

VISTA LIFE

Indexed Universal Life

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Vista Life™ IUL

Simplicity has been the driving factor.

OVERVIEW

Pan-American Life is pleased to expand our life insurance solution offerings with the introduction of Vista Life™ IUL, our first Indexed universal life product. Simplicity in design has been the driving factor in the development of Vista Life IUL. While there are a wide variety of products available in the IUL marketplace, agents and clients have been clamoring for a straightforward, easy-to-understand IUL product. Vista Life IUL fulfills that valuable need.

Account Flexibility

Vista Life IUL puts the client in charge. Choose from one Fixed Account and three Index Accounts to mix and match to suit a client's needs. Clients also have the freedom to change future premium allocation choices, as well as to periodically change how funds are allocated within the accounts over time, providing the opportunity to keep pace with market trends and economic cycles.

Limited Risk

Funds are not directly invested in the stock market; however, clients are able to enjoy the benefits of market performance through the interest rate credited on the Index Accounts, up to the Participation Rate and the Cap. Regardless of market performance, the minimum rate credited to all Index Accounts is 0%, so clients will be protected from market downturns.

VISTA LIFE

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Access to Money

Because "life happens," it's important for clients to know that they can access their plan's cash value via partial withdrawals, traditional loans, and participating loans (which allow them to keep earning interest through the interest rate tied to the Index Accounts).

Flexible Premiums

With Vista Life IUL, clients have the flexibility to make premium payments through a range of possibilities, from choosing a planned premium to suit their financial needs and goals, paying the minimum premium to maintain coverage, or paying extra to boost long term accumulation.

PRODUCT FEATURES

Type of Policy	Indexed Universal Life plan with excellent cash value accumulation and flexible premiums. Interest rate credited to each Index Account is tied to the market performance of one of three global stock Indexes and also includes a Fixed Account option.
Issue Age Last Birthday	Preferred Plus Non-Tobacco: 18-75 Preferred Tobacco: 18-75 Preferred Non-Tobacco: 18-80 Tobacco: 18-80 Non-Tobacco: 18-80 Juvenile: 0-17 <i>Issue Age is determined on an age last birthday basis (Insured's actual age at issue). May be backdated up to three months to save age. (Interest crediting and premium allocation will not apply until after the policy is issued.)</i>
Maturity Date	At age 121 (or as extended by the Maturity Extension Rider)
Coverage	Minimum: \$100,000 Maximum: No predetermined maximum; subject to underwriting and reinsurance approval (\$10,000,000 for illustration software purposes.)
Premium Modes	Single, annual, semi-annual, or monthly EFT
Death Benefit Options	Option 1 (Level): Death benefit equals the policy's specified face amount. Option 2 (Increasing): Death benefit equals the policy's specified face amount plus the account value. <i>Death benefit paid is net of any outstanding loans and/or deductions in place at the time.</i>
Life Insurance Qualification Test	Guideline Premium Test (GPT), or Cash Value Accumulation Test (CVAT)
No-Lapse Guarantee	10-year no-lapse guarantee, grading down to five years starting at issue age 71 based on ongoing payment of the minimum specified premium during the no-lapse guarantee period.
Fixed Account Interest Rate	Guaranteed Rate: 2.0% <i>Current rate set by the Company and periodically reevaluated.</i>
Index Accounts	Choice of three Index Accounts: S&P 500® EURO STOXX 50® NASDAQ-100®
Calculation Basis for Index Accounts Interest Credited Rate	Interest rate is based on a one-year point-to-point performance of the Index to which the account is tied. Participation Rate: 100% current and guaranteed Cap: Each Index will have its own declared Cap, minimum of 3% Floor: Minimum of 0%
Sweep Date	Sweep Date is the 15 th of the month; premium must be received by the 10 th of the month (Cut-Off Date) to be "swept" on the 15 th of the same month into the Fixed Account or Index Account Segment.
Methods of Accessing Cash Value	Partial Withdrawals Traditional Loans Participating Loans
Surrender Charge Period	10 years; charges decrease annually; vary by gender, rate class, and issue age
Commissions	Two-year rolling target; 1 st year commission rate up to target paid within the first two years. Excess commission apply in year one and in renewal years. Reduced commissions for ages 71+.
Additional Benefits & Riders	Maturity Extension Rider Accelerated Death Benefit Rider—Due to Chronic or Terminal Illness Terminal Illness Accelerated Benefit Rider Overloan Protection Rider Waiver of Monthly Deductions Rider Primary Insured Term Rider Additional Insured Term Rider Dependent Children Insurance Rider Accidental Death Benefit Rider
Product Solutions	Retirement Planning Wealth Transfer Education Funding Business Continuation Family Protection

*Streamlined
electronic
application
process.*

HOW TO APPLY

Vista Life IUL must be submitted through *easy@pp*, Pan-American Life's electronic application submission platform. *easy@pp* allows you to complete a life insurance application, obtain electronic signatures, and submit the application quickly and easily. Additionally, the AURA automated underwriting feature, seamlessly integrated with *easy@pp*, eliminates additional underwriting questionnaires and significantly streamlines the experience through advanced logic like reflexive questioning.

Within the *easy@pp* process, your client will need to identify how their premiums will be allocated. **Whole percentages (no decimals) of at least 5% are required with the total of all accounts equaling 100%.** Premiums will be allocated to the interest-earning Holding Account until the Sweep Date. The allocations selected will remain in force until otherwise instructed.

