



Prudential

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New Jersey Prudential FlexGuard® Income Select indexed variable annuity Disclosure

Prudential FlexGuard® Income is issued by Pruco Life Insurance Company on Forms P-FGI/IND(10/21)-NJ and P-RID-VIB-W(6/22).

This disclosure provides an explanation of key product terms and a chart example of how Prudential FlexGuard® Income Select annuity performs in different hypothetical market scenarios.

Things to know before you begin

Please note that the Index Strategies, which provide benefits under the Prudential FlexGuard® Income Select are linked to external indices and do not directly invest in any index. FlexGuard Income Select includes an Index-Linked Variable Income Benefit (described below). The charge for this benefit is based on Account Value and is assessed on the Index Anniversary Date after any applicable Index Credit, but before any withdrawals. This charge is not reflected in the examples below.

Section 1: Definitions

Annual Income Amount – The amount that can be withdrawn from your Annuity under the Index Linked Variable Income Benefit during an Annuity Year without decreasing future amounts by other than Index Credits.

Buffer – the amount of protected negative Index Return applied to the Account Value allocated to an Index Strategy at the end of an Index Strategy Term. Any negative Index Return in excess of the Buffer reduces the Account Value.

Cap Rate – The Cap Rate limits the amount of Index Credit that may be credited to the Index Strategy Base on any Index Strategy End Date when the Index Return is positive. A different Cap Rate may be declared for different Indices and different Index Strategy Terms.

Contingent Deferred Sales Charge (“CDSC”): This is a sales charge that may be deducted when you surrender or take a partial withdrawal from your Annuity. We refer to this as a “contingent” charge because it is imposed only if you surrender or take a withdrawal from your Annuity. The charge is a percentage of the amount being surrendered or withdrawn.

Holding Account – Variable Sub-Account we make available and designate as such.

Index (Indices) – The underlying Index or exchange traded fund associated with an Index Strategy and used to determine the Index Return in determining the Index Credit.

Index Anniversary Date – The same day, each calendar year, as the Index Effective Date of the Annuity.

Index Credit – The percent of Index Return used to calculate the amount the Owner receives on an Index Strategy End Date. The Index Credit can be negative. The Index Credit can be negative. For purposes of this Disclosure, the Index Credit may also be referenced as a rate.

Index Linked Variable Income Benefit – Following the Waiting Period, while there is Account Value, the Owner may take an Annual Income Amount as one or multiple Income Withdrawals for each Annuity Year for a single Protected Life or Joint Protected Lives as chosen by the Owner. All benefits provided are based on the Index

Credits applied to the Index Strategies and, therefore, not guaranteed as to a fixed dollar amount. Once Income Withdrawals have started, the allocation options are limited to 1-year Point to Point with Cap Index Strategies. If the Account Value is reduced to zero and the Annuity meets certain requirements, we continue to provide benefit payments until the death of the Protected Life or both Joint Protected Lives.

Index Return – The percentage change in the Index Value from the Index Strategy Start Date to the Index Strategy End Date, which is used to determine the Index Credit for an Index Strategy. An Index Return is calculated by taking the Index Value on the Index Strategy End Date, minus the Index Value on the Index Strategy Start Date, and then dividing by the Index Value on the Index Strategy Start Date.

Index Strategy Base – The amount of Account Value allocated to an Index Strategy on an Index Strategy Start Date. The Index Strategy Base is used in the calculation of any Index Credit and in the calculation of the Interim Value. The Index Strategy Base is reduced for any transfers, benefit charges or withdrawals that occur between and Index Strategy Start Date and Index Strategy End Date in the same proportion that the total withdrawal, benefit charge or transfer amount reduces the Interim Value.

Index Strategy End Date – The last day of an Index Strategy Term. This is the day any applicable Index Credit would be credited to the Index Strategy.

Index Strategy Start Date – The first day of an Index Strategy Term.

Index Strategy Term – The time period allocated to each Index Strategy. The term begins on the Index Strategy Start Date and ends on the Index Strategy End Date.

Index Value – The value of the Index that is published by the Index provider at the close of each day that the Index is calculated.

Interim Value – The value of an Index Strategy on any Valuation Day during an Index Strategy Term other than the Index Strategy Start Date and Index Strategy End Date. It is a calculated value (as described in the Interim Value section) and is used when a withdrawal, death benefit payment, transfer, benefit charge, annuitization, or surrender occurs between an Index Strategy Start Date and Index Strategy End Date. During an Index Strategy Term, the Interim Value is included in the Account Value and Surrender Value.

Participation Rate – The percentage of any Index increase that will be used in calculating the Index Credit at the end of an Index Strategy Term for the Tiered Participation Rate Index Strategy or the Step Rate Plus Index Strategy. A different Participation Rate may be declared for different Index Strategies, Indices, and Buffers.

Performance Lock – A feature under this Contract that allows you to capture the current Performance Lock Value. A Performance Lock Request may be submitted on any Valuation Day prior to the Index Strategy End Date. Only one Performance Lock may be active for any given Index Strategy during a respective Index Strategy Term. Performance Locks may not be applied retroactively and must be for the full amount of the Performance Lock Value. Partial locking of an Index Strategy is not permitted. Once locked, Index Credits will not apply on the Index Strategy End Date.

Performance Lock Date – The Valuation Date on which we process the Performance Lock transaction.

Performance Lock Request – You may request a Performance Lock by contacting us and providing in Good Order instructions. Instructions received after the close of any Valuation Day will be applied on the next Valuation Day.

Performance Lock Value - The value of an Index Strategy on any Valuation Day during an Index Strategy Term other than the Index Strategy Start Date and Index Strategy End Date. It is a calculated value and is used when a Performance Lock transaction occurs between an Index Strategy Start Date and Index Strategy End Date. Once locked, the Performance Lock Value will not fluctuate, except for withdrawals, partial reallocations, and benefit charges, if applicable.

