

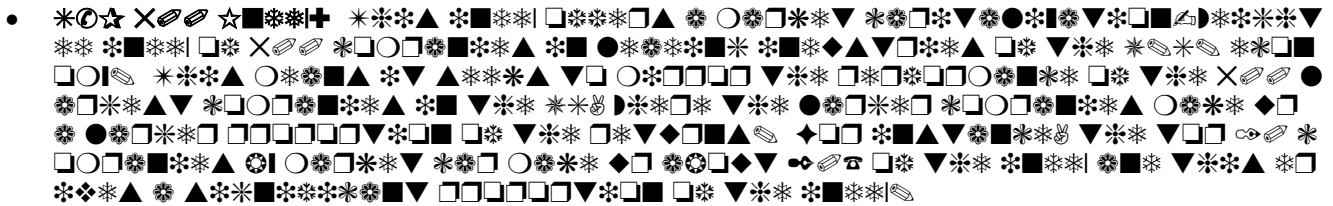
Crediting Method

This product has four types of crediting methods plus a fixed account:



Index Options

This product has three indexes available for selection:

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IUL policies are not stock market investments, do not directly participate in any stock or equity investments, and do not receive dividend or capital gains participation. Interest crediting fluctuations can lead to the need for additional premiums to the policy.

Cash Value Risk – Increases in the cash value are limited by the insurer. The insurer retains any gains above the cap. The cap rates may be too low in a bull market; therefore, underperforming other equity based products i.e. VUL.

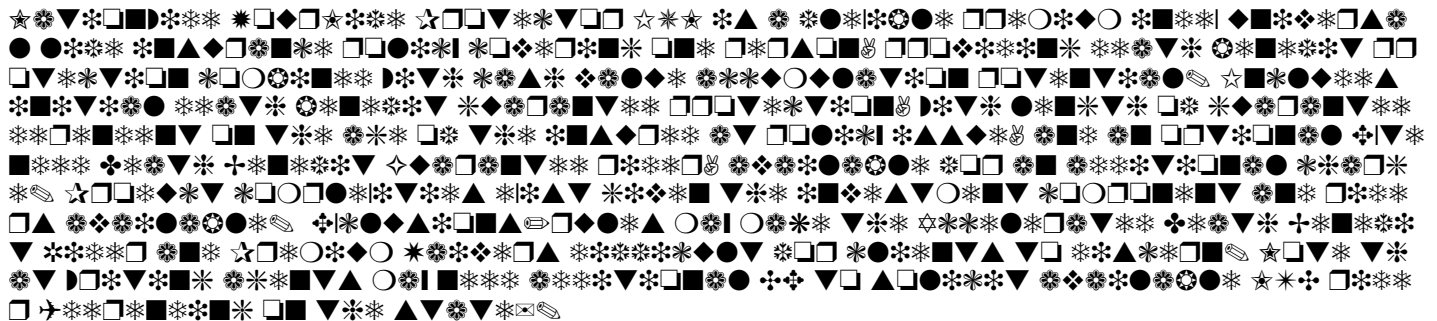
Client may have access to partial withdrawal privileges or the ability to take a loan against the cash value. Note, if the primary purpose for the product is to provide protection to the beneficiary at the time of death of the insured, withdrawals prior to the date of death can have significant impacts on the future death benefit and should not be taken without consultation with the advisor.

Classification Risk: It is important not to position IUL policies as having VUL like returns for a variety of reasons: the principal guarantees limit the upside potential and not all indexes represented are equity based, etc. In addition, although the index strategy and name may be used across product types (e.g. ETFs and index annuities), it is important for the advisor and client to understand that depending on the index type, performance may differ. Typically, IUL products will use price based indexes which do not include the impact of dividends on the performance of the index for index crediting calculation purposes.

Index Risk – None

Rider and Benefit Risks – Riders and benefits can be at a significant expense and portfolio restrictions may apply which may limit cash value growth.

Overall Assessment –



Recommendation – ★◆●🔗

Risk Classification Table

Action Key	Description
Risk	
Level 1	Level 1 means the product meets the minimum standards set in the due diligence process. By meeting these standards, the product is approved for broad client distribution (subject to prospectus restrictions)
Level 2	Level 2 means a certain product or feature of a product should be limited to a sub set of your

	client base (i.e. advanced knowledge and experience). This is due to the fact that the feature or product could be too difficult or complex for general distribution and may require a certain knowledge level to understand the product properly. The intent is to make sure clients have a reasonable understanding of the products they are buying.
Level 3	Level 3 means the product should be limited to higher knowledge and experience. The product has many advanced features and should be sold by more advanced Financial Advisors to more advanced clients.