

# Strategy Overview Example

## Sage Indexed Universal Life



With Sagikor’s Sage Indexed Universal Life (Sage IUL), a policy owner can choose from three interest crediting strategies; a declared rate and two index strategies. The declared rate strategy is a fixed interest rate, set or “declared” by Sagikor each year. An indexed strategy tracks the movement of an index, or indices in the case of the Global Multi-Index Bonus Strategy (GMIBS), and looks at the value based on an annual point-to-point basis. Any positive change is then credited to your account value on an annual basis, subject to the CAP<sup>1</sup> or PAR<sup>2</sup>. The charts<sup>3</sup> represented in this overview are intended only to illustrate the operation of the different interest rate crediting strategies and their various components.

1. Interest Rate Cap (CAP) – A CAP is the upper limit on credited interest. It is generally stated as a percentage. This is the maximum rate of interest that will be credited. For example, if the indexed linked to the product gained 7% and the CAP amount was 5%, then the gain in the product would be 5%.
2. Participation Rate (PAR) – A PAR determines how much of the gain in the index will be credited to the product. For example, the insurance company may set the PAR at 50%, which means the product would only be credited with 50% of the gain experienced by the index.
3. Charts – The charts and examples shown below are intended only to illustrate the operation of the product and its various components. The product, the strategies, and the global multi-index bonus strategy did not exist for much/all of the time periods shown. Index and strategy performance shown are not what you should expect when purchasing this product and they are not intended to project future performance. Participation Rates (PAR) and Interest Rate Caps (CAP) limit any gain of the index credited to the policy.

### How have the index return and interest crediting strategies performed over the last 20 years?

#### 20-Year Table of Actual Historical Index Performance with Corresponding Hypothetical Strategy Credited Interest

Strategy performance based on actual historical index performance for year ending December 31, 2002 through December 31, 2021. Refer to the *Current Crediting Strategies/Rates as of January 29, 2022* on page 2 for current rates, CAPs and PARs used to determine the *Hypothetical Strategy Credited Interest* rates below.

Year Ending	Hypothetical Strategy Credited Interest			S&P 500® Index	Index Growth	EURO STOXX 50® Index	Index Growth	Hang Seng® Index	Index Growth
	Declared Rate Bonus Strategy	S&P 500® Index Bonus Strategy	Global Multi-Index Bonus Strategy						
12/31/2021	2.50%	8.00%	8.50%	4,766.18	26.89%	4,306.07	21.21%	23,397.67	-14.08%
12/31/2020	2.50%	8.00%	2.94%	3,756.07	16.26%	3,552.64	-5.22%	27,231.13	-3.40%
12/31/2019	2.50%	8.00%	11.86%	3,230.78	28.88%	3,748.47	24.89%	28,189.75	9.07%
12/31/2018	2.50%	0.00%	0.00%	2,506.85	-6.24%	3,001.42	-14.34%	25,845.70	-13.61%
12/31/2017	2.50%	8.00%	9.43%	2,673.61	19.42%	3,503.96	6.49%	29,919.15	35.99%
12/31/2016	2.50%	8.00%	2.53%	2,238.83	9.54%	3,290.52	0.70%	22,000.56	0.39%
12/31/2015	2.50%	0.00%	0.00%	2,043.94	-0.73%	3,267.52	3.85%	21,914.40	-7.16%
12/31/2014	2.50%	8.00%	3.16%	2,058.90	11.39%	3,146.43	1.20%	23,605.04	1.28%
12/31/2013	2.50%	8.00%	10.38%	1,848.36	29.60%	3,109.00	17.95%	23,306.39	2.87%
12/31/2012	2.50%	8.00%	7.71%	1,426.19	13.41%	2,635.93	13.79%	22,656.92	22.91%
12/31/2011	2.50%	0.00%	0.00%	1,257.60	0.00%	2,316.55	-17.05%	18,434.39	-19.97%
12/31/2010	2.50%	8.00%	2.86%	1,257.64	12.78%	2,792.82	-5.81%	23,035.45	5.32%
12/31/2009	2.50%	8.00%	14.24%	1,115.10	23.45%	2,964.96	21.14%	21,872.50	52.02%
12/31/2008	2.50%	0.00%	0.00%	903.25	-38.49%	2,447.62	-44.37%	14,387.48	-48.27%
12/31/2007	2.50%	3.53%	5.83%	1,468.37	3.53%	4,399.72	6.79%	27,812.66	39.31%
12/31/2006	2.50%	8.00%	9.09%	1,418.30	13.62%	4,119.94	15.12%	19,964.72	34.20%
12/31/2005	2.50%	3.00%	4.40%	1,248.29	3.00%	3,578.93	21.28%	14,876.43	4.54%
12/31/2004	2.50%	8.00%	4.60%	1,211.92	8.99%	2,951.01	6.90%	14,230.14	13.15%
12/31/2003	2.50%	8.00%	12.44%	1,111.92	26.38%	2,760.66	15.68%	12,575.94	34.92%
12/31/2002	2.50%	0.00%	0.00%	879.82	-23.37%	2,386.41	-37.30%	9,321.29	-18.21%