Spread - The Spread reduces the value of positive Index Returns used in the calculation of Index Credits that may be applied to the Index Strategy Base on any Index Strategy End Date. The Spread percentage may vary by Index, Index Strategy Term, Cap Rate and Buffer. Multiple Spread options with different Cap Rates may be offered with the same level of Buffer.

Step Rate – The Step Rate is the declared rate that may be credited to amounts allocated to the Step Rate Plus Index Strategy for any given Index Strategy Term if the Index Return is between zero and the declared Step Rate. A different Step Rate may be declared for different Indices.

Tier Level – The declared Index Return that is used to determine which Participation Rate tier applies in the calculation of Index Credit in the Tiered Participation Rate Index Strategy.

Section 2: How the Index Strategies Work

Step Rate Plus - If the Index Return is between zero and the declared Step Rate, then the Index Credit is equal to the Step Rate. If the Index Return is greater than the declared Step Rate, the Index Credit is equal to greater of the Index Return multiplied by the Participation Rate or the Step Rate.

If the Index Return is negative and less than or equal to the Buffer, the Index Credit is zero. Otherwise, the Index Credit is equal to the negative Index Return in excess of the Buffer.

Point-to-Point with Cap - If the Index Return is positive and equal to or greater than the Cap Rate, then the Index Credit is equal to the Cap Rate. If the Index Return is positive, but less than the Cap Rate, the Index Credit is equal to the Index Return.

If the Index Return is negative and less than or equal to the Buffer, the Index Credit is zero. Otherwise, the Index Credit is equal to the Index Return in excess of the Buffer.

Enhanced Cap Rate - If the index return is positive and greater than or equal to the Cap Rate plus the Spread, the Index Credit is equal to the Cap Rate. If the Index Return is positive and greater than the Spread but less than the Cap Rate plus the Spread, the Index Credit is equal to the Index Return minus the Spread. If the Index Return is greater or equal to zero and less than or equal to the Spread, the Index Credit is zero. If the Index Return is negative and within the Buffer, the Spread is not applicable, and the Index Credit is zero.

Negative Index Returns are not impacted by the Spread. If the Index Return is negative and within the Buffer, the Spread is not applicable, and the Index Credit is zero. If the Index Return is negative and exceeds the Buffer, the Spread is not applicable, and the Index Credit is equal to the Index Return plus the Buffer.

Tiered Participation Rate - If the Index Return is between zero and the declared Tier Level, then the Index Credit is equal to the Index Return multiplied by the 1st tier Participation Rate. If the Index Return is greater than the declared Tier Level, the Index Credit is the sum of the Index Return, up to the Tier Level, multiplied by the Participation Rate for the 1st tier and the remaining Index Return multiplied by the Participation Rate for the 2nd tier.

If the Index Return is negative and less than or equal to the Buffer, the Index Credit is zero. Otherwise, the Index Credit is equal to the negative Index Return in excess of the Buffer.

Dual Directional - If the Index Return is positive and greater than or equal to the Cap Rate, then the Index Credit is equal to the Cap Rate. If the Index Return is zero or positive, but less than the Cap Rate, then the Index Credit is equal to the Index Return. The Cap Rate for Dual Directional will always be less than or equal to the Cap Rate for the Point to Point with Cap.

If the Index Return is negative and is within or equal to the Buffer, then the Index Credit will be the absolute value (without regard to the mathematical sign (positive or negative)) of the Index Return, not limited by the Cap Rate. Otherwise, if the Index Return is negative and exceeds the Buffer, then the Index Credit is equal to the Index Return plus the Buffer.

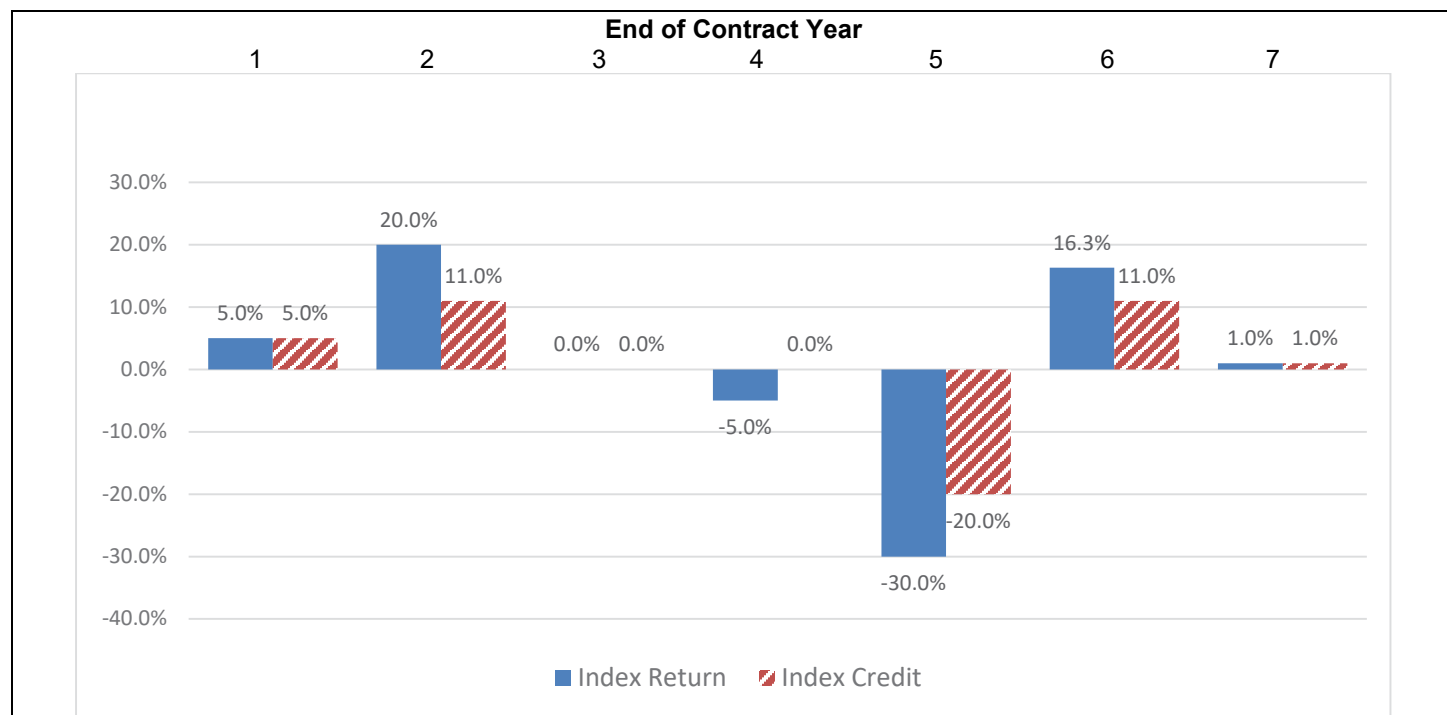
Dual Directional is available during the period of time before income begins.

