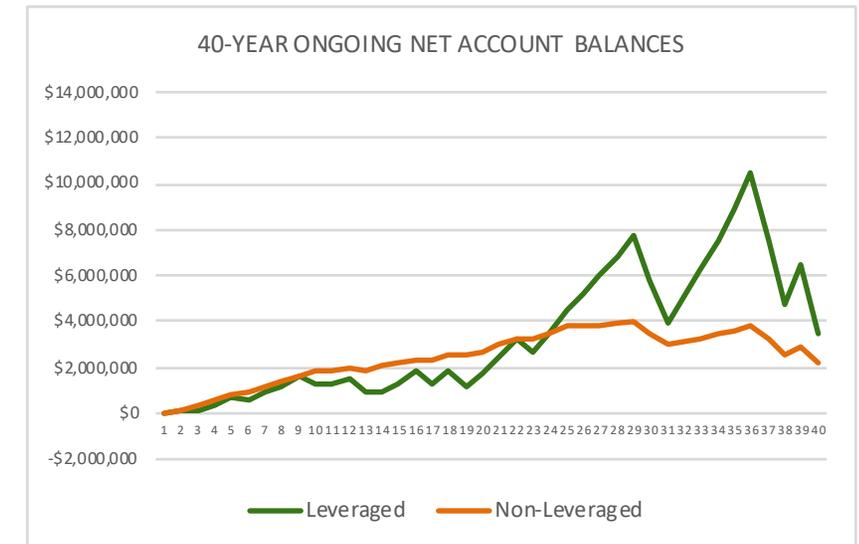
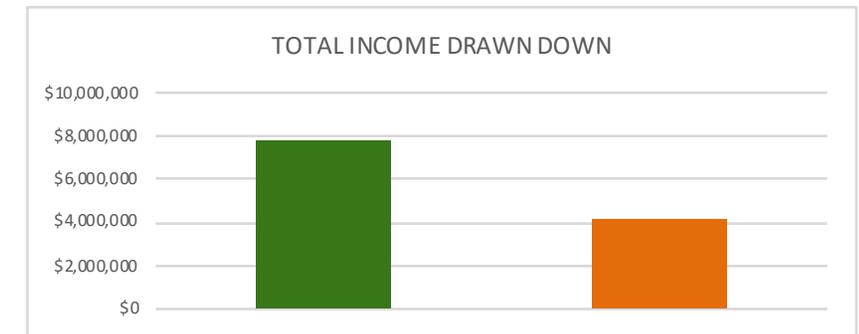


WORST CAGR IN 40-YEAR PERIOD*

LEVERAGED HYPOTHETICAL SYNTHETIC ASSET



NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET



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

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

NON-FINANCED HYPOTHETICAL SYNTHETIC ASSET

NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

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

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

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

Participation Rate: **100.00%**

Floor Modeled: **0.00%**

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

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

#	YEAR	AGE	TOTAL INDEX CONTRIBUTION	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	40		\$200,000	1978	11.97%	8.25%	8.25%	\$0	\$157,059	\$5,859
2	41		\$200,000	1979	14.24%	8.25%	10.90%	\$0	\$331,530	\$194,680
3	42		\$200,000	1980	13.48%	8.25%	10.90%	\$0	\$520,838	\$398,478
4	43		\$200,000	1981	-7.06%	0.00%	0.00%	\$0	\$655,002	\$547,272
5	44		\$200,000	1982	20.68%	8.25%	10.90%	\$0	\$871,347	\$778,457
6	45		\$200,000	1983	12.46%	8.25%	10.90%	\$0	\$1,104,219	\$1,026,309
7	46		\$200,000	1984	9.93%	8.25%	10.90%	\$0	\$1,356,941	\$1,294,221
8	47		\$200,000	1985	17.90%	8.25%	10.90%	\$0	\$1,630,936	\$1,583,616
9	48		\$200,000	1986	29.42%	8.25%	10.90%	\$0	\$1,927,796	\$1,896,086
10	49		\$200,000	1987	-6.21%	0.00%	0.00%	\$0	\$2,028,339	\$2,012,379
11	50		\$0	1988	15.72%	8.25%	10.90%	\$0	\$2,174,939	\$2,174,939
12	51		\$0	1989	10.63%	8.25%	10.90%	\$0	\$2,334,557	\$2,334,557
13	52		\$0	1990	4.51%	4.51%	6.54%	\$0	\$2,409,930	\$2,409,930
14	53		\$0	1991	18.86%	8.25%	10.90%	\$0	\$2,589,864	\$2,589,864
15	54		\$0	1992	7.34%	7.34%	10.64%	\$0	\$2,779,582	\$2,779,582
16	55		\$0	1993	9.76%	8.25%	10.90%	\$0	\$3,033,620	\$3,033,620
17	56		\$0	1994	-2.32%	0.00%	0.00%	\$0	\$2,986,269	\$2,986,269
18	57		\$0	1995	35.20%	8.25%	10.90%	\$0	\$3,259,140	\$3,259,140
19	58		\$0	1996	23.61%	8.25%	10.90%	\$0	\$3,558,215	\$3,558,215
20	59		\$0	1997	24.69%	8.25%	10.90%	\$0	\$3,886,090	\$3,886,090
21	60		\$0	1998	30.54%	8.25%	10.90%	\$0	\$4,245,545	\$4,245,545
22	61		\$0	1999	8.97%	8.25%	10.90%	\$0	\$4,639,494	\$4,639,494
23	62		\$0	2000	-2.04%	0.00%	0.00%	\$0	\$4,572,525	\$4,572,525
24	63		\$0	2001	-17.26%	0.00%	0.00%	\$0	\$4,504,921	\$4,504,921
25	64		\$0	2002	-24.29%	0.00%	0.00%	\$0	\$4,436,301	\$4,436,301
26	65		\$0	2003	32.19%	8.25%	10.90%	-\$354,904	\$4,841,737	\$4,469,088
27	66		\$0	2004	4.43%	4.43%	6.43%	-\$357,527	\$5,072,697	\$4,306,012
28	67		\$0	2005	8.36%	8.25%	10.90%	-\$344,481	\$5,538,507	\$4,371,783
29	68		\$0	2006	12.36%	8.25%	10.90%	-\$349,743	\$6,049,138	\$4,456,848
30	69		\$0	2007	-4.15%	0.00%	0.00%	-\$356,548	\$5,959,586	\$3,913,306
31	70		\$0	2008	-40.09%	0.00%	0.00%	-\$313,064	\$5,870,656	\$3,393,344
32	71		\$0	2009	30.03%	8.25%	10.90%	-\$271,468	\$6,412,980	\$3,526,762
33	72		\$0	2010	19.76%	8.25%	10.90%	-\$282,141	\$7,008,952	\$3,682,175
34	73		\$0	2011	2.04%	2.04%	2.96%	-\$294,574	\$7,115,986	\$3,313,567
35	74		\$0	2012	14.15%	8.25%	10.90%	-\$265,085	\$7,783,912	\$3,513,033
36	75		\$0	2013	18.99%	8.25%	10.90%	-\$281,043	\$8,520,147	\$3,740,628
37	76		\$0	2014	11.92%	8.25%	10.90%	-\$299,250	\$9,332,548	\$3,999,841
38	77		\$0	2015	-2.74%	0.00%	0.00%	-\$319,987	\$9,224,521	\$3,289,192
39	78		\$0	2016	17.45%	8.25%	10.90%	-\$263,135	\$10,117,940	\$3,609,553
40	79		\$0	2017	23.91%	8.25%	10.90%	-\$288,764	\$11,099,307	\$3,962,298