An illustration, signed or unsigned, is required at the time of application. A signed illustration matching the approved case will be required to place the policy in force. If a signed illustration was submitted with the application and the policy is approved other than applied for, an updated illustration is needed before policy issue.

Interest Crediting Strategies

*Take
advantage
of several
different
interest
crediting
strategies.*

With Vista Life IUL, clients have the opportunity to take advantage of several different interest crediting strategies through the Fixed Account and Index Accounts.

FIXED ACCOUNT INTEREST

With the Fixed Account, clients will benefit from a guaranteed minimum interest rate of 2%. The current rate is declared by the Company and is periodically reevaluated, but will never be less than 2%. Interest is credited throughout the policy year.

INDEX ACCOUNT INTEREST

With any of Vista Life IUL's Index Accounts, the interest credited rate is tied to the performance of a highly-regarded stock Index. Thus, clients may take advantage of market returns applied to their account values, rather than earning a rate declared by the Company, while not directly investing in the Index itself. As a result, growth in the equity markets can allow for greater cash value growth, and can never be less than 0%.

Values that are designated by the client to any of the Index Accounts earn interest based on the performance of the Index to which the account is tied.

- The extent to which the Company will "match" the Index performance is the Participation Rate. Vista Life IUL's guaranteed Participation Rate is guaranteed at 100%.
- The Floor, or minimum guaranteed interest rate, is 0%. Therefore, even if there is a negative return on the Index, clients will not owe additional amounts to cover negative performance.
- The Interest Credited Rate is subject to the Cap, which is the maximum Index Performance Rate credited. Regularly set by the Company, the Cap is guaranteed to be at least 3%. All of these modifiers are combined to determine the interest rate for each Index Account. Current Cap rates are identified in the illustration software available for this product.

Current Index Account choices available are:

- **S&P 500® (SPX):** The S&P 500 is widely regarded as the best single gauge of large-cap U.S. equities. The Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.
- **EURO STOXX 50® (SX5E):** The EURO STOXX 50, Europe's leading blue-chip Index for the Eurozone, provides a blue-chip representation of super sector leaders in the region. The Index covers 50 stocks from 11 Eurozone countries.
- **NASDAQ-100® (NDX):** The NASDAQ-100 is a stock market Index made up of 101 equity securities issued by 100 of the largest non-financial companies listed on the NASDAQ stock exchange. It is a modified capitalized-weighted Index.

INDEX ACCOUNT SEGMENTS

The timing of premium payments is a key aspect of this product. When clients select specific accounts, money will be moved, or allocated, to the designated accounts on the 15th of the month, which is called the Sweep Date. In other words, money is "swept" over to the selected accounts on this date. However, in order for money to be swept on the Sweep Date within a given month, premium must be received by the 10th of the month, which is called the Cut-Off Date. If premium is paid after this Cut-Off Date, money will still be swept into the selected accounts, but on the subsequent month's Sweep Date.

- **Example 1:** If premium is received by the Company on January 8th, money would be swept into the designated accounts on January 15th.
- **Example 2:** If premium is received by the Company on January 12th, money would be swept into the designated accounts on February 15th.

Each time a premium is paid and ultimately placed into one of the available Index Accounts, an individual Index Account Segment, sometimes referred to as an Index Account "bucket," is created. These Index Account Segments are created each month on the 15th when a premium is paid and money is designated to be allocated into a particular Index Account by the 10th of the month.

The values within each Index Account Segment are tracked individually for the duration of a one-year period. During this period, policy charges are deducted from these values, and interest is credited at the end of the segment duration, based on the growth in the Index over the same time period as the segment. The beginning of each Index Account Segment that is created on a Sweep Date is called the Segment Initiation Date. The end of each Index Account Segment Term is called the Segment Maturity Date. At the end of each Segment Term, interest will be credited and the total values (including interest credits) will remain in the same Index Account unless instructed otherwise by the client, creating a new segment along with any new money being placed into the segment on the Sweep Date of the month (in other words, a new Segment Initiation Date).

- Each Index Account Segment is for a one-year term, with its own segment start and end date (Segment Initiation Date and Segment Maturity Date, respectively).
- Interest is credited at the end of the segment's year-long term. Interest will only be credited on the account value remaining in the applicable Index Account Segment after all deductions, partial withdrawals, traditional loan amounts, and their associated charges have been taken throughout the year of the segment.

*Premium
must be
received by
the 10th of
the month
in order
to meet
the Sweep
Date of
that given
month.*

- The Interest Credited Rate is calculated using the performance of the Index during this one-year period.
- No partial interest amounts will be credited on any amounts taken from the Index Accounts prior to the end of the year of the segment, including amounts taken due to traditional loans, partial withdrawals, and total surrenders.

INDEX INTEREST CREDITED RATE CALCULATION

The Index Interest Credited Rate is obtained by first calculating the Index Performance Rate on an annual point-to-point basis. The Performance Rate measures the growth in the Index over a one-year period using both the beginning and ending values of the Index to measure this growth (see formula below).

$$\text{Index Performance Rate} = \frac{\text{End of Year Index Value} - \text{Beginning of Year Index Value}}{\text{Beginning of Year Index Value}} \times 100\%$$

The daily fluctuations in the value of the Index do not affect the interest rate that will be used to determine the Interest Credited Rate. Interest is credited at the end of the year. The Participation Rate, Cap, and Floor are applied to this Index Performance Rate to determine the final Interest Credited Rate as described in the following examples.

