Symetra Life Insurance Company

A CLOSER LOOK

Downside protection with greater upside potential.

Hypothetical performance of the S&P 500® Index in indexed universal life insurance.

Not a bank or credit union deposit, obligation or guarantee	May lose value
Not FDIC or NCUA/NCUSIF insured	Not insured by any federal government agency

Downside protection with greater upside potential

Indexed universal life insurance (IUL) products can provide both downside protection and growth opportunity. They provide **downside protection** by shielding the portion of your premium not used to cover any policy costs, and any previously credited interest, from losses when index performance is negative.[1] They provide **growth potential** by crediting interest based on the positive performance of a linked market index, subject to any applicable index caps or spreads.

How does IUL work?

The portion of your premium not used to cover insurance costs, riders or expenses can grow through linking with indexed strategies, a fixed account, or a combination.

Indexed universal life insurance policies typically credit interest annually based on the performance of a stock market index, such as the S&P 500® Index. If the performance of the index is positive during the annual interest period (index segment term), interest will be credited up to a declared "cap." Any "index-linked" credit your policy value receives is locked-in and shielded from potential market declines in the future.

More importantly, an index strategy provides a guaranteed minimum index crediting rate, or index floor. If the index performance is negative during the index segment term, your policy value will not experience a negative index credit.

Evaluating potential growth

While the past performance of an index is not a predictor of the future, it does provide perspective when evaluating future possibilities. For historical perspective on how the S&P 500 Index* might perform within the context of an IUL, consider a hypothetical IUL product with the following features:

- Interest linked to the performance of the S&P 500 Index with a 0% floor.
- An annual point-to-point crediting method. This means that interest credited is determined by comparing the value of the index segment at the beginning of the 1-year index segment crediting term to its value at the end of the index segment crediting term, subject to the limits of any caps.

Next, consider the **frequency** and **scale** of past index performance:

- **Frequency:** To align with our hypothetical annual point-to-point analysis, consider how often the S&P 500 Index was positive during rolling 12-month periods.
- **Scale:** When the S&P 500 Index was positive, how large were the returns?

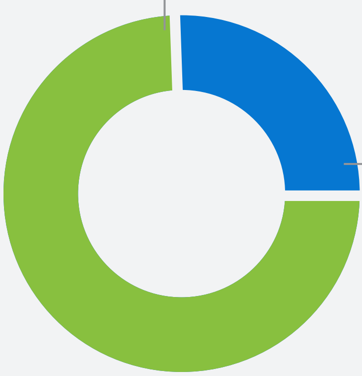
[1] If the policy is held to the end of the surrender charge period.

* References to S&P 500® Index performance data were sourced from Morningstar Direct.

Frequency of positive returns

Looking back at the historical performance of the S&P 500 Index from January 2, 1951, through December 31, 2022, we can see how often the index was positive within rolling 12-month periods of time.

Frequency of positive years in the S&P 500 Index
January 1951–December 2022 (18,118 rolling 12-month periods, sampled daily.)



Number of positive periods:

13,372
74% of the time

Number of negative periods:

4,746
26% of the time

IUL illustrations and projected growth potential

IUL products can be complex and confusing due to the many features and decision points to consider before purchase. An illustration is one of the primary tools available to help compare products and aid in the decision making process. In September of 2015, NAIC Actuarial Guideline AG49 was released to improve consistency within IUL illustrations. Then in November of 2020, the National Association of Insurance Commissioners (NAIC) made revisions to the AG49 regulation—called AG49-A—to help customers more easily understand indexed universal life policies and their potential volatility by placing guidelines on how policies may be illustrated. Further revisions to AG49-A ("AG49-B") were implemented in May of 2023 to update the calculation rules on how maximum illustrated rates for IUL products are determined.

The **Illustrated future growth potential** of an IUL policy can be affected by many things, including but not limited to, policy charges, index strategies, index caps, index floors, participation rates and the maximum illustrated crediting rate. While index caps, participation rates and floors are determined separately within each company's policy design, maximum illustrated rates are governed by revised AG49-A and are intended to bring greater consistency across index allocation options and clarity when comparing products.

Downside protection with greater upside potential

Scale of positive returns

Now that we know the historical frequency of positive annual returns in the S&P 500 Index over time, let's take a closer look at the scale of those returns.

Start by looking at each individual 1-year period, sampled daily—the 18,118 periods from January 1951 through December 2022.

In those rolling 1-year periods, the S&P 500 Index was positive 13,372 times and negative 4,746 times. This means an IUL, subject to any applicable index caps or spreads, would have credited some interest during the 13,372 positive periods and credited no index interest (but also no negative returns) during the negative periods.

13,372

Positive periods

- **74% of time**
- **Some interest credited**
- **Returns are greater than 12% for 60% of the positive periods.**

4,746

Negative periods

- **26% of time**
- **No interest credited**
- **No cash value lost**

During those 13,372 annual periods when the market was positive, how often was the performance in excess of various rates of return?