AVERAGE ANNUAL INCOME DRAWDOWN: **\$309,448**

BEST 40

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

CASH FLOW SUMMARY	
TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$309,448
TOTAL INCOME DRAWDOWN:	\$4,641,715
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$3,962,298
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$8,604,012
RAW S&P 500 CAGR:	9.02%
40-YEAR NET ACCOUNT IRR:	4.90%

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: **8.75%**

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

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Participation Rate: **100.00%**

Floor Modeled: **0.00%**

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

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

8/27/2022

#	YEAR	AGE	TOTAL INDEX CONTRIBUTION	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	40		\$200,000	1971	12.42%	8.25%	8.25%	\$0	\$157,059	\$5,859
2	41		\$200,000	1972	-1.92%	0.00%	0.00%	\$0	\$298,945	\$162,095
3	42		\$200,000	1973	-41.40%	0.00%	0.00%	\$0	\$437,387	\$315,027
4	43		\$200,000	1974	32.00%	8.25%	10.90%	\$0	\$634,776	\$527,046
5	44		\$200,000	1975	25.48%	8.25%	10.90%	\$0	\$849,141	\$756,251
6	45		\$200,000	1976	-8.28%	0.00%	0.00%	\$0	\$973,705	\$895,795
7	46		\$200,000	1977	6.23%	6.23%	9.03%	\$0	\$1,193,159	\$1,130,439
8	47		\$200,000	1978	6.61%	6.61%	9.59%	\$0	\$1,433,944	\$1,386,624
9	48		\$200,000	1979	14.76%	8.25%	10.90%	\$0	\$1,711,516	\$1,679,806
10	49		\$200,000	1980	-7.40%	0.00%	0.00%	\$0	\$1,814,222	\$1,798,262
11	50		\$0	1981	3.65%	3.65%	5.29%	\$0	\$1,841,759	\$1,841,759
12	51		\$0	1982	37.91%	8.25%	10.90%	\$0	\$1,968,756	\$1,968,756
13	52		\$0	1983	0.02%	0.02%	0.03%	\$0	\$1,900,280	\$1,900,280
14	53		\$0	1984	9.62%	8.25%	10.90%	\$0	\$2,030,315	\$2,030,315
15	54		\$0	1985	27.04%	8.25%	10.90%	\$0	\$2,171,744	\$2,171,744
16	55		\$0	1986	39.13%	8.25%	10.90%	\$0	\$2,366,268	\$2,366,268
17	56		\$0	1987	-15.51%	0.00%	0.00%	\$0	\$2,325,591	\$2,325,591
18	57		\$0	1988	28.41%	8.25%	10.90%	\$0	\$2,533,775	\$2,533,775
19	58		\$0	1989	-12.34%	0.00%	0.00%	\$0	\$2,490,378	\$2,490,378
20	59		\$0	1990	26.73%	8.25%	10.90%	\$0	\$2,713,701	\$2,713,701
21	60		\$0	1991	7.72%	7.72%	10.90%	\$0	\$2,958,368	\$2,958,368
22	61		\$0	1992	9.84%	8.25%	10.90%	\$0	\$3,226,289	\$3,226,289
23	62		\$0	1993	0.82%	0.82%	1.19%	\$0	\$3,211,353	\$3,211,353
24	63		\$0	1994	26.30%	8.25%	10.90%	\$0	\$3,501,513	\$3,501,513
25	64		\$0	1995	17.61%	8.25%	10.90%	\$0	\$3,818,206	\$3,818,206
26	65		\$0	1996	37.82%	8.25%	10.90%	-\$305,456	\$4,163,124	\$3,842,395
27	66		\$0	1997	7.36%	7.36%	10.67%	-\$307,392	\$4,531,546	\$3,872,019
28	67		\$0	1998	26.13%	8.25%	10.90%	-\$309,762	\$4,944,371	\$3,926,618
29	68		\$0	1999	11.99%	8.25%	10.90%	-\$314,129	\$5,396,831	\$3,998,354
30	69		\$0	2000	-27.54%	0.00%	0.00%	-\$319,868	\$5,313,802	\$3,509,540
31	70		\$0	2001	-21.68%	0.00%	0.00%	-\$280,763	\$5,231,329	\$3,042,053
32	71		\$0	2002	22.16%	8.25%	10.90%	-\$243,364	\$5,711,057	\$3,156,784
33	72		\$0	2003	11.91%	8.25%	10.90%	-\$252,543	\$6,238,304	\$3,291,147
34	73		\$0	2004	10.25%	8.25%	10.90%	-\$263,292	\$6,818,352	\$3,447,381
35	74		\$0	2005	8.71%	8.25%	10.90%	-\$275,790	\$7,457,136	\$3,628,037
36	75		\$0	2006	14.29%	8.25%	10.90%	-\$290,243	\$8,161,376	\$3,836,067
37	76		\$0	2007	-23.61%	0.00%	0.00%	-\$306,885	\$8,060,099	\$3,196,295
38	77		\$0	2008	-9.37%	0.00%	0.00%	-\$255,704	\$7,964,797	\$2,589,314
39	78		\$0	2009	7.96%	7.96%	10.90%	-\$207,145	\$8,734,877	\$2,873,117
40	79		\$0	2010	-0.86%	0.00%	0.00%	-\$229,849	\$8,639,159	\$2,242,970

AVERAGE ANNUAL INCOME DRAWDOWN: **\$277,479**

WORST 40

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

TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$277,479
TOTAL INCOME DRAWDOWN:	\$4,162,186
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$2,242,970
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$6,405,156
RAW S&P 500 CAGR: 6.30%	40-YEAR NET ACCOUNT IRR: 4.00%

