

WHAT'S UNDER

THE HOOD

OF YOUR IUL?



TRANSAMERICA®

When choosing an index universal life product, not all crediting strategies are created equal. The index interest crediting is the engine that drives policy value.¹

At Transamerica, we're in the business of helping clients protect what matters most. So we designed the **Transamerica Financial Foundation IUL® (FFIUL)** with an index interest crediting strategy that's consistent, effective, and balanced. Because at Transamerica, we want the policy to be as healthy as the policyholder.

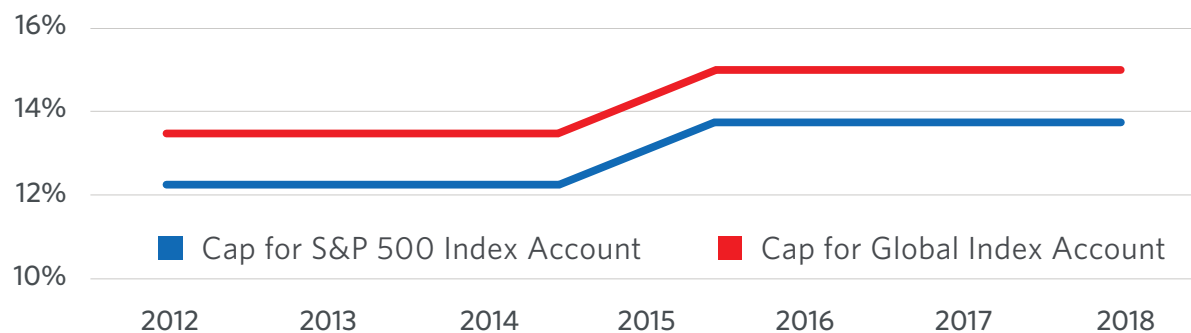
CONSISTENT

STABLE CAPS

- We haven't lowered caps on our FFIUL; we actually raised them in 2014 (see Historical Cap Rates for FFIUL).²
- Our caps have been stable even during low and fluctuating interest rate environments.

Transamerica is committed to maintaining policyholder expectations.

HISTORICAL CAP RATES FOR FFIUL (IUL06, IUL09)³



EFFECTIVE

HIGH CAPS MATTER

- FFIUL has one of the highest S&P 500® cap rates among IUL cash accumulation products without buy ups, plus accounts, or multipliers.*
- FFIUL has one of the highest non-S&P 500 caps compared to other IUL cash accumulation products.*
- The cap rate is 15% on the Global Index Account and 13.75% on the S&P 500 Index Account.
- Higher cap rates provide greater upside potential.
- This is important since 52% of annual returns from 1950 to 2018 have been greater than 10%.**
- Higher cap rates are supported by the Index Account Monthly Charge (IAMC) of 0.06% per month.

DOWNSIDE PROTECTION

- Always positive index crediting on segments with positive value, with a 0.75% floor on index accounts (Why is this important? Because 26% of annual returns from 1950 to 2019 have been less than 0.75%).**
- One of the highest index floors among cash accumulation IUL products*
- 2% guaranteed floor on Basic Interest Account⁴

SIMPLIFIED INDEX ACCOUNT OPTIONS

BALANCED

- Two index account choices; both offering annual point-to-point interest crediting
- In-house hedging team helps Transamerica manage risk
- Flexibility to allocate net premiums to the Global Index Account, the S&P 500 Index Account, the Basic Interest Account, or a combination of the three

GLOBAL INDEX ACCOUNT

The Global Index Account uses a blended approach when crediting interest, based partly on index value changes in the S&P 500®, the EURO STOXX 50, and the Hang Seng Indexes.



- 50%** To the percentage change in the S&P 500® or the EURO STOXX 50®, whichever is higher
- 30%** To the percentage change in the S&P 500® or the EURO STOXX 50®, whichever is lower
- 20%** To the percentage change in the Hang Seng Index

S&P 500 INDEX ACCOUNT CAP RATES — ACROSS CASH ACCUMULATION IULs

Interest credited on the S&P 500® Index Account is based, in part, on changes in the S&P 500 Index.

The index cap rate is just one aspect to think about when purchasing an IUL policy. There are other features and benefits of the base policy and riders that should be considered before recommending any specific life insurance policy to your clients.

*Transamerica's analysis based on Wink's LifeSpecs data, June 2019

**www.macrotrends.net, S&P500, May 2019

*** Wink's LifeSpecs data, May 2019

¹ Review policy charges when choosing an index universal life product as these can vary.

² Cap rates are not guaranteed and are subject to change at the discretion of the insurance company.

³ Actual policy values and interest credited will vary from hypothetical illustrations.

⁴ Guarantees are based on claims-paying ability of the issuing insurance company.

IUL POLICIES***	S&P 500 Index Account Cap	Cap Diff
TRANSAMERICA FINANCIAL FOUNDATION	13.75%	0.00%
Accordia Lifetime Builder Elite	13.50%	-0.25%
AIG Max Accumulator+	13.00%	-0.75%
National Life Flex Life II	10.50%	-2.75%
Penn Mutual Accumulation Builder Select	10.50%	-3.25%
Securian Financial Orion	10.50%	-3.25%
North American Builder Plus	10.25%	-3.50%
Prudential Index Advantage UL	10.00%	-3.75%
John Hancock Accumulation	10.00%	-3.75%
Lincoln National WealthAccumulate	10.00%	-3.75%
RiverSource Multi-Index UL	10.00%	-3.75%
Allianz Life Pro+ Elite	9.50%	-4.25%
Nationwide Indexed UL Accumulator II	9.25%	-4.50%
Pacific Life Discovery Xelerator 2	9.25%	-4.50%
Pacific Life Index Accumulator 6	9.25%	-4.50%



TRANSAMERICA®

Let's start the conversation together.

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