- **Example 1:** If the value of the S&P 500 increased by 25%, with a Participation Rate of 100%, a Cap of 9.65%, and a Floor of 0%, then the client would enjoy an Index Interest Credited Rate of 9.65%.
- **Example 2:** If the value of the S&P 500 increased by 6.25%, with a Participation Rate of 100%, a Cap of 9.65%, and a Floor of 0%, then the client would enjoy an Index Interest Credited Rate of 6.25%. (The Cap acts as a ceiling to the amount of interest credited, so in both Examples 1 and 2, the interest rate credited does not exceed the Cap. If, in Example 1, the Cap had been set at 7% instead of 9.65%, the credited rate would be 7%.)
- **Example 3:** If the value of the S&P 500 decreased by 12.5% (or -12.5% return), with a Participation Rate of 100%, a Cap of 9.65%, and a Floor of 0%, then the Index Interest Credited Rate will be 0%.

The Index Interest Credited Rate is applied to the account value of that Index Segment (or bucket) to determine the new account value for that bucket. This will be the starting value of the new Index Segment, assuming that those funds are not transferred or reallocated to another interest crediting strategy.

The following chart depicts the calculation and application of the Index credit for the three examples above.

Assumptions:

- S&P 500 value on Index Segment Day 1 = \$4,000
- Account Bucket Value on Segment Day 1 = \$10,000
- For illustration purposes, the New Bucket Value does not consider policy charges assessed.

Ex. #	S&P 500 Value After 1 Yr	Calculation (End-Beg)/Beg	Change in S&P 500	Apply Cap or Floor	Calculation	New Bucket Value
1	\$5,000	$(\$5,000 - \$4,000) / \$4,000$	25%	9.65%	$\$10,000 \times 9.65\% = \965	\$10,965
2	\$4,250	$(\$4,250 - \$4,000) / \$4,000$	6.25%	6.25%	$\$10,000 \times 6.25\% = \625	\$10,625
3	\$3,500	$(\$3,500 - \$4,000) / \$4,000$	-12.5%	0%	$\$10,000 \times 0\% = \0	\$10,000

This is how Vista Life IUL can safeguard against the downside of market performance. Funds are not directly invested in the stock market, so clients can enjoy the benefits of market performance with considerably less risk. The Floor, or minimum, is set at 0% so when market performance is poor and the ending value of the Index is lower than what it was at the beginning of the time period, the Interest Credited Rate would be “floored” at 0%.

In Example 3, the client will not receive any interest but will also not be penalized for the negative performance of the Index.

Account Allocations

Clients may choose which accounts—Fixed and/or each Index Account—their premiums paid will be directed. Any combination of these accounts may be used, based on client preference. At policy issue, clients must complete the *Indexed Universal Life Allocation Form* to designate how their values will be moved to each of the accounts.

For each premium payment, the minimum amount that can be allocated to any account is 5% and the sum of all allocations must equal 100%. Allocations must be provided in whole percentage amounts (no decimals).

All premiums will initially be held in a temporary account, called a Holding Account. While in the Holding Account, funds will continue to earn interest at a rate declared by the Company and policy charges will apply. Partial withdrawals and/or loans may also be deducted from this account. When premium is received and in good standing in the Company’s account by the Cut-Off Date (10th), money will move from the Holding Account into the designated account(s) on the Sweep Date (15th) of the same month. If premium is received after the Cut-Off Date (10th), money will remain in the Holding Account until moved on the subsequent month’s Sweep Date (15th) into the designated accounts.

ACCOUNT CHANGES

Clients also have the flexibility to realign their account values to fit their changing needs. Clients may transfer existing values within the Fixed Account to any of the available Index Accounts. They may also move, or reallocate, money from one Index Account to another Index Account and/or to the Fixed Account at the end of an Index Account Segment (on the Segment Maturity Date).

Clients have the flexibility to realign their account values to fit their changing needs.

Transfer allocations must be in whole percentages of at least 5% and must total 100%.

Transfers

Clients may request transfers of funds from the Fixed Account to any of the Index Accounts at any time.

- Client must complete an *Indexed Universal Life Transfer/Reallocation Request Form* that includes the amount of the Fixed Account to be transferred and the percentages allocated to each of the chosen Index Accounts.
- Transfer allocations must be in whole percentages of at least 5% and must total 100%.
- All instructions must be provided and processed by the Company by the Cut-Off Date (the 10th of the month) in order to be processed and made effective for the next Sweep Date (the 15th of the month).
- Any instructions given after the Cut-Off Date will be processed for the Sweep Date in the subsequent month.
- The funds will move into the requested Index Accounts on the next applicable Sweep Date provided the request for transfer was made prior to the Cut-Off Date.
- Dollar cost averaging may be achieved through requested dollar amount transfers each month from the Fixed Account to Index Accounts for a specified time frame. The amount, percentages, and time frame will be specified using the *Indexed Universal Life Transfer/Reallocation Request Form*. If the requested transfer amount is more than the value available in the Fixed Account, the entirety of the remaining value will transfer.