1-year returns greater than	Number of periods	Percentage of times
1%	13,084	98%
2%	12,709	95%
3%	12,299	92%
4%	11,955	89%
5%	11,577	87%
6%	11,140	83%
7%	10,664	80%
8%	10,142	76%
9%	9,647	72%
10%	9,120	68%
11%	8,581	64%
12%	8,005	60%
13%	7,431	56%
14%	6,871	51%
15%	6,336	47%
16%	5,898	44%

For the S&P 500 Index performance history in our example, we selected a start date of 1951 in order to present as much historical perspective as practical and to present a broad spectrum of market data in an unbiased manner. It is important to note that none of the information presented above is meant to imply that (1) Symetra Life Insurance Company's indexed universal life insurance products would have outperformed alternative life insurance products over the time periods discussed or (2) Symetra's indexed universal life insurance products would have credited interest with the same frequency or at the same scale as the historical index performance information discussed.

How does this affect our hypothetical IUL?

Although our hypothetical IUL may have included a cap, it's not possible to know what that cap may have been in those past periods. However, we do know that during the 13,372 annual periods when the index performed positively, the indexed interest credited would have been the lesser of the index performance or the cap in effect at that time. And for the 4,746 annual periods where the index performance was negative, the hypothetical IUL would have been credited no interest, but the policy value and previously credited interest would have been preserved.

What does this information tell us?

While no one can predict how an index strategy will perform in the future, historical perspective shows that if the mechanism for interest crediting in an IUL is the S&P 500 Index 1-Year Point-to-Point, its performance has been positive more often than not. While there's no guarantee that the past will be repeated in the future, an IUL product can provide certainty by keeping your policy value protected from negative index returns, and opportunity for outcomes that could be better than other permanent life insurance products.

Important considerations

Symetra's indexed universal life insurance products offer similar features to the hypothetical IUL in our example, including:

- An indexed account based on the S&P 500 Index account.
- A current 0% index floor.
- Annual point-to-point index segment crediting periods.

Growth opportunity with downside protection

Talk to your insurance professional to learn more about the many benefits and features of Symetra's indexed universal life insurance products.

Why Symetra?

We love what we do. Symetra provides annuities, life insurance and employee benefits that help people live with financial security and confidence, and we've done it for more than 60 years. Like our icon—the swift—we're quick, hardworking and nimble in serving our customers. We can help your financial future take flight.

Three guiding principles form the foundation for how we make decisions: Value, Transparency and Sustainability—or VTS. Simply put, VTS defines how we do business inside and out. What does it mean?

- **Value:** Products and solutions people need at a competitive price—backed by dedication to excellent customer service.
- **Transparency:** We communicate clearly and openly so people can understand what they are buying.
- **Sustainability:** Our products stand the test of time. We're financially disciplined so we'll be here when customers need us.

To learn more about Symetra, visit www.symetra.com.

Important information

Life insurance is issued by Symetra Life Insurance Company, 777 108th Ave NE, Suite 1200, Bellevue, WA 98004, and is not available in all U.S. states or any U.S. territory.

Life insurance policies contain exclusions, limitations, reductions of benefits and terms for keeping them in-force.

Guarantees and benefits are subject to the claims-paying ability of Symetra Life Insurance Company.

Certain benefits or riders may have tax implications. You should consult with your legal or tax professional prior to purchasing.

Symetra indexed universal life insurance has fixed and indexed accounts. Interest credited to the indexed accounts is affected by the value of outside indexes. Values based on the performance of any index are not guaranteed. The policies do not directly participate in any outside investment or index.

Allocations to the fixed account or index strategies are based on the allocation instructions provided at time of application, and may be subsequently changed in writing by the policyowner. When allocations occur, an index segment for each respective index strategy is created. Each index segment has its own index crediting method, index value, index cap, index floor, index participation rate, index segment term, and index start and maturity date. The index caps, floors and participation rates after the initial index segment term may be higher or lower than the initial rates, but will never be less than the guaranteed minimums shown in the policy.

An index segment represents the portion of the index account that credits interest based on a change in the indexes applicable to that index segment. Index credits are calculated and credited (if applicable) on the respective index segment's maturity date. Amounts withdrawn from the index account before the index segment's maturity date will not receive an index credit, if applicable, for that term.

An index may not include the payment or reinvestment of dividends in the calculation of its performance. It is not possible to invest in an index.

Symetra reserves the right to add, modify or remove any index strategy or crediting method. If any index is discontinued or if the calculation of any index is changed substantially, Symetra reserves the right to substitute a comparable index.

This is not a complete description of the Symetra indexed universal life insurance policies. For a more complete description, please ask your insurance professional.

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RETIREMENT | BENEFITS | LIFE

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