

February 2, 2022

Good News, Recent IUL Rate Changes

Maximum illustrated rates see a small boost.

The short: Illustrated rates are increasing slightly; no changes to cap and par rates.

The Full Story: Each year, all carriers are required to recalculate maximum permitted illustrated rates for the indexed strategies used in life products.

A strategy's maximum illustrated rate may not be higher than the rolling average of historical returns of the underlying index calculated using the current strategy's cap and participation rates. Also, no strategy may have a higher illustrated rate than the "benchmark" strategy's maximum illustrated rate. By regulation, the benchmark strategy is the cap-focused 100% participation rate, 0% floor strategy.

Effective February 4, 2022, our new maximum illustrated rates will be:

Non-New York

S&P 500 Point-to-Point Cap Rate Focus: 5.50%

S&P 500 Point-to-Point Participation Rate Focus: 4.50%

S&P 500 Point-to-Point 1% Floor: 4.80%

Credit Suisse Balanced Trend 5% Index: 5.50%

New York

S&P 500 Point-to-Point Cap Rate Focus: 5.50%

S&P 500 Point-to-Point Participation Rate Focus: 4.17%

S&P 500 Point-to-Point 1% Floor: 4.80%

Cap and participation rate changes have not changed. This annual rate roll-forward also impacts maximum illustrated rates for inforce IUL illustrations. Fixed strategy illustrated rates are not affected by the roll-forward. Additional information about our indexes can be found [here](#).

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