

APPENDIX D – OPTIONAL LIVING BENEFITS EXAMPLES

The following examples demonstrate how increases to the Income Base and withdrawals taken from the contract affect the values of the currently offered Living Benefits – Polaris Income Max and Polaris Income Plus Daily Flex. The examples are based on a hypothetical contract over an extended period of time and do not assume any specific rate of return nor do they represent how your contract will actually perform.

Examples 1 through 7 below assume election of Polaris Income Max Income Option 1 (one Covered Person). Examples 8 through 13 below assume election of Polaris Income Plus Daily Flex Income Option 1 (one Covered Person).

Example 1: Initial Values

The values shown below are based on the following assumptions:

- Benefit Effective Date = contract issue date
- Initial Purchase Payment = \$100,000
- Income Credit Percentage = 5.25%
- Covered Person = Owner age 65 on the Benefit Effective Date
- Maximum Annual Withdrawal Percentage = 6.25%

Values as of	Purchase Payments Invested	Contract Value	Income Base	Income Credit Base	Maximum Annual Withdrawal Amount upon Activation
Benefit Effective Date	\$100,000	\$100,000	\$100,000	\$100,000	\$6,250

- Income Base = Initial Purchase Payment = \$100,000
- Income Credit Base = Initial Purchase Payment = \$100,000
- Maximum Annual Withdrawal Amount = Income Base x Maximum Annual Withdrawal Percentage
= \$100,000 x 6.25% = \$6,250, if Lifetime Income is activated

Example 2: Impact of Adding Subsequent Purchase Payments and Attaining Higher Anniversary Values

The values shown below are based on the assumptions stated in Example 1 above, in addition to the following:

- Subsequent Purchase Payment invested in the first Benefit Year = \$60,000.
- Subsequent Purchase Payment invested in the second Benefit Year = \$90,000.
- No withdrawals taken in the first 2 Benefit Years.

Values as of	Purchase Payment Invested	Assumed Contract Value	Anniversary Value	Income Base	Income Credit Base	Income Credit	Maximum Annual Withdrawal Amount upon Activation
Benefit Effective Date	\$100,000	\$100,000	—	\$100,000	\$100,000	—	\$6,250
Year 1	\$60,000	\$165,000	—	\$160,000	\$160,000	—	\$10,000
1st Anniversary	—	\$170,000	\$170,000	\$170,000	\$170,000	\$8,400	\$10,625
Year 2	\$90,000	\$255,000	—	\$260,000	\$260,000	—	\$16,250
2nd Anniversary	—	\$287,000	\$287,000	\$287,000	\$287,000	\$13,650	\$17,938

The values of the feature are impacted by adding subsequent Purchase Payments and attaining Higher Anniversary Values as follows:

- The Income Base, Income Credit Base and the Maximum Annual Withdrawal Amount (“MAWA”) are recalculated at the time each subsequent Purchase Payment is received.
- The Income Base and Income Credit Base are increased to a Higher Anniversary Value on each Benefit Year Anniversary if the Anniversary Value is greater than the current Income Base plus the Income Credit; and the Maximum Annual Withdrawal Amount (“MAWA”) is recalculated based on the value of the new Income Base, available only if Lifetime Income is activated.

- In year 1, a subsequent Purchase Payment of \$60,000 was added. The Income Base and Income Credit Base were increased to \$160,000 (\$100,000 + \$60,000); and the MAWA was increased to \$10,000 (\$160,000 x 6.25%).
- On the 1st Benefit Year Anniversary, the Income Base and Income Credit Base were increased to \$170,000 (\$170,000 is greater than \$160,000 + \$8,400 Income Credit); and the MAWA was increased to \$10,625 (\$170,000 x 6.25%).
- In year 2, a subsequent Purchase Payment of \$90,000 was added. The Income Base and Income Credit Base were increased to \$260,000 (\$170,000 + \$90,000); and the MAWA was increased to \$16,250 (\$260,000 x 6.25%).
- On the 2nd Benefit Year Anniversary, the Income Base and Income Credit Base were increased to \$287,000 (\$287,000 is greater than \$260,000 + \$13,650 Income Credit); and the MAWA was increased to \$17,938 (\$287,000 x 6.25%).

Example 3: Impact of Income Credit on Income Base and Income Credit Base

The values shown below are based on the assumptions stated in Examples 1 and 2 above, in addition to the following:

- An Income Credit was added to the Income Base on the third Benefit Year Anniversary, prior to the Activation Date.