Reallocations

Over time, clients may decide they no longer want to utilize a particular Index and move their money from one Index Account to another, or to the Fixed Account. Thus, clients may request reallocations of funds from a specific Index Account to another available Index Account and/or the Fixed Account at the end of an Index Account Segment (Segment Maturity Date). If not, values simply continue to remain in the same Index Account with no required action by the client.

At the end of each Segment Term (Segment Maturity Date), applicable interest will be credited; the total value with interest is referred to as the Segment Proceeds. These Segment Proceeds will remain in the same Index Account, creating a new Index Account Segment, or upon request of the client, be moved to another account of their choosing.

- Funds cannot be reallocated from any of the Index Accounts before the end of their Segment Term.
- Clients must complete an *Indexed Universal Life Transfer/Reallocation Request Form* that includes the Segment Maturity Dates to be reallocated and the percentages allocated to each of the selected accounts.
- A single date or range of continuous Segment Maturity Dates may be provided, where only the month and year is needed because this will always occur on the Sweep Date.
- Reallocation percentages must be in whole percentages of at least 5% and must total 100%.
- All requests must be provided and processed by the Company by the Cut-Off Date prior to the requested Segment Maturity Date in order to be processed and made effective for the requested date. If reallocation requests are provided after the Cut-Off Date for a specific Segment Maturity Date, clients will need to submit another request for the next applicable Segment Maturity Date.

If an Index is discontinued, becomes unavailable to the Company, or if the Company determines that an Index will no longer be used, the Company will substitute a comparable successor Index of its choosing as determined by the Company. Alternatively, the client or the Company may instead reallocate the account value in the affected Index Account between the remaining Index Accounts or to the Fixed Account.

Access to Money

Vista Life IUL policy values can be accessed through partial withdrawals and two types of loans: traditional loans or participating loans. The amount available for clients to access from their policy is a portion of the cash surrender value, which is the total account value less any applicable surrender charges less any outstanding loans.

Partial withdrawals and loans will reduce the death benefit payable as well as the future available cash surrender value of the policy. Clients should review their policy values carefully prior to and after taking such funds from their policy, because if the remaining cash surrender value is not sufficient, this may cause the policy to lapse.

WITHDRAWALS

A partial withdrawal is available after the first policy year if values are sufficient. The withdrawal amount will be provided back to the client as requested.

- Partial withdrawals are taken proportionately across all accounts. However, clients may specify individual accounts from which to deduct their withdrawals when the request is made. An associated partial surrender charge and policy change fee will be deducted from the accounts in the same manner in which the partial withdrawal is taken.
- A partial withdrawal will reduce the face amount of policies with the Level Death Benefit option.
- The minimum allowable partial withdrawal is \$500.
- The maximum allowable partial withdrawal is the lesser of:
 - 75% of the cash surrender value (less outstanding loans); or,
 - the cash surrender value less monthly deductions and interest on any outstanding loan amounts until the end of the policy year.
- Withdrawals are limited to two within any 12 consecutive months.
- No partial interest amounts will be credited on any amounts withdrawn from the Index Accounts prior to the end of the year of the segment.

Any withdrawal from the Index Accounts prior to the Segment Maturity Date will result in a Lock-Out Period, which imposes a restriction upon allocating new premium to Index Accounts for a period of 12 months.

LOANS

If the client prefers to take a loan from their policy rather than withdraw money, two types of loans are available after the first policy year. Loans will be charged interest in arrears with capitalization occurring on each policy anniversary, loan repayment, or new loan. Loans decrease the policy's cash surrender value and the death benefit payable.

*Vista Life
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Traditional Loan	Participating Loan
<ul style="list-style-type: none"> • Money is moved out of Index and/or Fixed Accounts and put into the Loan Account. • Loan Account is credited interest at a rate declared by the Company. • Loan charge rate is based on a Bond Yield Average. 	<ul style="list-style-type: none"> • Money stays in Index and/or Fixed Accounts. • Interest is credited on any amounts within the Index and/or Fixed Accounts as if there were no loan present. • Loan charge rate is determined periodically by the Company.

- The minimum loan amount is \$500.
- The maximum loan amount is the lesser of:
 - 75% of the cash surrender value (less outstanding loans); or,
 - the cash surrender value less monthly deductions and interest on any outstanding loan amounts until the end of the policy year.

Loan repayments in part or in full may be paid at any time, but must be specified as such. No premium load is taken out of the loan repayment and no commissions are paid on loan repayments. Loan repayments are first applied to the accrued interest and then the loan principal.

Traditional Loan

For a traditional loan, the loan amount is taken from the Fixed Account and/or Index Account Segments. This amount is reflected in a Loan Account where it will earn interest at a rate declared by the Company.

- The loan credited rate is the interest rate credited to borrowed amounts in the Loan Account. This rate may change periodically but will never be less than the guaranteed interest rate of 2%.
- The loan charge rate will be based on Moody's Corporate Bond Yield Average and will only change on a policy anniversary.
- If interest is not paid at the time of capitalization, the amount owed will be taken proportionally from all existing non-loan accounts.
- No partial interest amounts will be credited on any amounts moved from the Index Accounts to the Loan Account prior to the end of the year of the segment.

