The Global Lookback FIA

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Global Lookback: The Basket

- S&P 500®
- EURO STOXX 50®
- Nikkei 225 Index
- Hang Seng Index
Nikkei 225 Index
Most Actively Traded Issues on the Tokyo Stock Exchange

TOYOTA
CANON
SONY
Hang Seng Index

The 40 Leading Stocks on the Hong Kong Stock Exchange

HSBC  COSSO  ESPRIT  HOLDINGS
EURO STOXX 50®
An Index that includes Western Europe’s Blue-Chips

BAYER
NOKIA
Volkswagen
S&P 500®
500 Leading Companies
Wide Range of Industries

General Electric
WALMART
Microsoft
Global Index History

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<th>Year</th>
<th>2000</th>
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<td>S&amp;P 500</td>
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<td>S&amp;P 500</td>
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<td>HANG SENG</td>
<td>NIKKEI 225</td>
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</table>

Indices ranking does not include Index Caps, Margin, Participation Rates, or Averaging Crediting Method. Past ranking is no guarantee of any future ranking results. The rankings are based on index returns and do not take into account averaging, caps, or margins.

For AGENT USE ONLY
1. *Monthly Averaged Returns…*
   all 4 indices in **THE BASKET**

2. **Ranked & Weighted**…
   leader to trailer
   40% - 30% - 20% - 10%
   weighted index gains **TOTALED**

3. **Participation Rate applied**
   TOTAL BLENDED GAIN X **50%**

4. **Asset Fee Subtracted**
   From “BLENDED GAIN”
   = **Credited Interest to CLIENT**
Global Lookback: Hypothetical

- Nikkei 225: 25%
- S&P 500®: 20%
- Hang Seng Index: 10%
- EURO STOXX 50®: 5%

Monthly Average Returns
<table>
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<tr>
<th>Index</th>
<th>Weight</th>
<th>Calculation</th>
<th>Result</th>
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<tr>
<td>Nikkei 225 Index</td>
<td>25%</td>
<td>25% x 40%</td>
<td>10.0%</td>
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<tr>
<td>S&amp;P 500®</td>
<td>20%</td>
<td>20% x 30%</td>
<td>6.0%</td>
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<tr>
<td>Hang Seng Index</td>
<td>10%</td>
<td>10% x 20%</td>
<td>2.0%</td>
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<tr>
<td>EURO STOXX 50®</td>
<td>5%</td>
<td>5% x 10%</td>
<td>0.5%</td>
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</tbody>
</table>
Drill Down–PR and FEE

10.00%  
+  6.0%  
+  2.00%  
+  .50%  

\[
18.5\% \times 50\% = 9.25\%
\]

\[
9.5\% - 2\% = 7.5\%
\]
Global Lookback: Performance Weighted

70% of Total Return…
Top 2 Indices!
“Option K” eliminates PROBLEMS

• S&P only crediting methods—monthly cap vs A PT to PT or Monthly Avg or Trigger?
• Client Confusion over 4 S&P methods?
• Agent feels obligated to pick the method that will perform best
• Variations on the Same S&P Theme…
• More Choices DOES NOT = Diversification!
Global Lookback: Plan Features

- 9 Year Contract Term
- 10% Penalty-Free Withdrawals even in year 1
- 5 by 5 Annuityization
- **Full Account Value** Death Benefit
- Income Outlook + 5 Optional Rider **
- Competitive Street Compensation

**See Rider State Availability**
Global Lookback: REAL DATA

2 January 2007 to 2008 Monthly Average Returns

- Hang Seng Index: 20.95%
- EURO STOXX 50®: 3.99%
- S & P 500®: 2.62%
- Nikkei: -3.49%
Ranking and Weighting

Hang Seng Index  20.95% x 40% = 8.38%

EURO STOXX 50®  3.99% x 30% = 1.20%

S&P 500®  2.62% x 20% = .52%

Nikkei 225 Index  -3.49% x 10% = -.35%
Drill Down—PR & FEE

8.38%
+ 1.20%
+ .52%
- .35%

9.75 Blended Gain

PR 9.75% x 50% = 4.875%

FEE 4.875% - 2% = 2.875%
Frequently Better than S&P Only

- Monthly Avg S&P 500 at 100% P/R & no fee
  
  2.62%

- Global Lookback 50% P/R, 2% Fee:
  
  2.875%
<table>
<thead>
<tr>
<th>Policy Anniversary</th>
<th>Participation Rate</th>
<th>Asset Fee</th>
<th>Credited</th>
<th>Total Indexed Return</th>
<th>S&amp;P 500</th>
<th>Nikkei 225</th>
<th>Hang Seng</th>
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</table>
Global Lookback: *Power Phrases*

- “SMART CREDITING”
  - “Basket of 4 indices Retrospectively Ranked”
    - Performance Weighted at year end!
    - Uncapped Potential for interest crediting in every contract year!
    - Globally Diversified — not just the S&P 😊

*Lookback upon “Retrospective Allocation” within a basket of globally diverse indices*
**TODAY’s CAPPED METHODS**

<table>
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<th>Year</th>
<th>Method</th>
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<td>Year 9</td>
<td>5% CAP</td>
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<td>Year 8</td>
<td>3% GAIN</td>
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<td>Year 7</td>
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<tr>
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<td>Year 2</td>
<td>0 is HERO</td>
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<td>Year 1</td>
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Yield = 3.8 %

w/ 10% Bonus = 4.8%
Blundo’s Retirement

*Rate History for Contract Issued: 20 October 2006*

10/20/2006 -- Contract Year 1
Point-to-Point Cap 7.50%  
Earned Interest 7.5 %

10/20/2007 -- Contract Year 2
Point-to-Point Cap 7.25%  
Earned Interest 0/Hero

10/20/2008 -- Contract Year 3
Point-to-Point Cap 7.25%  
Earned Interest 7.25%

10/20/2009 -- Contract Year 4
Point-to-Point Cap 6.25%  
Earned Interest 6.19%

10/20/2010 -- Contract Year 5
Point-to-Point Cap 6.75%  
Earned Interest ????
Your GLOBAL Tools

Jack Marrion Reprint

Global Guide--Downloadable on BEACON

INCOME OUTLOOK + 5 Calculator
Questions?

If you have questions about this product, please e-mail info@thewpi.org or call 269-216-9978.