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

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

NON-LEVERAGED HYPOTHETICAL SYNTHETIC ASSET

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

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

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

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Participation Rate: **100.00%**

Floor Modeled: **0.00%**

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

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

8/27/2022

#	YEAR	AGE	TOTAL INDEX CONTRIBUTION	CALENDAR YEAR	INDEX RETURN (GROSS)	INDEX RETURN (FLOOR & CAP)	INDEX RETURN (EFFECTIVE)	ANNUAL INCOME DRAWDOWNS	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	40		\$200,000	1982	20.68%	8.25%	8.25%	\$0	\$157,059	\$5,859
2	41		\$200,000	1983	12.46%	8.25%	10.90%	\$0	\$331,530	\$194,680
3	42		\$200,000	1984	9.93%	8.25%	10.90%	\$0	\$520,838	\$398,478
4	43		\$200,000	1985	17.90%	8.25%	10.90%	\$0	\$726,397	\$618,667
5	44		\$200,000	1986	29.42%	8.25%	10.90%	\$0	\$949,733	\$856,843
6	45		\$200,000	1987	-6.21%	0.00%	0.00%	\$0	\$1,073,291	\$995,381
7	46		\$200,000	1988	15.72%	8.25%	10.90%	\$0	\$1,322,985	\$1,260,265
8	47		\$200,000	1989	10.63%	8.25%	10.90%	\$0	\$1,593,655	\$1,546,335
9	48		\$200,000	1990	4.51%	4.51%	6.54%	\$0	\$1,812,738	\$1,781,028
10	49		\$200,000	1991	18.86%	8.25%	10.90%	\$0	\$2,123,105	\$2,107,145
11	50		\$0	1992	7.34%	7.34%	10.64%	\$0	\$2,273,669	\$2,273,669
12	51		\$0	1993	9.76%	8.25%	10.90%	\$0	\$2,442,954	\$2,442,954
13	52		\$0	1994	-2.32%	0.00%	0.00%	\$0	\$2,369,239	\$2,369,239
14	53		\$0	1995	35.20%	8.25%	10.90%	\$0	\$2,545,190	\$2,545,190
15	54		\$0	1996	23.61%	8.25%	10.90%	\$0	\$2,737,030	\$2,737,030
16	55		\$0	1997	24.69%	8.25%	10.90%	\$0	\$2,986,902	\$2,986,902
17	56		\$0	1998	30.54%	8.25%	10.90%	\$0	\$3,260,480	\$3,260,480
18	57		\$0	1999	8.97%	8.25%	10.90%	\$0	\$3,560,199	\$3,560,199
19	58		\$0	2000	-2.04%	0.00%	0.00%	\$0	\$3,506,538	\$3,506,538
20	59		\$0	2001	-17.26%	0.00%	0.00%	\$0	\$3,452,979	\$3,452,979
21	60		\$0	2002	-24.29%	0.00%	0.00%	\$0	\$3,399,484	\$3,399,484
22	61		\$0	2003	32.19%	8.25%	10.90%	\$0	\$3,710,595	\$3,710,595
23	62		\$0	2004	4.43%	4.43%	6.43%	\$0	\$3,887,705	\$3,887,705
24	63		\$0	2005	8.36%	8.25%	10.90%	\$0	\$4,244,087	\$4,244,087
25	64		\$0	2006	12.36%	8.25%	10.90%	\$0	\$4,633,486	\$4,633,486
26	65		\$0	2007	-4.15%	0.00%	0.00%	-\$370,679	\$4,561,071	\$4,171,858
27	66		\$0	2008	-40.09%	0.00%	0.00%	-\$333,749	\$4,488,483	\$3,729,373
28	67		\$0	2009	30.03%	8.25%	10.90%	-\$298,350	\$4,897,092	\$3,786,760
29	68		\$0	2010	19.76%	8.25%	10.90%	-\$302,941	\$5,344,922	\$3,860,986
30	69		\$0	2011	2.04%	2.04%	2.96%	-\$308,879	\$5,418,390	\$5,535,934
31	70		\$0	2012	14.15%	8.25%	10.90%	-\$282,875	\$5,916,372	\$3,642,775
32	71		\$0	2013	18.99%	8.25%	10.90%	-\$291,422	\$6,463,173	\$3,769,902
33	72		\$0	2014	11.92%	8.25%	10.90%	-\$301,592	\$7,064,059	\$3,919,453
34	73		\$0	2015	-2.74%	0.00%	0.00%	-\$313,556	\$6,965,696	\$3,334,626
35	74		\$0	2016	17.45%	8.25%	10.90%	-\$266,770	\$7,618,907	\$3,526,175
36	75		\$0	2017	23.91%	8.25%	10.90%	-\$282,094	\$8,338,986	\$3,745,419
37	76		\$0	2018	-4.41%	0.00%	0.00%	-\$299,633	\$8,235,933	\$3,098,072
38	77		\$0	2019	31.74%	8.25%	10.90%	-\$247,846	\$9,026,010	\$3,371,018
39	78		\$0	2020	18.38%	8.25%	10.90%	-\$269,681	\$9,899,993	\$3,679,086
40	79		\$0	2021	28.83%	8.25%	10.90%	-\$294,327	\$10,860,020	\$4,019,024

AVERAGE ANNUAL INCOME DRAWDOWN: **\$297,626**

MOST RECENT 40

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

TOTAL CLIENT OUTLAY:	-\$2,000,000
AVERAGE ANNUAL INCOME DRAWDOWN:	\$297,626
TOTAL INCOME DRAWDOWN:	\$4,464,394
40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$4,019,024
INCOME + 40-YEAR ACCOUNT BALANCE (NET OF LOAN):	\$8,483,418
RAW S&P 500 CAGR:	9.99%
40-YEAR NET ACCOUNT IRR:	4.83%

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

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ACCOUNT CHARGES + INDEX CREDITS + BONUSES