Section 3: Examples (all examples use rounding)

Point-to-Point with Cap

The following example illustrates how a hypothetical initial \$100,000 Purchase Payment would perform over a 7-year period given fluctuating Index Value. The example assumes \$100,000 is allocated into a 1-year Point-to-Point with Cap Index Strategy with a 10% Buffer and renews into the same strategy each year for 7 years.

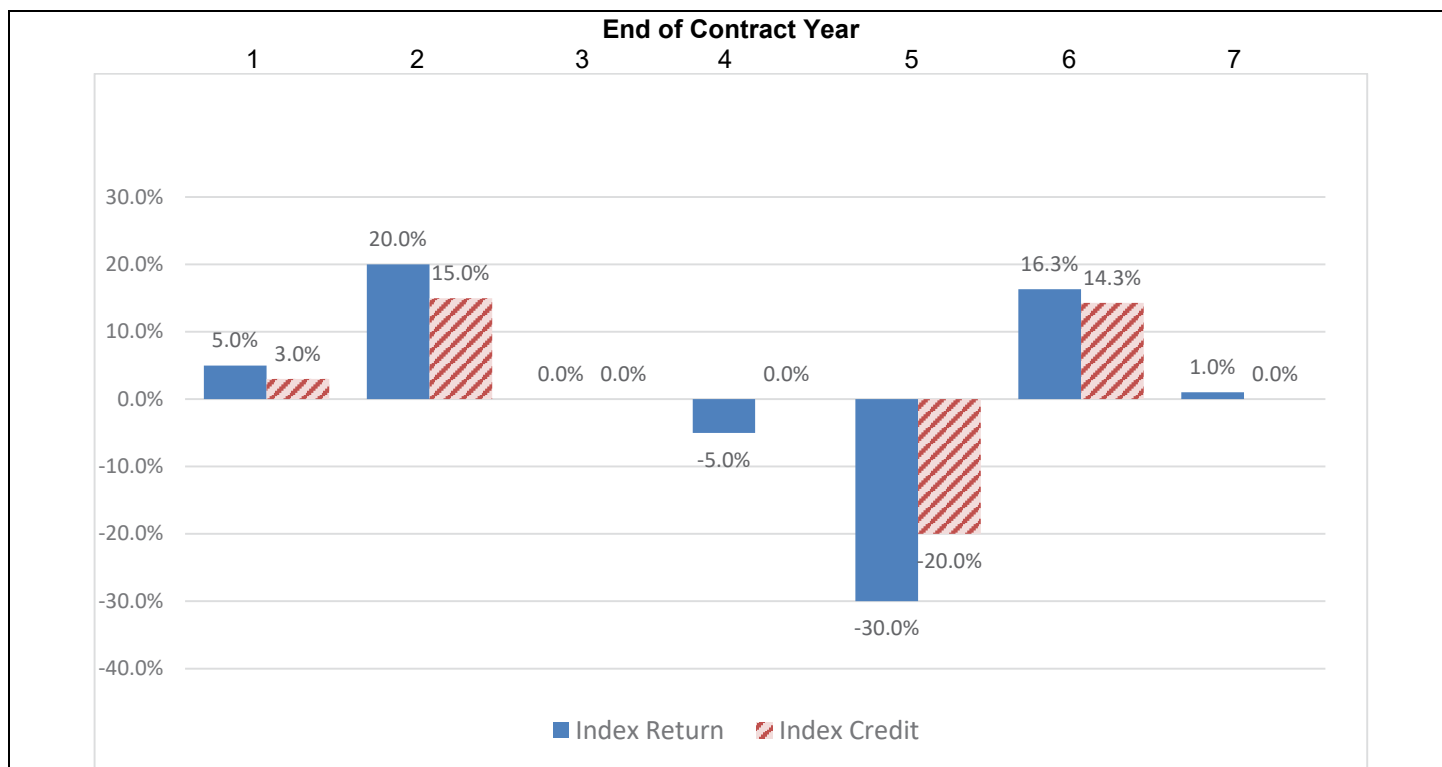
End of Contract Year	1	2	3	4	5	6	7
A. Index Strategy Base on Index Strategy Start Date	\$100,000	\$105,000	\$116,550	\$116,550	\$116,550	\$93,240	\$103,496
(a) Index Value on Index Strategy Start Date	1,000	1,050	1,260	1,260	1,197	838	975
(b) Index Value on Index Strategy End Date	1,050	1,260	1,260	1,197	838	975	985
(c) Index Return=((b)–(a))/(a)	5.0%	20.0%	0.0%	-5.0%	-30.0%	16.3%	1.0%
(d) Cap Rate	11%	11%	11%	11%	11%	11%	11%
(e) Buffer	10%	10%	10%	10%	10%	10%	10%
(f) Index Credit: If (c) ≥ 0, min[(c),(d)] If (c) < 0, min[(c)+(e),0]	5.0%	11.0%	0.0%	0.0%	-20.0%	11.0%	1.0%
(g) Index Credit Adjustment=A x (f)	\$5,000	\$11,550	\$0	\$0	(\$23,310)	\$10,256	\$1,034
B. Index Strategy Base on Index Strategy End Date=A+(g)	\$105,000	\$116,550	\$116,550	\$116,550	\$93,240	\$103,496	\$104,530



