

VISTA LIFE

Indexed Universal Life

Indexed Universal Life (IUL) Simplified.



Vista Life™ IUL

Pan-American Life's premier Indexed Universal Life (IUL) solution, Vista Life™ IUL, provides a flexible death benefit with adjustable premiums and the potential for cash value accumulation.

Whether planning for retirement, education funding, family protection, wealth transfer, or business continuation, here is what you can expect from your Vista Life IUL policy:



Account Flexibility

Vista Life IUL puts you in charge. Choose between one Fixed Account and three Index Accounts to suit your needs. Policyowners 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, policyowners 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 an Index Account is 0%, helping to protect you from market downturns.



Access to Money

Because "life happens," it's important for you to have access to your policy's cash value via partial withdrawals, traditional loans, and participating loans (which allows you to keep earning interest through the interest rate tied to the Index Accounts).

Flexible Premiums

With Vista Life IUL, policyowners have the flexibility to make premium payments through a range of possibilities, from choosing a planned premium to suit financial needs, paying the minimum premium to maintain coverage, or paying extra to boost long term accumulation. Policyowners may change their premium paying options as needed over time.



Death Benefit Options

There when you need it most, Vista Life IUL helps to provide financial security and peace of mind through two death benefit options:

- Level Death Benefit—The death benefit generally remains level at the specified amount.
- Increasing Death Benefit—The death benefit is generally the specified amount plus the account value.

Death benefit options can be changed during the life of the policy to fit your goals.

Earning Interest

With Vista Life IUL, your premium payments are allocated to either a Fixed Account or an Index Account, or a percentage of each based on your preferences. The Fixed Account earns interest at a set rate. The Index Account earns interest at a rate that is tied to market performance, but premiums are not invested directly in the market. Instead, Indexes are used to determine your interest rate.

Regardless of market performance, the minimum rate credited to all Index Accounts is 0%, helping to protect you from market downturns. Additionally, the Fixed Account interest rate is guaranteed never to be less than 2%. Since flexibility is important when selecting a policy to meet your needs over time, you can change your premium allocations and change Index selections at the end of the one-year Index period.

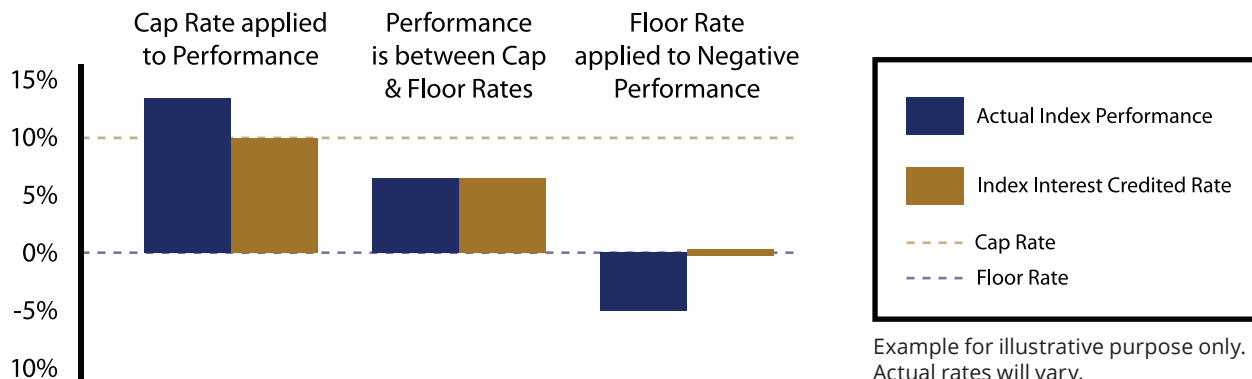


Interest Crediting Strategies

- Fixed Account
- Index Accounts
 - S&P 500®
 - EURO STOXX 50®
 - NASDAQ-100®
- Combination

How It Works

1. When the premium is placed into an Index Account, the beginning value of the Index is recorded.
2. After 12 months, the change in the Index value is calculated.
3. A Participation Rate and Cap are applied to the change in the Index value to determine the interest rate that's credited to the Index Segment. If the change in the Index rate was negative, a 0% interest rate will apply. The 0% minimum rate prevents the Index Account Value from being charged for negative interest in the event the Index value decreases.



