



# PARTICIPATION INDEX STRATEGY

# MATHEMAGIC!

**50% participation rate + downside protection = 86% of index participation results!**

Fixed index annuity owners enjoy the benefits of index-linked growth when stock prices rise and value stability when stocks fall. They also understand that protecting their principal from the downside means the upside has limits based on either a cap or a participation rate.

Specifically, let's look at an example of applying the participation rate to the change in the index value. If the index change for one year is a positive 15%, a participation rate of 50% will result in index credits of 7.50% (15% x 50% = 7.50%).

While earning 50% of the upside may seem like a modest portion in exchange for downside protection, consider that your actual performance may match — or exceed — the index results when measured over several years — because negative index results have no impact on annuity values.

## S&P 500<sup>®</sup> Index vs. participation index account at 50% annualized returns 1997-2023\*

| Period                                       | S&P 500      | 50% participation rate |
|----------------------------------------------|--------------|------------------------|
| <b>Best 10 years: 2011-2021</b>              | 14.30%       | 7.38%                  |
| <b>Worst 10 years: 2000-2010</b>             | -2.28%       | 3.70%                  |
| <b>Most recent 10 years: 2013-2023</b>       | 9.81%        | 6.15%                  |
| <b>Cumulative 10-year average: 1997-2023</b> | <b>5.96%</b> | <b>5.14%</b>           |

\*Based on 11/1 issue date

When measured in 10-year increments over the past 25 years, the annualized performance of a 50% participation strategy is **86% of the S&P 500 index performance!**

### It's not magic — it's the power of downside protection.

For illustrative purposes only. Past performance does not assure future results. The annualized returns for the participation index account assumes the current 50% participation rate applied consistently for the example period. Participation rates can change annually, and the example participation rate may not reflect participation rates available during this period. Withdrawals do not participate in index growth in the current contract year.

The S&P 500<sup>®</sup> Index is a product of S&P Dow Jones Indices, LLC. ("S&P DJI") and has been licensed for use by EquiTrust Life Insurance Company. S&P<sup>®</sup> and S&P 500<sup>®</sup> are registered trademarks of Standard & Poor's Financial Services, LLC. ("S&P"). These trademarks have been licensed for use by S&P DJI and sublicensed for certain purposes by EquiTrust Life Insurance Company. EquiTrust annuities are not sponsored, endorsed, sold or promoted by S&P DJI, S&P, or any of their respective affiliates or third party licensors, and none of such parties make any representation regarding the advisability of purchasing and EquiTrust annuity nor do they have any liability for any errors, omissions or interruptions of the S&P 500<sup>®</sup>.

This material is not intended to provide investment advice to you or to your specific situation. EquiTrust does not offer investment advice to any individual and this material should not be construed as investment advice. EquiTrust Life Insurance Company, West Des Moines, Iowa.