As of	Withdrawal Taken	Assumed Contract Value	Anniversary Value	Income Base	Income Credit Base	Income Credit	Maximum Annual Withdrawal Amount upon Activation
2nd Anniversary	—	\$287,000	\$287,000	\$287,000	\$287,000	\$13,650	\$17,938
3rd Anniversary	—	\$300,000	\$300,000	\$302,068	\$287,000	\$15,068	\$18,879

- When the Income Base is increased due to the addition of the Income Credit, the Income Credit Base is not increased.

Note: The Income Credit Base is increased by the addition of the subsequent Purchase Payments and when the Income Base is increased to a Higher Anniversary Value (as shown in Example 2 above).

Example 4: Impact of Taking Withdrawals prior to the Activation Date

The values shown below are based on the assumptions stated in Examples 1, 2, and 3 above, in addition to the following:

- A withdrawal of \$5,000 was taken in the fourth Benefit Year, prior to the Activation Date.

As of	Withdrawal Taken	Assumed Contract Value	Anniversary Value	Income Base	Income Credit Base	Income Credit	Maximum Annual Withdrawal Amount upon Activation
3rd Anniversary	—	\$300,000	\$300,000	\$302,068	\$287,000	\$15,068	\$18,879
Year 4	\$5,000	\$305,000	—	\$279,116	\$282,295	—	\$18,570
4th Anniversary	—	\$312,000	\$312,000	\$312,000	\$14,820	\$14,820	\$19,500

- The Income Base and Income Credit Base are reduced in the same proportion by which the contract value is reduced by the pre-Income Activation withdrawal amount.
 - In year 4, the reduction proportion was 1.6393% (\$5,000/\$305,000); the reduced Income Base was \$297,116 (\$302,068 x [1 – 1.6393%]) and Income Credit Base was \$282,295 (\$287,000 x [1 – 1.6393%]).
 - On the 4th Benefit Year Anniversary, the Income Base and Income Credit Base were increased to \$312,000 (Anniversary Value \$312,000 is greater than \$297,116 + \$14,820 Income Credit) and the MAWA was increased to \$19,500 (\$312,000 x 6.25%).

Example 5: Impact of Taking Withdrawals up to the Maximum Annual Withdrawal Amount after the Activation Date

The values shown below are based on the assumptions stated in Examples 1, 2, 3 and 4 above, in addition to the following:

- A withdrawal of 100% of MAWA was taken in the fifth Benefit Year, after the Activation Date.

As of	Withdrawal Taken	Assumed Contract Value	Anniversary Value	Income Base	Income Credit Base	Income Credit	Maximum Annual Withdrawal Amount
4th Anniversary	—	\$312,000	\$312,000	\$312,000	\$312,000	\$14,820	\$19,500
Year 5	\$19,500	\$302,000	—	\$312,000	—	—	\$19,500
5th Anniversary	—	\$305,000	\$305,000	\$312,000	—	—	\$19,500

- In year 5, a Lifetime Income amount of \$19,500 was withdrawn.

The values of the feature are impacted by the Lifetime Income withdrawal taken as follows:

- The Income Base is not reduced because the amount of the Lifetime Income withdrawal taken was less than or equal to the Maximum Annual Withdrawal Amount (“MAWA”).
- No Income Credit is available after the Activation Date.

Example 6: Impact of Taking Excess Withdrawals (in excess of the Maximum Annual Withdrawal Amount) after the Activation Date

The values shown below are based on the assumptions stated in Examples 1, 2, 3, 4 and 5 above, in addition to the following:

- Withdrawals of 8% of Income Base taken in the sixth and seventh Benefit Years.

As of	Withdrawal Taken	Assumed Contract Value	Anniversary Value	Income Base	Maximum Annual Withdrawal Amount
5th Anniversary	—	\$305,000	\$305,000	\$312,000	\$19,500
Year 6	\$24,960	\$280,000	—	\$306,033	\$19,127
6th Anniversary	—	\$290,000	\$290,000	\$306,033	\$19,127
Year 7	\$24,483	\$260,000	—	\$299,982	\$18,749
7th Anniversary	—	\$230,000	\$230,000	\$299,982	\$18,749

The values of the feature are impacted by taking withdrawals in excess of the Maximum Annual Withdrawal Amount (“MAWA”) after the Activation Date as follows:

- The Income Base is reduced by the same proportion by which the contract value is reduced by the amount in excess of the MAWA.
 - In year 6, the reduction proportion was 1.9124% ($[\$24,960 - \$19,500] / [\$305,000 - \$19,500]$); the Income Base was reduced to \$306,033 ($\$312,000 \times [1 - 1.9124\%]$); and the MAWA was reduced to \$19,127 ($\$306,033 \times 6.25\%$).
 - In year 7, the reduction proportion was 1.9772% ($[\$24,483 - \$19,127] / [\$290,000 - \$19,127]$); the Income Base was reduced to \$299,982 ($\$306,033 \times [1 - 1.9772\%]$); and the MAWA was reduced to \$18,749 ($\$299,982 \times 6.25\%$).
- The MAWA is recalculated based on the reduced Income Base.

Example 7: Protected Income Payment

The values shown below are based on the assumptions stated in Examples 1, 2, 3, 4, 5 and 6 above, in addition to the following:

- Contract values as shown below and reduced to \$0 in Year 11 due to fees charged and market conditions.

- No withdrawals taken after the seventh Benefit Year.

Values as of	Assumed Contract Value	Anniversary Value	Income Base	Maximum Annual Withdrawal Amount	Protected Income Payment
7th Anniversary	\$230,000	\$230,000	\$299,982	\$18,749	—
8th Anniversary	\$150,000	\$150,000	\$299,982	\$18,749	—
9th Anniversary	\$100,000	\$100,000	\$299,982	\$18,749	—
10th Anniversary	\$50,000	\$50,000	\$299,982	\$18,749	—
Year 11	\$0	\$0	\$299,982	\$18,749	—
11th Anniversary	\$0	\$0	\$299,982	—	\$11,999

- The Protected Income Payment of \$11,999 ($\$299,982 \times 4\%$) will be paid annually for the lifetime of the Covered Person.

Examples 8-13 below assume election of Polaris Income Plus Daily Flex Income Option 1 (one Covered Person).

Example 8: Initial Values

The values shown below are based on the following assumptions:

- Benefit Effective Date = contract issue date
- Initial Purchase Payment = \$100,000
- Covered Person = Owner age 65 on the Benefit Effective Date
- Maximum Annual Withdrawal Percentage = 6.00%

Value as of	Purchase Payments Invested	Contract Value	Minimum Income Base	Income Base	Maximum Annual Withdrawal Amount upon Activation
Benefit Effective Date	\$100,000	\$100,000	\$100,000	\$100,000	\$6,000

- Minimum Income Base = Income Base = Initial Purchase Payment = \$100,000
- Maximum Annual Withdrawal Amount = Income Base x Maximum Annual Withdrawal Percentage
= $\$100,000 \times 6.00\% = \$6,000$, if Lifetime Income is activated

Example 9: Impact of Increase in Income Base due to Daily Step-up Values, Adding Subsequent Purchase Payments, and Minimum Income Base at Benefit Year Anniversaries prior to the Activation Date

The values shown below are based on the assumptions stated in Example 8 above, in addition to the following:

- Subsequent Purchase Payment invested in the 1st Benefit Year = \$60,000
- Subsequent Purchase Payment invested in the 2nd Benefit Year = \$90,000
- No withdrawals taken in the first 2 Benefit Years

- The Maximum Annual Withdrawal Amounts in this example are only available if Lifetime Income is activated

Values as of	Purchase Payment Invested	Assumed Contract Value	Step-up Value	Minimum Income Base	Income Base	Maximum Annual Withdrawal Amount upon Activation
Benefit Effective Date	\$100,000	\$100,000	—	\$100,000	\$100,000	\$6,000
Year 1 – Day 25	—	\$102,000	\$102,000	\$100,000	\$102,000	\$6,120
Year 1 – Day 105	—	\$105,000	\$105,000	\$100,000	\$105,000	\$6,300
Year 1 – Day 200	\$60,000	\$162,000	—	\$160,000	\$165,000	\$9,900
Year 1 – Day 300	—	\$166,000	\$166,000	\$160,000	\$166,000	\$9,960
1st Anniversary	—	\$167,000	\$167,000	\$168,000	\$168,000	\$10,080
Year 2 – Day 180	\$90,000	\$250,000	—	\$258,000	\$258,000	\$15,480
Year 2 – Day 250	—	\$280,000	\$280,000	\$258,000	\$280,000	\$16,800
2nd Anniversary	—	\$279,000	—	\$270,500	\$280,000	\$16,800