Sweep and Cut-Off Dates

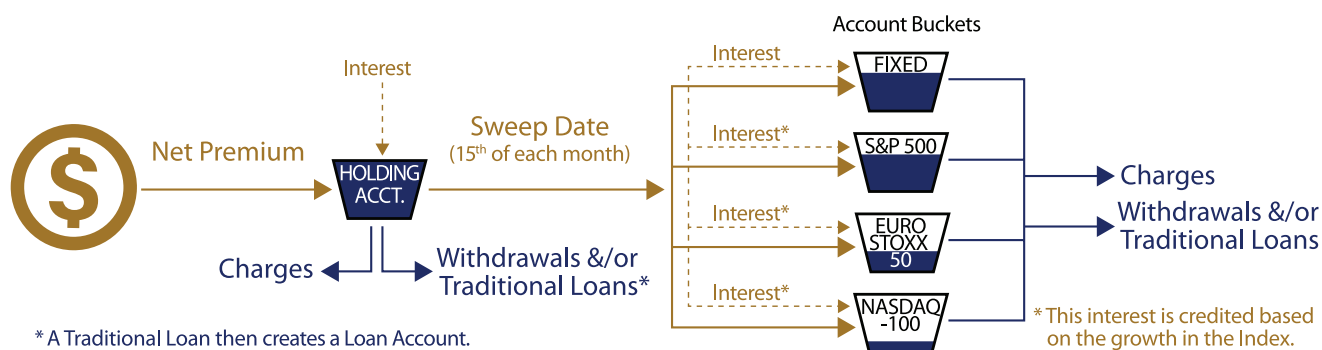
The timing of premium payments is a key aspect of this product. After deductions, the net premium will be moved, or allocated, to its designated accounts on the 15th of each month, which is called the Sweep Date. In other words, money is “swept” over to the selected accounts on this date. In order for money to be swept on the sweep date within a given month, premium must be received by the 10th of that month, which is called the Cut-Off Date. If premium is paid after the Cut-Off Date, money will still be swept into the selected accounts, but not until the following month’s Sweep Date.



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

Each time the net premium is 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 of the month when a premium is paid. 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 segment duration, based on the growth in the Index over the same time period as the Index Account 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, 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).



* A Traditional Loan then creates a Loan Account.

- 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.
- 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 on the left.

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 during the year.

| Ex. # | S&P 500 Value After 1 Yr | Calculation (End - Beginning) / Beginning | 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 x 9.65% = \$965 | \$10,965 |
| 2 | \$4,250 | (\$4,250 - \$4,000) / \$4,000 | 6.25% | 6.25% | \$10,000 x 6.25% = \$625 | \$10,625 |
| 3 | \$3,500 | (\$3,500 - \$4,000) / \$4,000 | -12.5% | 0% | \$10,000 x 0% = \$0 | \$10,000 |

* The examples above are not intended to serve as a complete summary of all policy details and conditions. Please refer to the Policy Provisions for a full explanation on how this Policy operates and the benefits it provides.

This is how Vista Life IUL can help safeguard against the downside of market performance. Remember, funds are not directly invested in the stock market, so you can enjoy the benefits of market performance with 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.

At Pan-American Life, we specialize in financial solutions that provide our clients with security and peace of mind. For over a century, we have focused on fulfilling the needs and well-being of our policyholders. We continue to uphold this commitment through our exceptional service, financial strength, and sound governance.

We recognize that every life is unique, which is why we also offer a variety of riders that can be added to your policy at issue to achieve your goals.

Contact a Pan-American Life Representative TODAY to find out if a Vista Life Indexed Universal Life policy is right for you!

VISTA LIFE

— *Indexed Universal Life*



Trust us to help protect what matters most:

**YOUR FAMILY, YOUR BUSINESS,
AND YOUR FUTURE.**



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