Any traditional loan taken from the Index Accounts prior to the Segment Maturity Date will result in a Lock-Out Period which imposes a restriction upon allocating new premium to Index Accounts for a period of 12 months. When a loan repayment is made, any decrease in the Loan Account value will be allocated to the accounts on the next applicable Sweep Date according to current premium allocation, unless specified otherwise.

Participating Loan

For a participating loan, the loan amount remains within the Index Accounts and/or Fixed Account, and interest is credited in the same manner, as if there is no loan present.

- This type of loan allows clients to continue earning the Index-linked interest credit on their account values within the Index Accounts, even with an outstanding loan. Loan charges apply even if the interest credited is 0%.
- The loan rate applies to the loan balance and is charged in arrears, with capitalization occurring on each policy anniversary.

TOTAL CASH SURRENDER

If a client chooses to completely surrender and discontinue their policy, the total surrender amount equals the cash surrender value, which is the total account value less any outstanding loans and applicable surrender charges. The total surrender amount does not include any partial interest from the Index Accounts, which will have been terminated prior to their Segment Maturity Dates, but does include any applicable interest earned on the Fixed Account up to the date of surrender. Once surrendered, the policy will be terminated and will not be eligible for reinstatement.

Surrender charges apply upon a full surrender, partial withdrawals, and elected decreases. Charges are taken out on a pro-rata basis from the Holding Account, Fixed Account and all Index Accounts.

Product Specifications

DEATH BENEFIT OPTIONS

Vista Life IUL offers two death benefit options:

- **Level Death Benefit (Option 1)**—The death benefit generally remains level at the specified amount.
- **Increasing Death Benefit (Option 2)**—The death benefit is the specified amount plus the account value.

LIFE INSURANCE QUALIFICATION TESTS

Two life insurance tests can be used to determine the policy's qualifying status as a life insurance contract, the Guideline Premium Test (GPT) and the Cash Value Accumulation Test (CVAT). The test must be chosen at issue and cannot be changed after issue. The desired test can be specified on the illustration software and will be included on the application. GPT is the default test.

- **Guideline Premium Test (GPT)**—A policy that uses the GPT will have limitations on the amount of premium that can be paid. The limitations, called guideline single premium and guideline level premium, are required by the Internal Revenue Code for the policy to qualify as a life insurance contract.
- **Cash Value Accumulation Test (CVAT)**—A policy that uses CVAT does not have guideline premium limitations, but other limitations do apply.

ROLLING TARGET PREMIUM

A two-year rolling target period applies from original policy issue. If the 1st year target premium amount is not paid within the first policy year, the first year commission rate may apply to the remaining amount collected in policy year two. The rolling target also applies to increases in coverage and additions or increases of riders and benefits that increase the target premium. Commission rates for insureds age 71 and older are lower. Refer to the commission schedule for complete details.

NO-LAPSE PROVISION

This product has a 10-year no-lapse guarantee provision, grading down to five years starting at issue age 71. This period is known as the no-lapse period. In the absence of this guarantee, any time the cash surrender value of the policy becomes negative, the policy will no longer remain in force. The no-lapse guarantee allows the policy to

The death benefit selected at issue can be changed as the insured's needs evolve.

remain in force during the no-lapse period even if the cash surrender value becomes negative, as long as certain minimum premium requirements have been met as identified in the policy.

- A total cumulative payment of at least the Minimum Monthly Premium times the number of months since the effective date of the policy, including the current month, during the no-lapse period will keep the policy in force even if the cash surrender value is negative.
- The sum of the premiums paid are reduced by any partial withdrawals (and all associated charges) when comparing to the Minimum Monthly Premium required to continue the no-lapse guarantee.
- The no-lapse guarantee does not apply if there is an outstanding loan balance.

PREMIUM FLEXIBILITY

The client can design their premium amounts and frequency to best meet their current financial plans and adjust this amount and/or frequency over time as needs and goals change.

The amount and frequency of premiums contributed by the client are a determining factor in the financial performance of the policy. Also, if the total account value of the policy is enough to cover the charges associated with the plan, the policy will remain in effect even if the client misses premium payments. Thus, the client (within certain limits) can determine his or her initial premium and premium levels paid subsequently by monitoring the ongoing performance of their policy.

Premium modes are single, annual, semi-annual, or monthly EFT.

The premium required to initially put the policy in force will be an amount at least equal to the minimum premium until the next planned premium is scheduled to be paid (including any applicable backdating), based on the mode selected by the client for their premium payments.

Unplanned premium payments may be made, but are subject to a minimum and may require approval in some situations as determined by the Company.

POLICY CHARGES

Multiple policy charges are deducted from the policy values and vary in amount and timing. Premium expense charges (also called a premium load) apply to all premiums paid into the policy and are taken out prior to any allocations into the Fixed and/or Index Accounts. Monthly deductions are deducted on the same day each month, which is the monthly anniversary day of the policy. Other policy charges include surrender charges, charges upon policy changes, and interest charged on loans. Monthly deductions and charges are deducted from the account values in a proportional manner.