Enhanced Cap Rate

The following example illustrates how a hypothetical initial \$100,000 Purchase Payment would perform over a 7-year period given fluctuating Index Value. The example assumes \$100,000 is allocated into a 1-year Enhanced Cap Rate Index Strategy with a 10% Buffer and renews into the same strategy each year for 7 years.

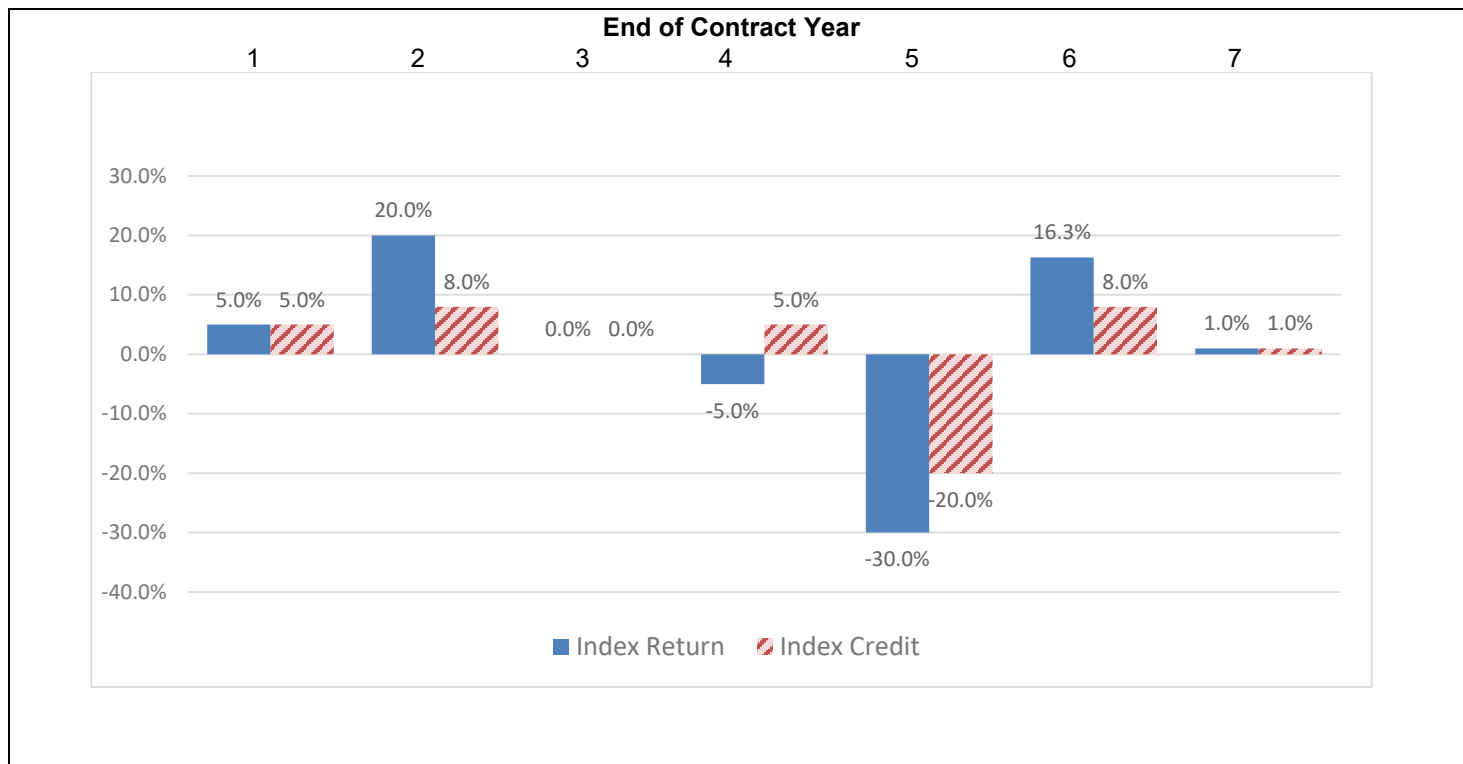
End of Contract Year	1	2	3	4	5	6	7
A. Index Strategy Base on Index Strategy Start Date	100,000	103,000	118,450	118,450	118,450	94,760	108,310
(a) Index Value on Index Strategy Start Date	1,000	1,050	1,260	1,260	1,197	838	975
(b) Index Value on Index Strategy End Date	1,050	1,260	1,260	1,197	838	975	985
(c) Index Return=((b)-(a))/(a)	5.0%	20.0%	0.0%	-5.0%	-30.0%	16.3%	1.0%
(d) Cap Rate	15%	15%	15%	15%	15%	15%	15%
(e) Spread	2%	2%	2%	2%	2%	2%	2%
(f) Buffer	10%	10%	10%	10%	10%	10%	10%
(g) Index Credit: If and [(c) > 0, (c) >=(d) + (e)], (d) If and [(c) > (e), (c) <=(d)+(e)], (c)-(e) If and [(c) >=0, (c) <= (e)], 0 If (c)<0, min[(c)+(f),0]	3.0%	15.0%	0.0%	0.0%	-20.0%	14.3%	0.0%
(g) Index Credit Adjustment=A*(f)	3,000	15,450	0	0	(23,690)	13,550	0
B. Index Strategy Base on Index Strategy End Date=A+(g)	\$103,000	\$118,450	\$118,450	\$118,450	\$94,760	\$108,310	\$108,310