The values of the feature are impacted by attaining the daily Step-up Values, adding subsequent Purchase Payments, and comparing to the Minimum Income Base at Benefit Year Anniversaries when no Lifetime Income withdrawals have been taken as follows:

- If no withdrawals have been taken, the Income Base is increased to the Step-up Values on a daily basis and the Maximum Annual Withdrawal Amount (“MAWA”) is recalculated based on the new Income Base, only available after Lifetime Income is activated.
- The Income Base and the Maximum Annual Withdrawal Amount (“MAWA”) are recalculated at the time each subsequent Purchase Payment is received.
 - In year 1 – day 25, the Income Base was increased to the Step-up Value of \$102,000 (Contract Value \$102,000 is greater than the current Income Base \$100,000) and the MAWA was increased to \$6,120 (\$102,000 x 6.00%).
 - In year 1 – day 105, the Income Base was increased to the Step-up Value of \$105,000 (Contract Value \$105,000 is greater than the current Income Base \$102,000) and the MAWA was increased to \$6,300 (\$105,000 x 6.00%).
 - In year 1 – day 200, the Minimum Income Base was increased to \$160,000 (\$100,000 + \$60,000 subsequent Purchase Payment), the Income Base was increased to \$165,000 (\$105,000 + \$60,000 subsequent Purchase Payment) and the MAWA was increased to \$9,900 (\$165,000 x 6.00%).
- While no Lifetime Income withdrawals have been taken, the Income Base continues to be increased to the Step-up Values on a daily basis and the Maximum Annual Withdrawal Amount (“MAWA”) is recalculated based on the new Income Base. At Benefit Year Anniversaries, the Income Base can also step up to the Minimum Income Base if the Minimum Income Base is greater than the current Income Base.
 - In year 1 – day 300, the Income Base was increased to the Step-up Value of \$166,000 (Contract Value \$166,000 is greater than the current Income Base \$165,000) and the MAWA was increased to \$9,960 (\$166,000 x 6.00%).
 - On the 1st Benefit Year Anniversary, the Income Base was increased to the Minimum Income Base of \$168,000 (\$160,000 x 105%, Minimum Income Base \$168,000 is greater than both Step-Up Value \$167,000 and current Income Base \$166,000) and the MAWA was increased to \$10,080 (\$168,000 x 6.00%).
 - In year 2 – day 180, the Income Base was increased to \$258,000 (\$168,000 + \$90,000 subsequent Purchase Payment), and the MAWA was increased to \$15,480 (\$258,000 x 6.00%).
 - In year 2 – day 250, the Income Base was increased to the Step-up Value of \$280,000 (Contract Value \$280,000 is greater than the current Income Base \$258,000) and the MAWA was increased to \$16,800 (\$280,000 x 6.00%).
 - On the 2nd Benefit Year Anniversary, the Income Base remained unchanged at \$280,000 (current Income Base \$280,000 is greater than Minimum Income Base \$270,500 (\$160,000 1st year Purchase Payments x 110% + \$90,000 2nd year Purchase Payment x 105%)) and the MAWA also remained unchanged at \$16,800.

Example 10: Impact of Taking Withdrawals prior to the Activation Date

The values shown below are based on the assumptions stated in the Examples 8 and 9 above, in addition to the following:

- Withdrawals of \$5,000 was taken in Benefit Year 3, prior to the Activation Date.

Value as of	Assumed Contract Value	Withdrawal Taken	Step-up Value	Minimum Income Base	Income Base	Maximum Annual Withdrawal Amount upon Activation
2nd Anniversary	\$279,000	—	—	\$270,500	\$280,000	\$16,800
Year 3 – Day 45	\$290,000	—	\$290,000	\$270,500	\$290,000	\$17,400
Year 3 – Day 155	\$285,000	\$5,000	—	\$265,754	\$284,912	\$17,095
Year 3 – Day 275	\$300,000	—	\$300,000	\$265,754	\$300,000	\$18,000
3rd Anniversary	\$310,000	—	\$310,000	\$278,035	\$310,000	\$18,600