MONTHLY DEDUCTIONS

Administrative Charge	Flat amount deducted each month throughout the duration of the policy.
Specified Amount Charge	Monthly charge that applies to the initial face amount (specified amount) and increases. Charges apply for eight years for each face amount issued on the policy, including increases.
Cost of Insurance (COI) Charges	Monthly charges that apply throughout the duration of the policy, calculated by a COI rate per 1,000 of net amount at risk (NAR). COI charges include charges for substandard ratings of an additional percentage or a permanent and/or temporary flat extra charge. Ratings may vary by the original face amount and each increase.
Rider Charges	Monthly charges apply for riders or additional benefits. Rider charges include COI charges along with charges for substandard ratings for each rider and a current specified amount charge for one year for a Primary Insured Term Rider and five years for Additional Insured Term Riders.

OTHER POLICY CHARGES

Surrender Charges	Full charges apply upon surrender and proportional charges apply for partial withdrawals or elected decreases in the face amount. Surrender charges apply for 10 years for each face amount on the policy, including increases, but charges decrease over the 10-year period for each.
Policy Change Fee	A policy change fee of no more than \$50 applies to an elected change in face amount (increase or decrease), death benefit option change, or partial withdrawal.
Loan Interest Charges	Interest charged on outstanding loan amounts are described in the <i>Loans</i> section.

GRACE PERIOD

There may be times when the cash surrender value in the policy is not sufficient to keep the policy in force. If this happens, the policy will fall into a grace period during which time the client has the opportunity to make a payment to keep the policy from immediately lapsing. This grace period offers protection from immediately losing coverage with no opportunity to recover from the shortfall in the cash surrender value. Vista Life IUL offers a 62-day grace period in which the policy will remain in force.

- The Company will determine the grace amount that must be paid in order to keep the policy in force. If this amount is not paid before the end of the grace period, the policy will lapse.
- If the death of the insured occurs during the grace period, any monthly deductions and/or outstanding debt will be deducted from the death benefit payable.
- No policy changes are allowed while the policy is in the grace period.
- If the policy is still in the no-lapse period and the minimum premium requirement has been met, then the policy will not fall into the grace period.

REINSTATEMENT

During the reinstatement period of three years after a policy lapses, the client may request to have the policy put back in force or “reinstated.” The client will have to demonstrate that they continue to be an insurable risk in accordance with the Company’s underwriting standards at the time of the reinstatement.

To carry out the reinstatement, the client will have to pay an amount established by the Company which will be sufficient to cover the monthly charges for a pre-determined period of time.

During the reinstatement period, the benefits of the policy and/or any additional benefits or riders will not be available.

Policy Changes

Policyowners can adjust their policies through policy changes to address their needs.

Clients have the option to make various changes to their policy after issue. Possible changes include: increasing or decreasing the face amount, changing the death benefit option, and changing their rate class. Policy changes are not allowed until one year after the effective date of the policy; a policy change fee will apply to any change made, unless otherwise noted. This fee will be applicable in addition to any charges upon a face amount decrease or partial withdrawal.

FACE AMOUNT INCREASE

As a client's requirements for insurance change during their lifetime, coverage under this product may be updated accordingly. A client may elect to increase the current face amount within the plan limits.

- The minimum allowable increase is \$50,000 and is subject to evidence of insurability.
- An increase in face amount will be treated as a new layer of coverage with a new surrender charge period, initial surrender charge rates, specified amount charges, and minimum premium amounts, based on the attained age of the insured when the increase is made.
- Once approved, the increase will become effective as of the next Monthly Anniversary Day of the policy.
- Layers of coverage added at different times may have different substandard ratings.

FACE AMOUNT DECREASE

Other life changes may result in a client needing less insurance coverage, in which case a client may elect to decrease the current face amount within the plan limits. Vista Life IUL offers the ability to make these changes when the client needs it most.

- The minimum decrease allowable is \$25,000.
- No decrease is allowed to result in a face amount lower than the minimum specified amount of the policy.
- A decrease will trigger a new calculation of the minimum premium amount if the change occurs within the no-lapse guarantee period.
- A proportional surrender charge will be assessed if any surrender charges remain at the time of the decrease. In order for the decrease to be processed, there must be enough value in the policy to cover the charges and keep the policy in force after the decrease.
- Once approved, the decrease will become effective as of the next Monthly Anniversary Day of the policy.

DEATH BENEFIT OPTION CHANGES

Evolving financial needs might necessitate a change in the death benefit option of the plan. Changing from a Level Death Benefit option to an Increasing Death Benefit option (from option 1 to option 2) could result in the potential for a higher death benefit payable in the future, if that is what the client wants. Changing from an Increasing Death Benefit Option to a Level Death Benefit Option (from option 2 to option 1) could result in a decrease in the net amount at risk in the policy over time, thereby potentially decreasing future cost of insurance charges. Vista Life IUL provides the flexibility to make either of these changes after the policy has been in force for at least one year.

- A change from death benefit option 1 to option 2 will result in a reduction in the face amount by the amount of the account value.
 - Reductions in the face amount due to this change do not result in any surrender charges.
 - Upon this death benefit option change, the minimum face amount is permitted to drop to \$25,000 below the minimum specified amount of the policy.
- A change from death benefit option 2 to option 1 will result in an increase in the face amount by the amount of the account value.
 - No new surrender charges associated with this increase will result.
- Once approved, changes in the death benefit option will become effective as of the next Monthly Anniversary Day of the policy.

RATE CLASS CHANGES

A client's rate class at issue will largely determine how much they will pay for coverage under any life insurance plan. With Vista Life IUL, lifestyle changes towards better health can pay off with a rate class change. Improvements in rate class can result in lower costs of insurance, leaving more of the account value available for growth.