Dual Directional

The following example illustrates how a hypothetical initial \$100,000 Purchase Payment would perform over 7-year period given fluctuating Index Value. The example assumes \$100,000 is allocated into a 1-year Dual Directional Index Strategy with a 10% Buffer and renews into the same strategy each year for 7 years.

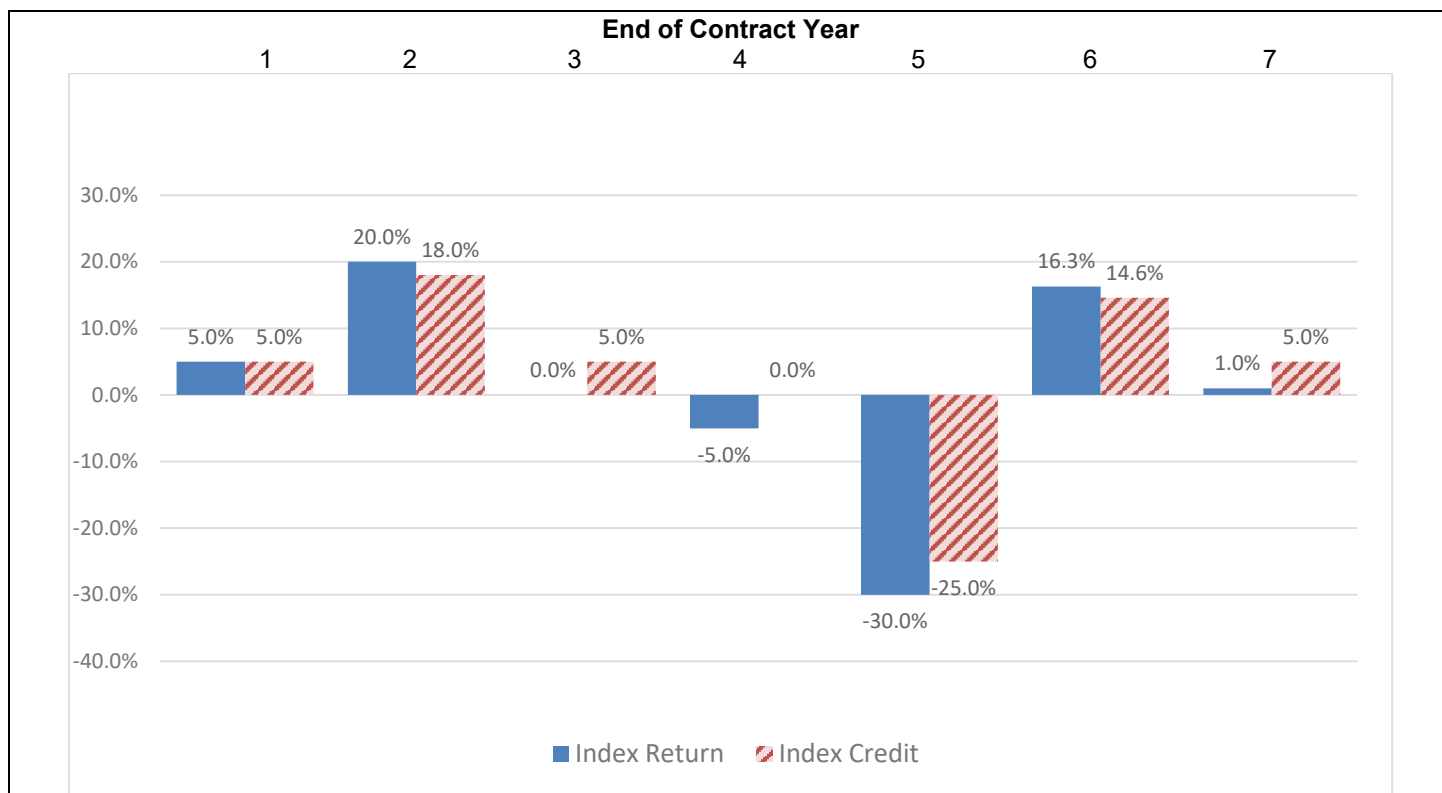
End of Contract Year	1	2	3	4	5	6	7
A. Index Strategy Base on Index Strategy Start Date	100,000	105,000	113,400	113,400	119,070	95,256	102,876
(a) Index Value on Index Strategy Start Date	1,000	1,050	1,260	1,260	1,197	838	975
(b) Index Value on Index Strategy End Date	1,050	1,260	1,260	1,197	838	975	985
(c) Index Return=((b)-(a))/(a)	5.0%	20.0%	0.0%	-5.0%	-30.0%	16.3%	1.0%
(d) Cap Rate	8%	8%	8%	8%	8%	8%	8%
(e) Buffer	10%	10%	10%	10%	10%	10%	10%
(f) Index Credit: If (c) >=0 min [(c), (d)] If (c)<0 and (-1) * (c)<= (e), (-1) * (c) If (c)<0, min[(c)+(e),0]	5.0%	8.0%	0.0%	5.0%	-20.0%	8.0%	1.0%
(g) Index Credit Adjustment=A*(f)	5,000	8,400	0	5,670	(23,814)	7,620	1,028
B. Index Strategy Base on Index Strategy End Date=A+(g)	\$105,000	\$113,400	\$113,400	\$119,070	\$95,256	\$102,876	\$103,904