## What are Sagicor's current strategies/rates?

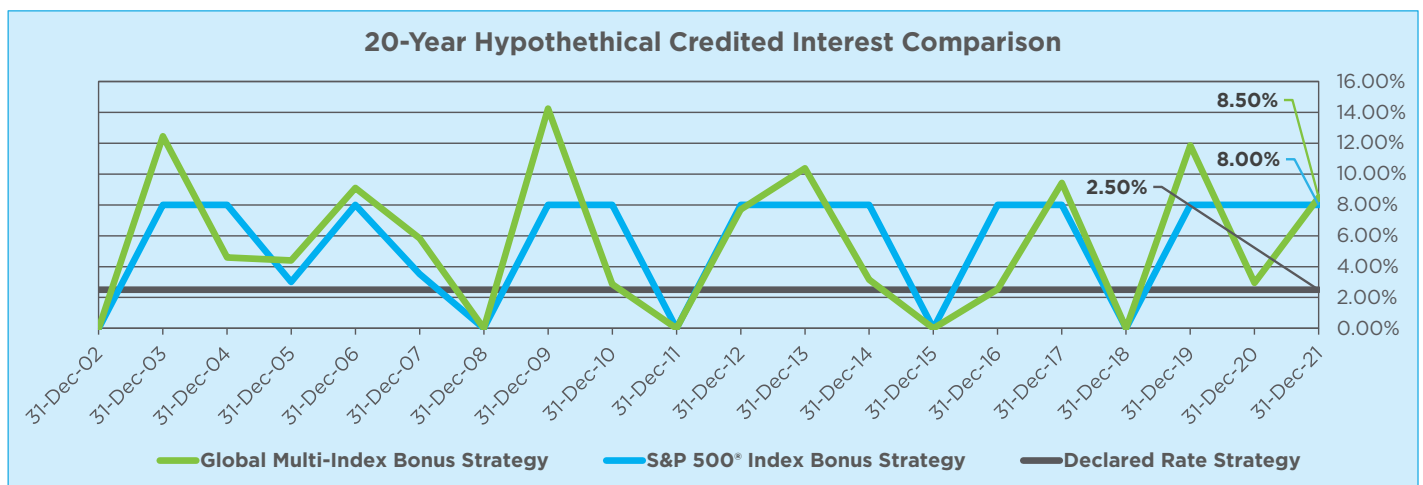
### Current Crediting Strategies/Rates as of January 29, 2022

Global Multi-Index Bonus Strategy <i>1-year annual point-to-point</i> <b>50.00% PAR</b>	S&P 500® Index Bonus Strategy <i>1-year annual point-to-point</i> <b>8.00% CAP</b>	Declared Rate Bonus Strategy <i>Fixed interest rate</i> <b>2.50%</b>
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## How would the strategies have performed over the last 20 years?