- There is no additional charge associated with this change.
- This change may only be applied for after two years from the effective date of the policy.
- Evidence of insurability is required for approval of this change.
- There will be a change in the cost of insurance associated with the policy going forward, but not prior to the effective date of the change.
- Rate class changes do not result in a change in premium or surrender charge schedule.

Riders & Benefits

Policies can be customized with riders and benefits.

Riders and benefits are available at policy issue. Riders and benefits may not be available in all states where the base product is sold. As noted in the descriptions for each benefit, some benefits are optional and some are included at no additional cost. Others only incur a cost if the benefit is utilized.

MATURITY EXTENSION RIDER

Issued on policy form 78ADA or state variation.

A Maturity Extension Rider is provided at no cost with all policies. This rider extends the payment of the death benefit at attained age 121 at no charge. After age 121, the policy's account value will continue to be credited interest, including Indexed based interest. In the event of an outstanding policy loan at age 121, loan interest continues to be charged. The account value cannot exceed the death benefit after attained age 121. No premiums are permitted to be paid after attained age 121 and no charges will be deducted from the policy. Loan repayments are allowed.

ACCELERATED DEATH BENEFIT RIDER

Issued on policy form 91ADA or state variations. Not available in CA.

This option provides for an acceleration of the death benefit if the insured has been diagnosed as chronically or terminally ill based on the definitions outlined below. The amount of the acceleration will be determined under the discounted death benefit method and amounts adjusted as applicable. This rider is automatically provided at no additional cost for primary insureds up to age 75 with a maximum Table 8 rating. There is a charge at the time accelerated benefits are paid which is removed from the payment. If a loan exists at the time of acceleration, an amount equal to the loan multiplied by the acceleration percentage is paid towards the loan.

- **Chronic illness**—the insured has been certified by a Physician's Statement within the last 12 months as either:
 1. Permanently being unable to perform at least two Activities of Daily Living (ADLs) for a period of at least 90 consecutive days without substantial assistance from another person. ADLs include: bathing, continence, dressing, eating, toileting and transferring.
 2. Requiring substantial supervision by another person for a period of at least 90 consecutive days due to a physician's diagnosis of a permanent severe cognitive impairment; and to protect the accelerated benefit Insured from threats to health and safety.
- **Terminal illness**—a non-correctable medical condition, as determined by a Physician's Statement, that with reasonable medical certainty will result in the death of the insured in less than 12 months.

TERMINAL ILLNESS ACCELERATED BENEFIT RIDER

Issued on policy form 92ADA or state variation.

The Terminal Illness Accelerated Benefit Rider is available to insureds who do not qualify for the Accelerated Death Benefit Rider. Terminal illness is a non-correctable medical condition, as determined by a Physician's Statement, that with reasonable medical certainty will result in the death of the insured in less than 12 months. The amount of the acceleration will be determined under the discounted death benefit method and amounts adjusted as applicable. This rider is automatically provided at no additional cost based on Underwriting approval. There is a charge at the time accelerated benefits are paid which is removed from the payment.

OVERLOAN PROTECTION RIDER

Issued on policy form 93ADA or state variation.

The Overloan Protection Rider prevents the policy from lapsing due to a loan causing the net cash surrender value to go negative (possibly causing a taxable event). The rider is triggered when the loan amount is greater than a specific percentage of the overall account value on GPT policies (not CVAT) and for insureds attained age 75 or older. The policy will then be considered paid up and continue until the death of the insured (or a surrender of the policy). All value in the Index Accounts will transfer to the Fixed Account. If the current loan is a participating loan, it will switch to a traditional loan with the interest credited matching the interest charged. If the policy is on death benefit option 2 (increasing), it will switch to death benefit option 1 (level) without an adjustment to the specified amount. The death benefit going forward will equal the account value multiplied by the corresponding Corridor percentage. At the time the Overloan Protection Rider is exercised, there is a one-time percent of account value fee. If the rider is not exercised, there are no fees.

PRIMARY INSURED TERM RIDER

Issued on policy form 80ADA or state variation.

This optional rider provides additional level death benefit coverage on the primary insured.

- **Minimum:** \$50,000
- **Maximum:** Eight times the base specified amount
- Rate class and substandard ratings applied are the same as the base policy.

ADDITIONAL INSURED TERM RIDER

Issued on policy form 81ADA or state variation.

This optional rider provides additional level death benefit coverage on up to five insureds other than the primary insured. All charges and limits are separate for each additional insured. Issue ages and risk classes permitted are the same as the base policy, except juveniles.

- **Minimum:** \$50,000
- **Maximum:** Base specified amount up to \$1,000,000
- **Conversion:** While this rider is in force and before the policy anniversary on or after the additional insured's 70th birthday, the additional insured may convert up to the additional insured specified amount, without evidence of insurability, to a permanent life insurance policy approved for use for conversions at the time of conversion.

WAIVER OF MONTHLY DEDUCTIONS RIDER

Issued on policy form 82ADA or state variation.

This optional rider has separate monthly charges, minimum premium, and target premium. If total disability occurs on or before the insured's attained age 60, the monthly deductions will be waived while total disability continues. If total disability occurs after the insured's attained age 60, but before the insured's attained age 65, the monthly deductions due before the insured's attained age 70 will continue to be waived while total disability continues, but not thereafter.