Step Rate Plus

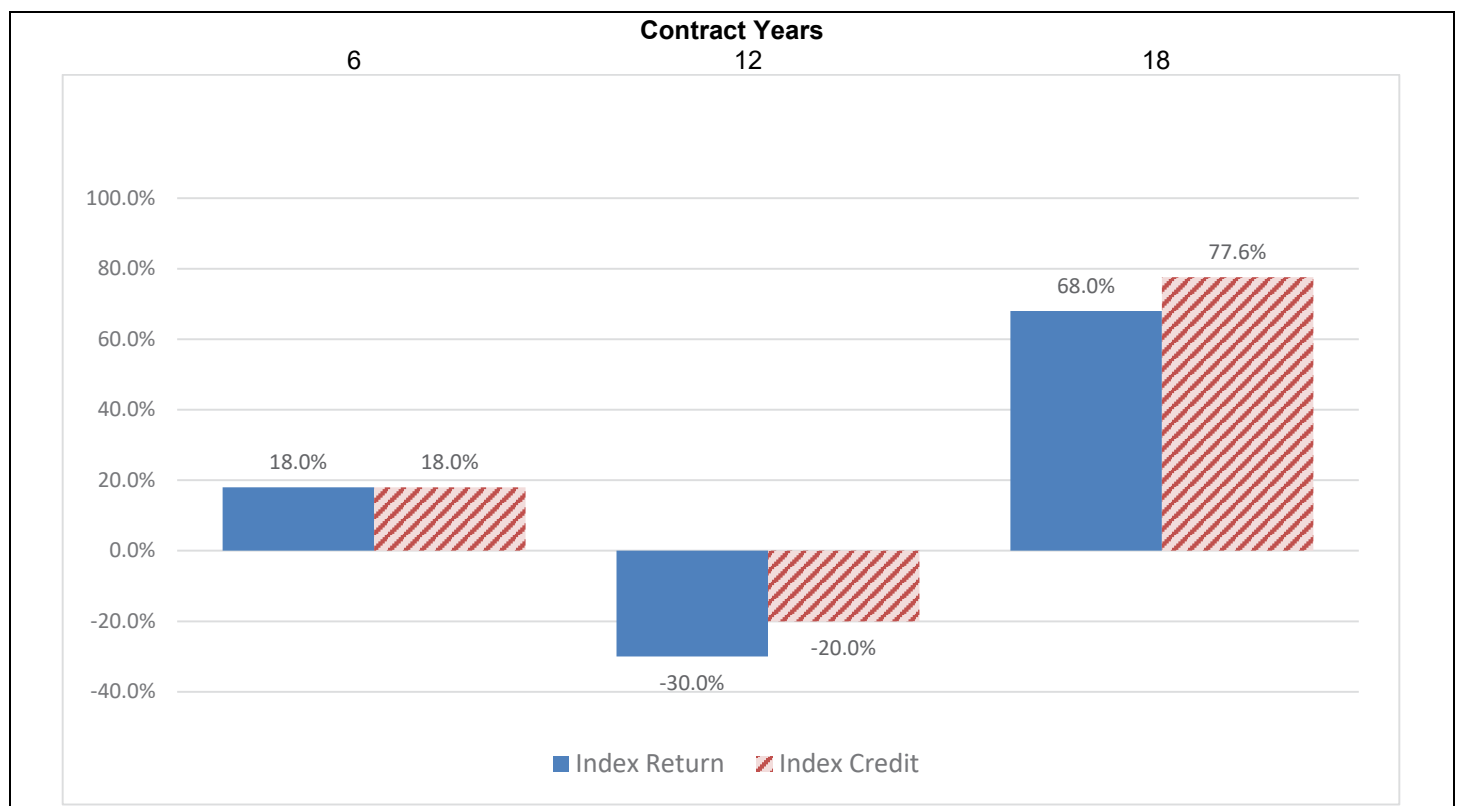
The following example illustrates how a hypothetical initial \$100,000 Purchase Payment would perform over a 7-year period given fluctuating Index Value. The example assumes \$100,000 is allocated into a 1-year Step Rate Plus Index Strategy with a 5% Buffer and renews into the same strategy each year for 7 years.

End of Contract Year	1	2	3	4	5	6	7
A. Index Strategy Base on Index Strategy Start Date	\$100,000	\$105,000	\$123,900	\$130,095	\$130,095	\$97,571	\$111,816
(a) Index Value on Index Strategy Start Date	1,000	1,050	1,260	1,260	1,197	838	975
(b) Index Value on Index Strategy End Date	1,050	1,260	1,260	1,197	838	975	985
(c) Index Return=((b)-(a))/(a)	5.0%	20.0%	0.0%	-5.0%	-30.0%	16.3%	1.0%
(d) Step Rate	5%	5%	5%	5%	5%	5%	5%
(e) Participation Rate	90%	90%	90%	90%	90%	90%	90%
(f) Buffer	5%	5%	5%	5%	5%	5%	5%
(g) Index Credit: If (c) ≥ 0, max[(d), ((c) x (e))] If (c) < 0, min[(c)+(f), 0]	5.0%	18.0%	5.0%	0.0%	-25.0%	14.6%	5.0%
(h) Index Credit Adjustment=A x (g)	\$5,000	\$18,900	\$6,195	\$0	(\$32,524)	\$14,245	\$5,590
B. Index Strategy Base on Index Strategy End Date=A+(h)	\$105,000	\$123,900	\$130,095	\$130,095	\$97,571	\$111,816	\$117,406



The following example illustrates how a hypothetical initial \$100,000 Purchase Payment would perform over an 18- year period given fluctuating Index Value. The example assumes \$100,000 is allocated into a 6-year Tiered Participation Rate Index Strategy with a 10% Buffer and renews into the same 6-year strategy for 18 years.