AN ANNUAL EXPLANATION OF POSITIVE & NEGATIVE ARBITRAGE

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$2,156	-\$52,755	1978	11.97%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$11,970	-\$54,911	-\$42,941	\$145,089	\$157,059	\$5,859
2	1.00%	-\$2,874	-\$55,239	1979	14.24%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$32,585	-\$58,113	-\$25,528	\$298,945	\$331,530	\$194,680
3	1.00%	-\$4,609	-\$57,275	1980	13.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$51,191	-\$61,884	-\$10,692	\$469,646	\$520,838	\$398,478
4	1.00%	-\$6,492	-\$59,344	1981	-7.06%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$65,836	-\$65,836	\$655,002	\$655,002	\$547,272
5	1.00%	-\$7,823	-\$61,474	1982	20.68%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$85,642	-\$69,297	\$16,345	\$785,705	\$871,347	\$778,457
6	1.00%	-\$9,965	-\$65,693	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$108,530	-\$75,658	\$32,872	\$995,689	\$1,104,219	\$1,026,309
7	1.00%	-\$12,280	-\$68,367	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$133,369	-\$80,647	\$52,722	\$1,223,572	\$1,356,941	\$1,294,221
8	1.00%	-\$14,792	-\$71,513	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$160,299	-\$86,305	\$73,995	\$1,470,637	\$1,630,936	\$1,583,616
9	1.00%	-\$17,514	-\$75,103	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$189,477	-\$92,617	\$96,860	\$1,738,319	\$1,927,796	\$1,896,086
10	1.00%	-\$20,463	-\$78,994	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$99,457	-\$99,457	\$2,028,339	\$2,028,339	\$2,012,379
11	1.00%	-\$20,048	-\$47,120	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$213,768	-\$67,168	\$146,600	\$1,961,171	\$2,174,939	\$2,174,939
12	1.00%	-\$21,508	-\$48,330	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$229,456	-\$69,838	\$159,618	\$2,105,101	\$2,334,557	\$2,334,557
13	1.00%	-\$23,098	-\$49,533	1990	4.51%	4.51%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$148,003	-\$72,631	\$75,372	\$2,261,926	\$2,409,930	\$2,409,930
14	1.00%	-\$23,845	-\$50,769	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$254,549	-\$74,614	\$179,935	\$2,335,315	\$2,589,864	\$2,589,864
15	1.00%	-\$25,639	-\$51,982	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$267,338	-\$77,621	\$189,718	\$2,512,244	\$2,779,582	\$2,779,582
16	1.00%	-\$27,714	-\$16,413	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$298,165	-\$44,127	\$254,038	\$2,735,455	\$3,033,620	\$3,033,620
17	1.00%	-\$30,251	-\$17,100	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$47,351	-\$47,351	\$2,986,269	\$2,986,269	\$2,986,269
18	1.00%	-\$29,774	-\$17,685	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$320,330	-\$47,459	\$272,871	\$2,938,810	\$3,259,140	\$3,259,140
19	1.00%	-\$32,501	-\$18,150	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$349,725	-\$50,651	\$299,075	\$3,208,490	\$3,558,215	\$3,558,215
20	1.00%	-\$35,489	-\$18,587	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$381,951	-\$54,076	\$327,875	\$3,504,139	\$3,886,090	\$3,886,090
21	1.00%	-\$38,766	-\$19,060	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$417,281	-\$57,826	\$359,455	\$3,828,264	\$4,245,545	\$4,245,545
22	1.00%	-\$42,357	-\$19,695	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$456,001	-\$62,052	\$393,949	\$4,183,493	\$4,639,494	\$4,639,494
23	1.00%	-\$46,292	-\$20,677	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$66,969	-\$66,969	\$4,572,525	\$4,572,525	\$4,572,525
24	1.00%	-\$45,615	-\$21,989	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$67,604	-\$67,604	\$4,504,921	\$4,504,921	\$4,504,921
25	1.00%	-\$44,931	-\$23,689	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$68,620	-\$68,620	\$4,436,301	\$4,436,301	\$4,436,301
26	1.00%	-\$44,232	-\$26,211	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$475,879	-\$70,443	\$405,436	\$4,365,858	\$4,841,737	\$4,469,088
27	1.00%	-\$48,282	-\$27,113	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$306,355	-\$75,395	\$230,960	\$4,766,342	\$5,072,697	\$4,306,012
28	1.00%	-\$50,587	-\$27,965	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$544,362	-\$78,552	\$465,810	\$4,994,145	\$5,538,507	\$4,371,783
29	1.00%	-\$55,242	-\$28,677	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$594,550	-\$83,919	\$510,631	\$5,454,588	\$6,049,138	\$4,456,848
30	1.00%	-\$60,345	-\$29,207	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$89,552	-\$89,552	\$5,959,586	\$5,959,586	\$3,913,306
31	1.00%	-\$59,448	-\$29,482	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$88,930	-\$88,930	\$5,870,656	\$5,870,656	\$3,393,344
32	1.00%	-\$58,559	-\$29,427	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$630,311	-\$87,986	\$542,325	\$5,782,669	\$6,412,980	\$3,526,762
33	1.00%	-\$63,985	-\$28,930	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$688,887	-\$92,915	\$595,972	\$6,320,065	\$7,008,952	\$3,682,175
34	1.00%	-\$69,950	-\$27,862	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$204,846	-\$97,812	\$107,034	\$6,911,140	\$7,115,986	\$3,313,567
35	1.00%	-\$71,029	-\$26,100	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$765,055	-\$97,129	\$667,926	\$7,018,857	\$7,783,912	\$3,513,033
36	1.00%	-\$77,722	-\$23,461	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$837,417	-\$101,183	\$736,235	\$7,682,729	\$8,520,147	\$3,740,628
37	1.00%	-\$85,103	-\$19,762	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$917,266	-\$104,865	\$812,401	\$8,415,282	\$9,332,548	\$3,999,841
38	1.00%	-\$93,252	-\$14,775	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$108,027	-\$108,027	\$9,224,521	\$9,224,521	\$3,289,192
39	1.00%	-\$92,201	-\$8,839	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$994,459	-\$101,040	\$893,419	\$9,123,481	\$10,117,940	\$3,609,553
40	1.00%	-\$101,137	-\$8,411	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,090,915	-\$109,548	\$981,366	\$10,008,392	\$11,099,307	\$3,962,298