- **Issue Ages:** 18–55
- **Rate Classes:** Rates vary by gender but not by rate class. Table ratings may apply.
- **Expiry:** Age 65 (unless waiver claim is active)
- **Minimum:** None
- **Maximum:** \$2,000,000; Base policy and Primary Insured Term Rider specified amounts

DEPENDENT CHILDREN INSURANCE RIDER

Issued on policy form 94ADA or state variation.

This optional rider has separate monthly charges, minimum premium, and target premium. The benefit covers the lives of all dependent children who are unmarried and below the age of 25. If a dependent child dies before the age of 90 days, 25% of the benefit will be paid.

- **Issue Ages:** 18–60 of the base insured
- **Dependent Children:** Any child, stepchild, or legally adopted child of the base insured that is named in the application for this rider, less than 24 years old on the application date, or when added as a dependent child after the initial application, and unmarried. A dependent child must be at least 15 days old.
- **Rate Classes:** None, but flat extras may apply
- **Expiry:** Age 65 of the base insured
- **Minimum:** \$10,000
- **Maximum:** \$25,000
- **Conversion:** While this rider is in force and before the earlier of the policy anniversary on the base insured's 65th birthday and the child's 25th birthday, the insured child may convert up to the minimum of five times the specified amount or \$100,000, without evidence of insurability, to a permanent life insurance policy approved for use for conversions at the time of conversion. Conversion requests must be received 31 days before the dependent child's 19th, 22nd, or 25th birthday, or the expiration date of the rider if it occurs before the 25th birthday.

ACCIDENTAL DEATH BENEFIT (ADB) RIDER

Issued on policy form 83ADA or state variation.

This optional rider has separate monthly charges, minimum premium, and target premium. The benefit chosen can be as high as an additional \$250,000, payable in the event the insured dies from accidental causes prior to age 65. The benefit is available from issue ages 18 to 60. If the insured's death is the result of riding as a fare-paying passenger in a public conveyance, the ADB amount will be doubled.

- **Issue Ages:** 18–60
- **Rate Classes:** None, but table ratings may apply
- **Expiry:** Age 65
- **Minimum:** \$10,000
- **Maximum:** \$250,000

Glossary of IUL Terms

Cap: The maximum rate used in the calculation of the Interest Credit for each segment of each Index Account.

Cut-Off Date: The Cut-Off Date is the 10th of the month. This is the date by which any new premium and written requests for premium allocation changes, transfers to the Index Accounts, or reallocations of maturing Segment Proceeds must be received in order to be included in the next Sweep Date (initial segment balance) for the new segment.

Face Amount (or Specified Amount): An amount that is one of the factors used to determine the amount of the death benefit, along with the other policy provisions. This amount is selected by the client within Company limitations.

Fixed Account: The account in which funds will earn interest at an interest rate declared by the Company.

Floor: The minimum rate used in the calculation of the Interest Credit for each segment of each Index Account.

Holding Account: A temporary account which holds amounts until allocated to either the Fixed Account or to the Index Accounts on the Sweep Date (Segment Initiation Date).

Index: The external Index used for each Index Account.

Index Account: Any one of the accounts associated with an Index and composed of one or more segments. New segments are created on a Segment Initiation Date and mature at the end of the Segment Term, on the Segment Maturity Date.

Index Interest Credited Rate: The rate of interest credited, which is determined by the Participation Rate, Cap, Floor, and Index Performance Rate.

Index Performance Rate: The growth in the Index over a one-year period of time (Segment Term). It is measured as the percentage change in the value of an Index over the Segment Term of one year. It is equal to (a) minus (b), the result divided by (b), expressed as a percentage, where:

(a) is the closing value of the Index on a Segment Maturity Date; and

(b) is the closing value of the Index on the business day prior to the Segment Initiation Date.

In force: The status of the policy when the death benefit is in effect.

Loan Account: One of the accounts in the policy that reflects amounts transferred from the Fixed Account, Holding Account, and/or any Index Accounts when a traditional loan is taken. No separate Loan Account is created for a participating loan.

Lock-Out Period: A period of time in which no new segments can be created for a specific Index Account from premium payments, loan repayments, reallocations from other Index Accounts, and/or transfers from the Fixed Account. New segments in that specific Index Account may only be created from maturing Segment Proceeds from the same Index Account.

Minimum Monthly Premium: The regular monthly premium necessary to prevent this policy from entering into the grace period during the no-lapse guarantee period.

Monthly Anniversary Day: The date each month that corresponds to the effective date of the policy and is the date on which the monthly deductions are charged.

Participation Rate: The percentage of the Index Performance Rate used in the calculation of the Interest Credit for each segment of each Index Account.

Segment Term: The one-year period of time a segment exists from the beginning of the segment (Segment Initiation Date) to the end of the segment (Segment Maturity Date).

Segment Initiation Date (or Sweep Date): The 15th of each month, which is the day of the month in which a new segment begins.

Segment Maturity Date: The last day of a Segment Term, i.e. the last day of the one-year Segment Term.

Segment Proceeds: For each segment, the value within the segment at the end of the day on the Segment Maturity Date, including any Index Segment Interest Credit payable on that date.

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