



# PARTICIPATION INDEX STRATEGY MATHEMAGIC!

**50% participation rate + downside protection = 85% 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% ( $15\% \times 50\% = 7.50\%$ ).

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 2000-2025\*

Period	S&P 500	50% participation rate
Best 10 years: 2012-2022	14.25%	7.65%
Worst 10 years: 2000-2010	-2.72%	3.84%
Most recent 10 years: 2015-2025	11.07%	7.28%
<b>Cumulative 10-year average: 2000-2025</b>	<b>6.78%</b>	<b>5.74%</b>

\*Based on 1/1 issue date

When measured in 10-year increments over the past 25 years, the average annualized performance of a 50% participation strategy is equal to **85% of the average annualized performance of the S&P 500 Index!**

### 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.

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