- In year 3 – day 45, the Income Base was increased to the Step-up Value of \$290,000 (Contract Value \$290,000 is greater than the current Income Base \$280,000) and the MAWA was increased to \$17,400 ($\$290,000 \times 6.00\%$).
- In year 3 – day 155, the reduction proportion was 1.7544% ($\$5,000 \text{ Withdrawal} / \$285,000 \text{ Contract Value}$). The reduced Income Base was \$284,912 ($\$290,000 \times [1 - 1.7544\%]$) and the reduced MAWA was \$17,095 ($\$284,912 \times 6.00\%$). The reduced Minimum Income Base was \$265,754 ($110\% \times 1\text{st year reduced Purchase Payments } \$157,193 [\$160,000 \times \{1 - 1.7544\%\}] \text{ plus } 105\% \times 2\text{nd year reduced Purchase Payment } \$88,421 [\$90,000 \times \{1 - 1.7544\%\}]$).
- In year 3 – day 275, the Income Base was increased to the Step-up Value of \$300,000 (Contract Value \$300,000 Contract Value was greater than current Income Base \$284,912) and the MAWA was increased to \$18,000 ($\$300,000 \times 6.00\%$).
- On the third Benefit Year Anniversary, the Income Base was increased to the Step-up Value of \$310,000 ($\$310,000 \text{ Contract Value } \$310,000$ was greater than both current Income Base \$300,000 and Minimum Income Base \$278,035 ($115\% \times \$157,193 + 110\% \times \$88,421$) and the MAWA was increased to \$18,600 ($\$310,000 \times 6.00\%$).

Example 11: Impact of Taking Withdrawals up to the Maximum Annual Withdrawal Amount after the Activation Date

The values shown below are based on the assumptions stated in the Examples 8, 9, and 10 above, in addition to the following:

- Withdrawals less than or equal MAWA are taken in the fourth and fifth Benefit Years, after the Activation Date.

Value as of	Assumed Contract Value	Withdrawal Taken	Step-up Value	Minimum Income Base	Income Base	Maximum Annual Withdrawal Amount upon Activation
3rd Anniversary	\$310,000	—	\$310,000	\$287,035	\$310,000	\$18,600
Year 4 – Day 65	\$315,000	—	\$315,000	\$287,035	\$315,000	\$18,900
Year 4 – Day 92	\$312,000	\$10,000	—	—	\$315,000	\$18,900
Year 4 – Day 350	\$320,000	—	\$320,000	—	\$315,000	\$18,900
4th Anniversary	\$311,000	—	—	—	\$320,000	\$19,200
Year 5 – Day 75	\$325,000	—	\$325,000	—	\$320,000	\$19,200
Year 5 – Day 80	\$322,000	\$19,200	—	—	\$320,000	\$19,200
5th Anniversary	\$317,000	—	—	—	\$325,000	\$19,500
Year 6 – Day 155	\$330,000	—	\$330,000	—	\$325,000	\$19,500
6th Anniversary	\$329,000	—	—	—	\$330,000	\$19,800

- In year 4, a Lifetime Income amount of \$10,000, less than MAWA was withdrawn.
- In year 5, a Lifetime Income amount of \$19,200, equal to MAWA was withdrawn.

The values of the feature are impacted prior to and after the withdrawals are taken as follows:

- Prior to the Activation Date, the Income Base is increased to the Step-up Values on a daily basis and the Maximum Annual Withdrawal Amount (MAWA) is recalculated based on the new Income Base.
 - In year 4 – day 65, the Income Base was increased to the Step-up Value of \$315,000 (Contract Value \$315,000 is greater than the current Income Base \$310,000) and the MAWA was increased to \$18,900 ($\$315,000 \times 6.00\%$).
 - In year 4 – day 92, after the Activation Date, a Lifetime Income amount of \$10,000 was withdrawn, and was less than the MAWA of \$18,900. The Income Base (\$315,000) and the MAWA (\$18,900) remained unchanged.
- After the first Lifetime Income withdrawal has been taken, The Minimum Income Base is no longer available, and the Income Base is not increased until the next Benefit Year Anniversary date, looking back at the Step-up Values following the first Lifetime Income withdrawal.
 - In year 4 – day 350, there was a Step-up Value of \$320,000, but the Income Base (\$315,000) and the MAWA (\$18,900) remained unchanged.
 - On the 4th Benefit Year Anniversary date, the Income Base was increased to the Step-up Value \$320,000 that had occurred between the date of the Lifetime Income withdrawal and the 4th Benefit Year Anniversary date, and the MAWA was increased to \$19,200 ($\$320,000 \times 6.00\%$).
- Past the first Benefit Year Anniversary date after the first Lifetime Income withdrawal has been taken, the Income Base is not increased until the next Benefit Year Anniversary date, looking back at the Step-up Values in the immediately preceding Benefit Year.
 - In year 5 – day 75, there was a Step-up Value of \$325,000, but the Income Base (\$320,000) and the MAWA (\$19,200) remained unchanged.
 - In year 5 – day 80, a Lifetime Income amount \$19,200 was withdrawn and was equal to the MAWA of \$19,200. The Income Base (\$320,000) and the MAWA (\$19,200) remained unchanged.
 - On the 5th Benefit Year Anniversary date, the Income Base was increased to the Step-up Value \$325,000 that had occurred during the immediately preceding Benefit Year, and the MAWA was increased to \$19,500 ($\$325,000 \times 6.00\%$).
 - In year 6 – day 155, there was a Step-up Value of \$330,000, but the Income Base (\$325,000) and the MAWA (\$19,500) remained unchanged.
 - On the 6th Benefit Year Anniversary date, the Income Base was increased to the Step-up Value \$330,000 that had occurred during the immediately preceding Benefit Year, and the MAWA was increased to \$19,800 ($\$330,000 \times 6.00\%$).