End of Contract Year	6	12	18
A. Index Strategy Base on Index Strategy Start Date	\$100,000	\$118,000	\$94,400
(a) Index Value on Index Strategy Start Date	1,000	1,180	826
(b) Index Value on Index Strategy End Date	1,180	826	1,388
(c) Index Return=((b)–(a))/(a)	18.0%	-30.0%	68.0%
(d) Tier 1 Participation Rate	100%	100%	100%
(e) Tier 2 Participation Rate	120%	120%	120%
(f) Tier Level	20%	20%	20%
(g) Buffer	10%	10%	10%
(h) Index Credit: If (c) ≥ 0 but ≤ (f), (c) x (d) If (c) > (f), (d) x (f) + [(c) - (f)] x (e) If (c) < 0, min[(c)+(g),0]	18.0%	-20.0%	77.6%
(i) Index Credit Adjustment=A x (h)	\$18,000	(\$23,600)	\$73,254
B. Index Strategy Base on Index Strategy End Date=A+(i)	\$118,000	\$94,400	\$167,654



Section 4: Interim Value Calculation Examples

On each Valuation Day during the year, other than the Index Strategy Start Date and Index Strategy End Date, each Index Strategy is valued using an Interim Value. The Interim Value is used to calculate amounts available for withdrawal (including systematic withdrawals), surrender, transfer, benefit charge, annuitization or payment of a death claim. The Interim Value also is used to determine how much the Index Strategy Base will be reduced after a transfer or withdrawal.

The Interim Value is an amount calculated daily to provide the fair value of the assets allocated to the Index Strategy (Index Strategy Base) plus the current value of the portfolio of options utilized to replicate the performance of these Index Strategies at the end of the Index Strategy Term.

The fair value of the assets tracks the market value of the initial allocation to the Index Strategy less the initial cost of the options. This value is subject to a mark to market adjustment which adjusts the value of these net assets subject to changes in interest rates since the initial allocation was made. This value needs to return to the initial allocation by the end of the Index Strategy Term. The current value of the options tracks the value of the bucket of options that were purchased to replicate the performance of the index subject to the parameters of the Index Strategy at the end of the Index Strategy Term. The values of the options reflect the current assumptions that use an option market valuation formula (Black Scholes) with inputs for the volatility surface of the index, earned rates and dividend yields. Based upon this bucket of options, you will not receive the full index performance, the entire cap or be covered by the entire buffer unless you stay in the Index Strategy until the end of the Index Strategy Term. This is due to the fact that the options mature at the end of the Index Strategy Term and their values can still fluctuate until they mature.

If you plan on taking all or a portion of your value out of the Contract before the end of the Index Strategy Term, you can call the company to receive your current interim value as well as the what the total account value at the end of the Index Strategy Term if there were no further changes in index returns.

The examples below outline the impact on your values within the Annuity if you have remained in the Index Strategy for only 3 months as well as if you remained in the Index Strategy with only 3 months left in the Index Strategy Term as compared to staying in the Index Strategy until the end of the Index Strategy Term. The examples look at levels of positive and negative index performance.

Example 1*: One Year Index Strategy Term Lengths

Index Effective Date: 12/1/2022

Purchase Payment: \$400,000

Allocated to:

- 25% 1-Year Point-to-Point Cap Rate; S&P 500; Cap Rate 10%; Buffer 10%
- 25% 1-Year Step Rate Plus; S&P 500; Step Rate 5%; Participation Rate 90%; Buffer 5%
- 25% 1-Year Dual Directional; S&P 500; Cap Rate 12%; Buffer 10%
- 25% 1-Year Enhanced Cap Rate; S&P 500; Cap Rate 15%; Buffer 10%; Spread 2%

On the Index Effective Date

	Point-to-Point Cap Rate	Step Rate Plus	Dual Directional	Enhanced Cap Rate
Index Strategy Term (in days)	365	365	365	365
Index Strategy Base	\$100,000	\$100,000	\$100,000	\$100,000
Starting Index Value	1,000			
Total Account Value	\$400,000.00			

Index Return is Negative

Days elapsed since Index Strategy Start Date	89	89	89	89
Index Value on Calculation Date	700			
Index Return on Calculation Date	-30%			
1. Fair Value of Index Strategy Base	\$98,984.99	\$96,569.32	\$97,915.01	\$98,000.32
2. Options value	\$(17,305.88)	\$(22,007.22)	\$(17,133.74)	\$(17,307.72)
Interim Value for each Strategy	\$81,679.11	\$74,562.10	\$80,781.27	\$80,692.60
Total Account Value	\$317,715.08			
Days elapsed since Index Strategy Start	273	273	273	273
Index Value on Calculation Date	700			
Index Return on Calculation Date	-30%			
1. Value of Index Strategy Base	\$99,636.82	\$98,830.23	\$99,279.55	\$99,308.04
2. Options value	\$(18,975.84)	\$(23,899.41)	\$(18,976.43)	\$(18,973.09)
Interim Value for each Strategy	\$80,660.98	\$74,930.82	\$80,303.12	\$80,334.95
Total Account	\$316,229.87			

Index Maturity

Days elapsed since Index Strategy Start Date	365	365	365	365
Index Value on Calculation Date	700			
Index Return on Calculation Date	-30%			
Index Credit Rate	-20%	-25%	-20%	-20%
Index Credit Amount	\$(20,000.00)	\$(25,000)	\$(20,000)	\$(20,000)
Index Base + Index Credit	\$80,000.00	\$75,000	\$80,000	\$80,000
Total Account Value	\$315,000.00			