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	1.00%	-\$2,156	-\$52,755	1971	12.42%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$11,970	-\$54,911	-\$42,941	\$145,089	\$157,059	\$5,859
2	1.00%	-\$2,874	-\$55,239	1972	-1.92%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$58,113	-\$58,113	\$298,945	\$298,945	\$162,095
3	1.00%	-\$4,283	-\$57,275	1973	-41.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$61,558	-\$61,558	\$437,387	\$437,387	\$315,027
4	1.00%	-\$5,657	-\$59,344	1974	32.00%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$62,390	-\$65,001	-\$2,611	\$572,386	\$634,776	\$527,046
5	1.00%	-\$7,620	-\$61,474	1975	25.48%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$83,459	-\$69,094	\$14,365	\$765,682	\$849,141	\$756,251
6	1.00%	-\$9,743	-\$65,693	1976	-8.28%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$75,436	-\$75,436	\$973,705	\$973,705	\$895,795
7	1.00%	-\$10,975	-\$68,367	1977	6.23%	6.23%	x 1.45	= 9.03%	+ 0.00%	= 9.03%	\$98,797	-\$79,342	\$19,454	\$1,094,363	\$1,193,159	\$1,130,439
8	1.00%	-\$13,154	-\$71,513	1978	6.61%	6.61%	x 1.45	= 9.59%	+ 0.00%	= 9.59%	\$125,451	-\$84,667	\$40,784	\$1,308,492	\$1,433,944	\$1,386,624
9	1.00%	-\$15,544	-\$75,103	1979	14.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$168,219	-\$90,647	\$77,572	\$1,543,297	\$1,711,516	\$1,679,806
10	1.00%	-\$18,300	-\$78,994	1980	-7.40%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$97,294	-\$97,294	\$1,814,222	\$1,814,222	\$1,798,262
11	1.00%	-\$17,907	-\$47,120	1981	3.65%	3.65%	x 1.45	= 5.29%	+ 0.00%	= 5.29%	\$92,564	-\$65,027	\$27,537	\$1,749,195	\$1,841,759	\$1,841,759
12	1.00%	-\$18,176	-\$48,330	1982	37.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$193,503	-\$66,506	\$126,997	\$1,775,253	\$1,968,756	\$1,968,756
13	1.00%	-\$19,440	-\$49,533	1983	0.02%	0.02%	x 1.45	= 0.03%	+ 0.00%	= 0.03%	\$498	-\$68,973	-\$68,475	\$1,899,783	\$1,900,280	\$1,900,280
14	1.00%	-\$18,749	-\$50,769	1984	9.62%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$199,553	-\$69,518	\$130,035	\$1,830,762	\$2,030,315	\$2,030,315
15	1.00%	-\$20,043	-\$51,982	1985	27.04%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$213,454	-\$72,025	\$141,428	\$1,958,290	\$2,171,744	\$2,171,744
16	1.00%	-\$21,635	-\$16,413	1986	39.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$232,573	-\$38,048	\$194,524	\$2,133,695	\$2,366,268	\$2,366,268
17	1.00%	-\$23,577	-\$17,100	1987	-15.51%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$40,677	-\$40,677	\$2,325,591	\$2,325,591	\$2,325,591
18	1.00%	-\$23,167	-\$17,685	1988	28.41%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$249,037	-\$80,852	\$208,184	\$2,543,739	\$2,533,775	\$2,533,775
19	1.00%	-\$25,247	-\$18,150	1989	-12.34%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$43,397	-\$43,397	\$2,490,378	\$2,490,378	\$2,490,378
20	1.00%	-\$24,811	-\$18,587	1990	26.73%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$266,721	-\$43,398	\$223,323	\$2,446,980	\$2,713,701	\$2,713,701
21	1.00%	-\$27,042	-\$19,060	1991	7.72%	7.72%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$290,768	-\$46,102	\$244,667	\$2,667,599	\$2,958,368	\$2,958,368
22	1.00%	-\$29,485	-\$19,695	1992	9.84%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$317,101	-\$49,180	\$267,921	\$2,909,188	\$3,226,289	\$3,226,289
23	1.00%	-\$32,160	-\$20,677	1993	0.82%	0.82%	x 1.45	= 1.19%	+ 0.00%	= 1.19%	\$37,901	-\$52,837	-\$14,936	\$3,173,453	\$3,211,353	\$3,211,353
24	1.00%	-\$32,004	-\$21,989	1994	26.30%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$344,152	-\$53,993	\$290,160	\$3,157,360	\$3,501,513	\$3,501,513
25	1.00%	-\$34,897	-\$23,689	1995	17.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$375,279	-\$58,586	\$316,693	\$3,442,927	\$3,818,206	\$3,818,206
26	1.00%	-\$38,051	-\$26,211	1996	37.82%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$409,180	-\$64,262	\$344,918	\$3,753,944	\$4,163,124	\$3,842,395
27	1.00%	-\$41,496	-\$27,113	1997	7.36%	7.36%	x 1.45	= 10.67%	+ 0.00%	= 10.67%	\$437,030	-\$68,609	\$368,422	\$4,094,515	\$4,531,546	\$3,872,019
28	1.00%	-\$45,176	-\$27,965	1998	26.13%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$485,966	-\$73,141	\$412,826	\$4,458,405	\$4,944,371	\$3,926,618
29	1.00%	-\$49,300	-\$28,677	1999	11.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$530,437	-\$77,977	\$452,460	\$4,866,394	\$5,396,831	\$3,998,354
30	1.00%	-\$53,822	-\$29,207	2000	-27.54%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$83,029	-\$83,029	\$5,313,802	\$5,313,802	\$3,509,540
31	1.00%	-\$52,991	-\$29,482	2001	-21.68%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$82,473	-\$82,473	\$5,231,329	\$5,231,329	\$3,042,053
32	1.00%	-\$52,166	-\$29,427	2002	22.16%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$561,321	-\$81,593	\$479,728	\$5,149,736	\$5,711,057	\$3,156,784
33	1.00%	-\$56,966	-\$28,930	2003	11.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$613,143	-\$85,896	\$527,247	\$5,625,161	\$6,238,304	\$3,291,147
34	1.00%	-\$62,244	-\$27,862	2004	10.25%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$670,154	-\$90,106	\$580,048	\$6,148,198	\$6,818,352	\$3,447,381
35	1.00%	-\$68,053	-\$26,100	2005	8.71%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$732,938	-\$94,153	\$638,785	\$6,724,199	\$7,457,136	\$3,628,037
36	1.00%	-\$74,454	-\$23,461	2006	14.29%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$802,155	-\$97,915	\$704,240	\$7,359,221	\$8,161,376	\$3,836,067
37	1.00%	-\$81,515	-\$19,762	2007	-23.61%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$101,277	-\$101,277	\$8,060,099	\$8,060,099	\$3,196,295
38	1.00%	-\$80,527	-\$14,775	2008	-9.37%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$95,302	-\$95,302	\$7,964,797	\$7,964,797	\$2,589,314
39	1.00%	-\$79,604	-\$8,839	2009	7.96%	7.96%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$858,523	-\$88,443	\$770,080	\$7,876,354	\$8,734,877	\$2,873,117
40	1.00%	-\$87,307	-\$8,411	2010	-0.86%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$95,718	-\$95,718	\$8,639,159	\$8,639,159	\$2,242,970