Example 12: Impact of Taking Excess Withdrawals (in excess of the Maximum Annual Withdrawal Amount) after the Activation Date

The values shown below are based on the assumptions stated in the Examples 8, 9, 10 and 11 above, in addition to the following:

- Withdrawal of 8% of Income Base taken in the seventh and eighth contract years.

Value as of	Assumed Contract Value	Withdrawal Taken	Step-up Value	Income Base	Maximum Annual Withdrawal Amount
6th Anniversary	\$329,000	—	—	\$330,000	\$19,800
Year 7 – Day 37	\$321,000	\$26,400	—	\$322,769	\$19,366
Year 7 – Day 362	\$325,000	—	\$325,000	\$322,769	\$19,366
7th Anniversary	\$317,000	—	—	\$325,000	\$19,500
Year 8 – Day 46	\$307,000	\$26,000	—	\$317,652	\$19,059
8th Anniversary	\$270,000	—	—	\$317,652	\$19,059

The values of the feature are impacted by taking withdrawals in excess of the Maximum Annual Withdrawal Amount (“MAWA”) as follows:

- The Income Base is reduced by the same proportion by which the contract value is reduced by the amount in excess of the MAWA.

- In year 7 – day 37, the reduction proportion is 2.1912% ($[\$26,400 - \$19,800] / [\$321,000 - \$19,800]$); the reduced Income Base was \$322,769 ($\$330,000 \times [1 - 2.1912\%]$) and the reduced MAWA was \$19,366 ($\$322,769 \times 6.00\%$).
- In year 7 – day 362, there was a Step-up Value of \$325,000, but the Income Base (\$322,769) and the MAWA (\$19,366) remained unchanged.
- On the 7th Benefit Year Anniversary date, the Income Base was increased to the Step-up Value \$325,000 that had occurred after the Excess Withdrawal, and the MAWA was increased to \$19,500 ($\$325,000 \times 6.00\%$).
- In year 8 – day 46, the reduction proportion was 2.2609% ($[\$26,000 - \$19,500] / [\$307,000 - \$19,500]$); the reduced Income Base was \$317,652 ($\$325,000 \times [1 - 2.2609\%]$); and the reduced MAWA was \$19,059 ($\$317,652 \times 6.00\%$).

Example 13: Protected Income Payment

The values shown below are based on the assumptions stated in Examples 8, 9, 10, 11 and 12 above, in addition to the following:

- Contract value as shown and reduced to \$0 in Year 12 due to Lifetime Income withdrawals, fees charged and market conditions.
- MAWA withdrawals were taken every year.
- There were no Step-up Values after the 8th Benefit Year Anniversary date.

Value as of	Assumed Contract Value	Withdrawal Taken	Step-up Value	Income Base	Maximum Annual Withdrawal Amount	Protected Income Payment
8th Anniversary	\$270,000	—	—	\$317,652	\$19,059	—
9th Anniversary	\$150,000	\$19,059	—	\$317,652	\$19,059	—
10th Anniversary	\$100,000	\$19,059	—	\$317,652	\$19,059	—
11th Anniversary	\$50,000	\$19,059	—	\$317,652	\$19,059	—
Year 12 – Day 81	\$0	\$19,059	—	\$317,652	\$19,059	—
12th Anniversary	\$0	\$0	—	\$317,652	—	\$12,706

- The Protected Income Payment of \$12,706 ($\$317,652 \times 4\%$) will be paid annually for the lifetime of the Covered Person.