



# Do Four Years Really Make a Difference?

Accumulation IUL products are designed to illustrate the best at their maximum illustrated rates - showing a level rate of return every policy year. However, real-world index performance is oftentimes much different due to volatility risk.

According to historical returns of the S&P 500 from 1928 through 2018 (90 years) the return was negative 28 of those years, or 31% of the time! \* That historical data suggests that on average the S&P 500 produced a negative return about once every three years!

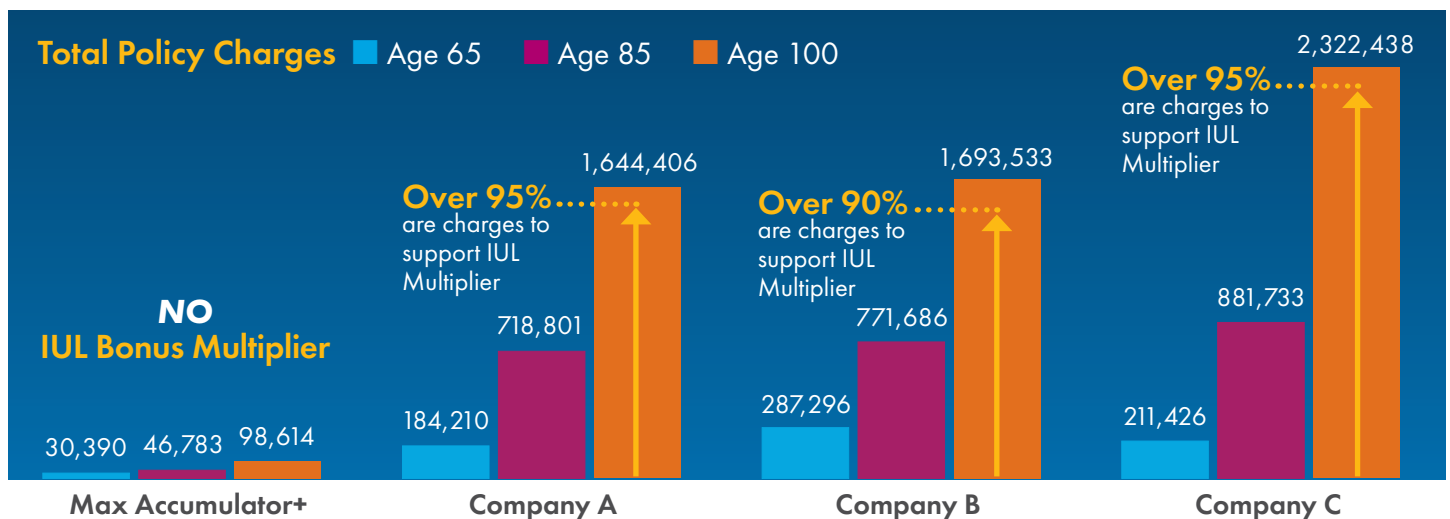
Help your clients see that potential impact on their accumulation IUL illustrations by showing them alternatives to the traditional method of level illustrated rates every policy year.

## What happens to the values in an illustration when we stress test the results?

Product	Level 6% Illustrated Rate		0% return in yrs 5, 10, 15, 20		Income % Difference
	CSV at age 65	Annual Income	CSV at age 65	Annual Income	
<b>Max Accumulator+</b>	<b>\$336,593</b>	<b>\$32,908</b>	<b>\$272,209</b>	<b>\$26,588</b>	<b>-19%</b>
Company A	\$293,630	\$25,615	\$196,783	\$17,706	-31%
Company B	\$286,010	\$26,547	\$160,466	\$16,396	-38%
Company C	\$286,353	\$24,442	\$166,582	\$13,605	-44%

## What's the big difference?

Expense charges due to bonus multipliers, where those charges can significantly impact cash values in down markets.



Male age 45, PNT, 10 annual premiums of \$15,000; Minimum non-MEC DB; Increasing for 10 years, level at years 11+. Income at ages 66-85; participating loans; \$1,000 at 121, 6% illustrated rate. Rates as of 9/30/2019

## Max Accumulator+ is a straightforward accumulation IUL with no additional charges for IUL bonus multipliers.

The other products listed, all with IUL bonus multipliers, produce competitive results when the illustrated rates are level in all years. However, the charges associated with them create an added level of volatility when you incorporate historical real-world index returns by illustrating a level rate in all years - except for those four years where 0% is the illustrated rate of return.

The transparent, low-cost design of Max Accumulator+ provides an attractive solution to your clients that can be trusted in good years and in bad years!

Are you and your clients comfortable with that added level of volatility for more attractive results when showing a level illustrated rate of return in all years? Compare your next accumulation IUL solutions using this method to find the product that is right for your client's level of comfort!

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Carriers mentioned in the presentation are peer group competitors of American General Life. Every attempt has been made to verify the accuracy of competitor information included in this presentation. Product information and rates are subject to change at any time.

### Information about the S&P 500® Index

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\* Data from mactrotrends.net, accessed 9/12/2019. Performance is calculated as the percent change from the last trading day of each year from the last trading day of the previous year. Past performance does not indicate future results.



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