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

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

CHARGES & CREDITS

#	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
YEAR	ASSET-BASED CHARGES (%)	ASSET-BASED CHARGES (\$)	FIXED CHARGES (\$)	BACKTESTED YEAR	INDEX GROSS RETURN	INDEX CREDIT	MULTIPLIER BONUS (x)	INDEX CREDIT w/ MULTIPLIER	PERSISTENCY BONUS (+)	TOTAL INDEX CREDIT (%)	TOTAL INDEX CREDITS (\$)	TOTAL CHARGES (\$)	YEAR-END GAIN/LOSS (\$)	EOY VALUE AFTER CHARGES B4 CREDIT	EOY GROSS INDEX ACCUMULATED VALUE	EOY INDEX VALUE NET OF INT & EXT LOANS
1	1.00%	-\$2,156	-\$52,755	1982	20.68%	8.25%	x 1.00	= 8.25%	+ 0.00%	= 8.25%	\$11,970	-\$54,911	-\$42,941	\$145,089	\$157,059	\$5,859
2	1.00%	-\$2,874	-\$55,239	1983	12.46%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$32,585	-\$58,113	-\$25,528	\$298,945	\$331,530	\$194,680
3	1.00%	-\$4,609	-\$57,275	1984	9.93%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$51,191	-\$61,884	-\$10,692	\$469,646	\$520,838	\$398,478
4	1.00%	-\$6,492	-\$59,344	1985	17.90%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$71,395	-\$65,836	\$5,560	\$655,002	\$726,397	\$618,667
5	1.00%	-\$8,537	-\$61,474	1986	29.42%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$93,346	-\$70,011	\$23,336	\$856,387	\$949,733	\$856,843
6	1.00%	-\$10,749	-\$65,693	1987	-6.21%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$76,442	-\$76,442	\$1,073,291	\$1,073,291	\$995,381
7	1.00%	-\$11,971	-\$68,367	1988	15.72%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$130,032	-\$80,338	\$49,694	\$1,192,953	\$1,322,985	\$1,260,265
8	1.00%	-\$14,452	-\$71,513	1989	10.63%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$156,635	-\$85,965	\$70,670	\$1,437,020	\$1,593,655	\$1,546,335
9	1.00%	-\$17,141	-\$75,103	1990	4.51%	8.25%	x 1.45	= 6.54%	+ 0.00%	= 6.54%	\$111,327	-\$92,244	\$19,083	\$1,812,738	\$1,812,738	\$1,781,028
10	1.00%	-\$19,312	-\$78,994	1991	18.86%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$208,673	-\$98,306	\$110,367	\$1,914,432	\$2,123,105	\$2,107,145
11	1.00%	-\$20,995	-\$47,120	1992	7.34%	7.34%	x 1.45	= 10.64%	+ 0.00%	= 10.64%	\$218,680	-\$68,115	\$150,565	\$2,054,989	\$2,273,669	\$2,273,669
12	1.00%	-\$22,495	-\$48,330	1993	9.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$240,110	-\$70,825	\$169,285	\$2,202,844	\$2,442,954	\$2,442,954
13	1.00%	-\$24,182	-\$49,533	1994	-2.32%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$73,715	-\$73,715	\$2,369,239	\$2,369,239	\$2,369,239
14	1.00%	-\$23,439	-\$50,769	1995	35.20%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$250,158	-\$74,208	\$175,951	\$2,295,032	\$2,545,190	\$2,545,190
15	1.00%	-\$25,192	-\$51,982	1996	23.61%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$269,014	-\$77,174	\$191,840	\$2,468,016	\$2,737,030	\$2,737,030
16	1.00%	-\$27,288	-\$16,413	1997	24.69%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$293,573	-\$43,701	\$249,872	\$2,693,329	\$2,986,902	\$2,986,902
17	1.00%	-\$29,784	-\$17,100	1998	30.54%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$320,462	-\$46,884	\$273,578	\$2,940,018	\$3,260,480	\$3,260,480
18	1.00%	-\$32,516	-\$17,685	1999	8.97%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$349,920	-\$50,201	\$299,719	\$3,210,279	\$3,560,199	\$3,560,199
19	1.00%	-\$35,511	-\$18,150	2000	-2.04%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$53,661	-\$53,661	\$3,506,538	\$3,506,538	\$3,506,538
20	1.00%	-\$34,972	-\$18,587	2001	-17.26%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$53,559	-\$53,559	\$3,452,979	\$3,452,979	\$3,452,979
21	1.00%	-\$34,434	-\$19,060	2002	-24.29%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$53,494	-\$53,494	\$3,399,484	\$3,399,484	\$3,399,484
22	1.00%	-\$33,896	-\$19,695	2003	32.19%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$364,702	-\$53,591	\$311,111	\$3,345,893	\$3,710,595	\$3,710,595
23	1.00%	-\$37,003	-\$20,677	2004	4.43%	4.43%	x 1.45	= 6.43%	+ 0.00%	= 6.43%	\$234,790	-\$57,680	\$177,110	\$3,652,915	\$3,887,705	\$3,887,705
24	1.00%	-\$38,767	-\$21,989	2005	8.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$417,137	-\$60,756	\$356,381	\$3,826,949	\$4,244,087	\$4,244,087
25	1.00%	-\$42,322	-\$23,689	2006	12.36%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$455,410	-\$66,011	\$389,399	\$4,178,075	\$4,633,486	\$4,633,486
26	1.00%	-\$46,204	-\$26,211	2007	-4.15%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$72,415	-\$72,415	\$4,561,071	\$4,561,071	\$4,171,858
27	1.00%	-\$45,475	-\$27,113	2008	-40.09%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$72,588	-\$72,588	\$4,488,483	\$4,488,483	\$3,729,373
28	1.00%	-\$44,745	-\$27,965	2009	30.03%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$481,319	-\$72,710	\$408,609	\$4,415,773	\$4,897,092	\$3,786,760
29	1.00%	-\$48,828	-\$28,677	2010	19.76%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$525,335	-\$77,505	\$447,830	\$4,819,587	\$5,344,922	\$3,860,986
30	1.00%	-\$53,303	-\$29,207	2011	2.04%	2.04%	x 1.45	= 2.96%	+ 0.00%	= 2.96%	\$155,978	-\$82,510	\$73,468	\$5,262,412	\$5,418,390	\$3,535,934
31	1.00%	-\$54,036	-\$29,482	2012	14.15%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$581,501	-\$83,518	\$497,982	\$5,334,871	\$5,916,372	\$3,642,775
32	1.00%	-\$59,017	-\$29,427	2013	18.99%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$635,244	-\$88,444	\$546,801	\$5,827,929	\$6,463,173	\$3,769,902
33	1.00%	-\$64,487	-\$28,930	2014	11.92%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$694,303	-\$93,417	\$600,886	\$6,369,756	\$7,064,059	\$3,919,453
34	1.00%	-\$70,501	-\$27,862	2015	-2.74%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$98,363	-\$98,363	\$6,965,696	\$6,965,696	\$3,334,626
35	1.00%	-\$69,526	-\$26,100	2016	17.45%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$748,838	-\$95,626	\$653,211	\$6,870,070	\$7,618,907	\$3,526,175
36	1.00%	-\$76,072	-\$23,461	2017	23.91%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$819,612	-\$99,533	\$720,079	\$7,519,374	\$8,338,986	\$3,745,419
37	1.00%	-\$83,291	-\$19,762	2018	-4.41%	0.00%	x 1.45	= 0.00%	+ 0.00%	= 0.00%	\$0	-\$103,053	-\$103,053	\$8,235,933	\$8,235,933	\$3,098,072
38	1.00%	-\$82,285	-\$14,775	2019	31.74%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$887,137	-\$97,060	\$790,077	\$8,138,873	\$9,026,010	\$3,371,018
39	1.00%	-\$90,216	-\$8,839	2020	18.38%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$973,038	-\$99,055	\$873,983	\$8,926,955	\$9,899,993	\$3,679,086
40	1.00%	-\$98,958	-\$8,411	2021	28.83%	8.25%	x 1.45	= 10.90%	+ 0.00%	= 10.90%	\$1,067,396	-\$107,369	\$960,027	\$9,792,624	\$10,860,020	\$4,019,024