**20-Year Chart of Actual Historical Index Performance with Corresponding Hypothetical Strategy Credited Interest**  
 20-Year Hypothetical Strategy Credited Interest Comparison between S&P 500® Index Bonus Strategy, Global Multi-Index Bonus Strategy and Declared Rate Bonus Strategy from year ending December 31, 2002 through December 31, 2021.

**1-year annual average credited interest over a 20-year period for the S&P 500® Index Bonus Strategy is 5.21% and the Global Multi-Index Bonus Strategy is 6.21%**



## How is the Global Multi-Index Bonus Strategy credited rate calculated when there is a downturn in the market?

The Global Multi-Index Bonus Strategy credited rate is calculated using 50% of the index return of the S&P 500® Index, plus 30% of the index return of the EURO STOXX 50® Index, plus 20% of the index return of the Hang Seng® Index, and applying a hypothetical 50.00% participation rate. **The Global Multi-Index Bonus Strategy guarantees the credited interest will never be less than 0%.**

Example Global Multi-Index Bonus Strategy Calculation with a Negative Index Performance					
Index	Index Performance		Multi-Index Percentage		Credited Rate
S&P 500®	-6.24%	x	.5 (50%)	=	-3.12%
EURO STOXX 50®	-14.34%	x	.3 (30%)	=	-4.30%
Hang Seng®	-13.61%	x	.2 (20%)	=	-2.72%

Calculation  $(-3.12\% + -4.30\% + -2.72\% = -10.14\% \times .50$  (Participation Rate of 50%)) equals a **credited interest of -5.07%**; however, since the GMIBS guarantees the credited interest will never be less than 0% the credited interest would be 0%\*.

Hypothetical calculation for illustrative purposes only. Not intended to predict or project any actual results. The Global Multi-Index Bonus Strategy has been in existence for less than 10 years. The S&P 500®, Euro Stoxx 50® and Hang Seng® indexes that are the basis of the GMIBS have been in existence for longer than 10 years. To show how the GMIBS interest rate is calculated, the 2018 Index Return was used for each index stated above.

## How is the Global Multi-Index Bonus Strategy credited rate calculated when there is an upturn in the market?

The Global Multi-Index Bonus Strategy credited rate is calculated using 50% of the index return of the S&P 500® Index, plus 30% of the index return of the EURO STOXX 50® Index, plus 20% of the index return of the Hang Seng® Index, and applying a hypothetical 50.00% participation rate. **The Global Multi-Index Bonus Strategy guarantees the credited interest will never be less than 0%.**

Example Global Multi-Index Bonus Strategy Calculation with a Positive Index Performance					
Index	Index Performance		Multi-Index Percentage		Credited Rate
S&P 500®	26.89%	x	.5 (50%)	=	13.45%
EURO STOXX 50®	21.21%	x	.3 (30%)	=	6.36%
Hang Seng®	-14.08%	x	.2 (20%)	=	-2.82%

Calculation  $(13.45\% + 6.36\% + -2.82\% = 16.99\% \times .50$  (Participation Rate of 50%)) equals a **credited interest of 8.50%\***.

Hypothetical calculation for illustrative purposes only. Not intended to predict or project any actual results. The Global Multi-Index Bonus Strategy has been in existence for less than 10 years. The S&P 500®, Euro Stoxx 50® and Hang Seng® indexes that are the basis of the GMIBS have been in existence for longer than 10 years. To show how the GMIBS interest rate is calculated, the 2021 Index Return was used for each index stated above.

\* Credited interest, if any, is based on a combination of index performance, caps/participation rates then in effect, and other internal factors. Index performance fluctuates with stock market performance. Credited rates are subject to change.

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#### **SAGICOR LIFE INSURANCE COMPANY**

8660 E. Hartford Drive, Suite 200 • Scottsdale, AZ 85255 • Sagicor.com

**Client Services** (888) 724-4267 Ext. 4610 • **Producer Resource Center** (888) 724-4267 Ext. 4680

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