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	\$157,059	\$5,859
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$331,530	\$194,680
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$520,838	\$398,478
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$655,002	\$547,272
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$871,347	\$778,457
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,104,219	\$1,026,309
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,356,941	\$1,294,221
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,630,936	\$1,583,616
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,927,796	\$1,896,086
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,028,339	\$2,012,379
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,174,939	\$2,174,939
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,334,557	\$2,334,557
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,409,930	\$2,409,930
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,589,864	\$2,589,864
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,779,582	\$2,779,582
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,033,620	\$3,033,620
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,986,269	\$2,986,269
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,259,140	\$3,259,140
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,558,215	\$3,558,215
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,886,090	\$3,886,090
21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,245,545	\$4,245,545
22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,639,494	\$4,639,494
23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,572,525	\$4,572,525
24	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,504,921	\$4,504,921
25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,436,301	\$4,436,301
26	\$0	-\$354,904	-\$354,904	-\$17,745	\$28,815	-\$372,649	\$387,339	\$14,690	\$4,841,737	\$4,469,088
27	\$0	-\$357,527	-\$730,176	-\$36,509	\$32,504	-\$766,685	\$780,398	\$13,712	\$5,072,697	\$4,306,012
28	\$0	-\$344,481	-\$1,111,166	-\$55,558	\$91,365	-\$1,166,724	\$1,228,173	\$61,448	\$5,538,507	\$4,371,783
29	\$0	-\$349,743	-\$1,516,467	-\$75,823	\$128,206	-\$1,592,290	\$1,723,394	\$131,103	\$6,049,138	\$4,456,848
30	\$0	-\$356,548	-\$1,948,838	-\$97,442	\$0	-\$2,046,280	\$2,049,150	\$2,869	\$5,959,586	\$3,913,306
31	\$0	-\$313,064	-\$2,359,345	-\$117,967	\$0	-\$2,477,312	\$2,326,965	-\$150,347	\$5,870,656	\$3,393,344
32	\$0	-\$271,468	-\$2,748,779	-\$137,439	\$211,158	-\$2,886,218	\$2,838,472	-\$47,746	\$6,412,980	\$3,526,762
33	\$0	-\$282,141	-\$3,168,359	-\$158,418	\$253,720	-\$3,326,777	\$3,410,618	\$83,841	\$7,008,952	\$3,682,175
34	\$0	-\$294,574	-\$3,621,351	-\$181,068	\$74,682	-\$3,802,419	\$3,761,774	-\$40,644	\$7,115,986	\$3,313,567
35	\$0	-\$265,085	-\$4,067,504	-\$203,375	\$327,681	-\$4,270,879	\$4,404,832	\$133,953	\$7,783,912	\$3,513,033
36	\$0	-\$281,043	-\$4,551,922	-\$227,596	\$381,559	-\$4,779,518	\$5,129,084	\$349,566	\$8,520,147	\$3,740,628
37	\$0	-\$299,250	-\$5,078,768	-\$253,938	\$442,326	-\$5,332,707	\$5,945,929	\$613,222	\$9,332,548	\$3,999,841
38	\$0	-\$319,987	-\$5,652,694	-\$282,635	\$0	-\$5,935,329	\$6,193,387	\$258,058	\$9,224,521	\$3,289,192
39	\$0	-\$263,135	-\$6,198,464	-\$309,923	\$526,829	-\$6,508,387	\$7,081,854	\$573,466	\$10,117,940	\$3,609,553
40	\$0	-\$288,764	-\$6,797,152	-\$339,858	\$601,492	-\$7,137,009	\$8,085,514	\$948,505	\$11,099,307	\$3,962,298

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

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

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

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

INTERNAL ACCOUNT LOANS: PARTICIPATING PLR: 5.00%

YEAR	1 3RD PARTY PAYOFF USING PARTICIPATING LOAN	2 INCOME DRAWDOWNS PARTICIPATING LOANS	3 CUMULATIVE ACCRUED INTERNAL LOAN PRINCIPAL	4 ACCRUED INTERNAL LOAN INTEREST	5 INDEX CREDIT AFTER CHARGES	6 CUMULATIVE INTERNAL DEBT BALANCE	7 CUMULATIVE INDEXED LOAN ACCOUNT VALUE	8 CUMULATIVE PAR LOAN GAIN/LOSS	9 EOY GROSS INDEX ACCUMULATED VALUE	10 EOY INDEX VALUE NET OF INT & EXT LOANS
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$157,059	\$5,859
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$298,945	\$162,095
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$437,387	\$315,027
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$634,776	\$527,046
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$849,141	\$756,251
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$973,705	\$895,795
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,193,159	\$1,130,439
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,433,944	\$1,386,624
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,711,516	\$1,679,806
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,814,222	\$1,798,262
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,841,759	\$1,841,759
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,968,756	\$1,968,756
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,900,280	\$1,900,280
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,030,315	\$2,030,315
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,171,744	\$2,171,744
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,366,268	\$2,366,268
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,325,591	\$2,325,591
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,533,775	\$2,533,775
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,490,378	\$2,490,378
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,713,701	\$2,713,701
21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,958,368	\$2,958,368
22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,226,289	\$3,226,289
23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,211,353	\$3,211,353
24	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,501,513	\$3,501,513
25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,818,206	\$3,818,206
26	\$0	-\$305,456	-\$305,456	-\$15,273	\$24,776	-\$320,729	\$333,050	\$12,321	\$4,163,124	\$3,842,395
27	\$0	-\$307,392	-\$628,121	-\$31,406	\$46,366	-\$659,527	\$697,118	\$37,591	\$4,531,546	\$3,872,019
28	\$0	-\$309,762	-\$969,288	-\$48,464	\$81,727	-\$1,017,753	\$1,098,607	\$80,854	\$4,944,371	\$3,926,618
29	\$0	-\$314,129	-\$1,331,882	-\$66,594	\$114,713	-\$1,398,476	\$1,542,016	\$143,540	\$5,396,831	\$3,998,354
30	\$0	-\$319,868	-\$1,718,345	-\$85,917	\$0	-\$1,804,262	\$1,833,240	\$28,978	\$5,313,802	\$3,509,540
31	\$0	-\$280,763	-\$2,085,025	-\$104,251	\$0	-\$2,189,276	\$2,081,192	-\$108,084	\$5,231,329	\$3,042,053
32	\$0	-\$243,364	-\$2,432,641	-\$121,632	\$188,785	-\$2,554,273	\$2,537,725	-\$16,547	\$5,711,057	\$3,156,784
33	\$0	-\$252,543	-\$2,806,815	-\$140,341	\$226,735	-\$2,947,156	\$3,047,866	\$100,710	\$6,238,304	\$3,291,147
34	\$0	-\$263,292	-\$3,210,448	-\$160,522	\$269,225	-\$3,370,970	\$3,619,035	\$248,065	\$6,818,352	\$3,447,381
35	\$0	-\$275,790	-\$3,646,761	-\$182,338	\$316,886	-\$3,829,099	\$4,259,717	\$430,618	\$7,457,136	\$3,628,037
36	\$0	-\$290,243	-\$4,119,342	-\$205,967	\$370,443	-\$4,325,309	\$4,979,651	\$654,342	\$8,161,376	\$3,836,067
37	\$0	-\$306,885	-\$4,632,194	-\$231,610	\$0	-\$4,863,804	\$5,220,934	\$357,130	\$8,060,099	\$3,196,295
38	\$0	-\$255,704	-\$5,119,508	-\$255,975	\$0	-\$5,375,483	\$5,411,882	\$36,399	\$7,964,797	\$2,589,314
39	\$0	-\$207,145	-\$5,582,628	-\$279,131	\$442,184	-\$5,861,760	\$6,162,305	\$300,545	\$8,734,877	\$2,873,117
40	\$0	-\$229,849	-\$6,091,609	-\$304,580	\$0	-\$6,396,189	\$6,322,109	-\$74,081	\$8,639,159	\$2,242,970

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	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	\$157,059	\$5,859
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$331,530	\$194,680
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$520,838	\$398,478
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$726,397	\$618,667
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$949,733	\$856,843
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,073,291	\$995,381
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,322,985	\$1,260,265
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,593,655	\$1,546,335
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,812,738	\$1,781,028
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,123,105	\$2,107,145
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,273,669	\$2,273,669
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,442,954	\$2,442,954
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,369,239	\$2,369,239
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,545,190	\$2,545,190
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,737,030	\$2,737,030
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,986,902	\$2,986,902
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,260,480	\$3,260,480
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,560,199	\$3,560,199
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,506,538	\$3,506,538
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,452,979	\$3,452,979
21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,399,484	\$3,399,484
22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,710,595	\$3,710,595
23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,887,705	\$3,887,705
24	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,244,087	\$4,244,087
25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,633,486	\$4,633,486
26	\$0	-\$370,679	-\$370,679	-\$18,534	\$0	-\$389,213	\$364,886	-\$24,327	\$4,561,071	\$4,171,858
27	\$0	-\$333,749	-\$722,961	-\$36,148	\$0	-\$759,110	\$687,516	-\$71,594	\$4,488,483	\$3,729,373
28	\$0	-\$298,350	-\$1,057,459	-\$52,873	\$80,016	-\$1,110,332	\$1,075,614	-\$34,718	\$4,897,092	\$3,786,760
29	\$0	-\$302,941	-\$1,413,273	-\$70,664	\$111,931	-\$1,483,937	\$1,504,621	\$20,684	\$5,344,922	\$3,860,986
30	\$0	-\$308,879	-\$1,792,816	-\$89,641	\$36,498	-\$1,882,456	\$1,838,427	-\$44,029	\$5,418,390	\$3,535,934
31	\$0	-\$282,875	-\$2,165,331	-\$108,267	\$172,310	-\$2,273,598	\$2,316,262	\$42,664	\$5,916,372	\$3,642,775
32	\$0	-\$291,422	-\$2,565,020	-\$128,251	\$211,918	-\$2,693,271	\$2,848,690	\$155,420	\$6,463,173	\$3,769,902
33	\$0	-\$301,592	-\$2,994,863	-\$149,743	\$256,142	-\$3,144,606	\$3,443,167	\$298,561	\$7,064,059	\$3,919,453
34	\$0	-\$313,556	-\$3,458,162	-\$172,908	\$0	-\$3,631,070	\$3,704,413	\$73,342	\$6,965,696	\$3,334,626
35	\$0	-\$266,770	-\$3,897,840	-\$194,892	\$323,125	-\$4,092,732	\$4,343,582	\$250,850	\$7,618,907	\$3,526,175
36	\$0	-\$282,094	-\$4,374,826	-\$218,741	\$376,633	-\$4,593,568	\$5,062,859	\$469,291	\$8,338,986	\$3,745,419
37	\$0	-\$299,633	-\$4,893,201	-\$244,660	\$0	-\$5,137,861	\$5,296,223	\$158,361	\$8,235,933	\$3,098,072
38	\$0	-\$247,846	-\$5,385,707	-\$269,285	\$451,995	-\$5,654,992	\$6,075,913	\$420,921	\$9,026,010	\$3,371,018
39	\$0	-\$269,681	-\$5,924,674	-\$296,234	\$517,766	-\$6,220,907	\$6,960,035	\$739,127	\$9,899,993	\$3,679,086
40	\$0	-\$294,327	-\$6,515,234	-\$325,762	\$591,994	-\$6,840,996	\$7,957,835	\$1,116,839	\$10,860,020	\$4,019,024

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.

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

INTERESTED PARTY:

M40 - PEIA 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.

DARREN T. SUGIYAMA

signature *date*