Index Return is Positive

Days elapsed since Index Strategy Start Date	89	89	89	89
Index Value on Calculation Date	1,300			
Index Return on Calculation Date	30%			
1. Fair Value of Index Strategy Base	\$98,984.99	\$96,569.32	\$97,915.01	\$98,000.32
2. Options value	\$7,538.88	\$29,524.89	\$9,367.17	\$11,357.19
Interim Value for each Strategy	\$106,523.87	\$126,094.21	\$107,282.18	\$109,357.51
Total Account Value	\$449,257.77			
Days elapsed since Index Strategy Start Date	273	273	273	273
Index Value on	1,300			
Index Return on	30%			
1. Fair Value of Index Strategy Base	\$99,636.82	\$98,830.23	\$99,279.55	\$99,308.04
2. Options value	\$9,535.07	\$27,906.60	\$11,438.84	\$14,187.69
Interim Value for each Strategy	\$109,171.89	\$126,736.83	\$110,718.39	\$113,495.73
Total Account Value	\$460,122.84			

Index Maturity

Days elapsed since Index Strategy Start Date	365	365	365	365
Index Value on Calculation Date	1,300			
Index Return on Calculation Date	30%			
Index Credit Rate	10%	27%	12%	15%
Index Credit	\$10,000	\$27,000	\$12,000	\$15,000
Index Base + Index	\$110,000	\$127,000	\$112,000	\$115,000
Total Account Value	\$464,000.00			

Example 2*: Six Year Index Strategy Term Lengths

Index Effective Date: 12/1/2022

Purchase Payment: \$300,000

Allocated evenly (1/3) to:

- 6-Year Point-to-Point Cap Rate; S&P 500; Cap Rate 75%; Buffer 20%
- 6-Year Tiered Participation Rate; S&P 500; Tier 1 100%; Tier 2 140%; Tier Level 30%; Buffer 10%
- 6-Year Dual Directional; S&P 500; Cap Rate 125%; Buffer 10%

On the Index Effective Date

	Point-to-Point Cap Rate	Tiered Participation Rate	Dual Directional
Index Strategy Term (in days)	2,192	2,192	2,192
Index Strategy Base	\$100,000	\$100,000	\$100,000
Starting Index Value	1,000		
Total Account Value	\$300,000		

Index Return is Negative

Days elapsed since Index Strategy Start Date	89	89	89
Index Value on Calculation Date	700		
Index Return on Calculation	-30%		
1. Fair Value of Index Strategy Base	\$86,832.12	\$86,162.91	\$77,180.32
2. Options value	\$(9,310.37)	\$(9,151.98)	\$(8,213.57)
Interim Value for each Strategy	\$77,521.75	\$74,010.93	\$68,966.75
Total Account Value	\$220,499.43		

Days elapsed since Index Strategy Start Date	2129	2129	2129
Index Value on Calculation Date	700		
Index Return on Calculation	-30%		
1. Fair Value of Index Strategy Base	\$89,771.58	\$86,405.51	\$80,917.20
2. Options value	\$(19,273.48)	\$(19,275.50)	\$(19,277.50)
Interim Value for each Strategy	\$70,498.10	\$67,130.01	\$61,639.70
Total Account Value	\$199,267.81		

Index Maturity

Days elapsed since Index Strategy Start Date	2192	2192	2192
Index Value on Calculation	700		
Index Return on Calculation	-30%		
Index Credit Rate	-20%	-20%	-20%
Index Credit Amount	\$(20,000.00)	\$(20,000.00)	\$(20,000.00)
Index Base + Index Credit	\$80,000.00	\$80,000.00	\$80,000.00
Total Account Value	\$240,000.00		

Index Return is Positive

Days elapsed since Index Strategy Start Date	89	89	89
Index Value on Calculation Date	1,300		
Index Return on Calculation	30%		
1. Fair Value of Index Strategy Base	\$86,832.12	\$83,162.91	\$77,180.32
2. Options value	\$28,393.17	\$38,067.45	\$57,140.15
Interim Value for each Strategy	\$115,225.29	\$121,230.36	\$134,320.47
Total Account Value	\$370,776.12		
Days elapsed since Index Strategy Start Date	2129	2129	2129
Index Value on Calculation	1,300		
Index Return on Calculation	30%		
1. Fair Value of Index Strategy Base	\$89,771.58	\$86,405.51	\$80,917.20
2. Options value	\$30,744.08	\$30,726.23	\$32,257.90
Interim Value for each Strategy	\$120,515.66	\$117,131.74	\$113,175.10
Total Account Value	\$350,822.50		

Index Maturity

Days elapsed since Index Strategy Start Date	2192	2192	2192
Index Value on Calculation	1,300		
Index Return on Calculation	30%		
Index Credit Rate	30%	30%	30%
Index Credit Amount	\$30,000.00	\$30,000.00	\$30,000.00
Index Base + Index Credit	\$130,000.00	\$130,000.00	\$130,000.00
Total Account Value	\$390,000.00		

Section 5: Performance Lock and Performance Lock Example

Performance Lock is a feature that allows you to capture the current Performance Lock Value of any Index Strategy where this feature is available. Partial locking of an Index Strategy is not permitted. Once locked, Index Credits will not apply on the Index Strategy End Date.

Your Performance Lock Value represents the value of your assets and the current value of the options, similar to the Interim Value. However, the value of the assets does not reflect a mark to market adjustment. This differs from the Interim Value, since the Interim Value is a value for the customer leaving the product, while the Performance Lock Value reflects the assets remaining in the product. The current value of the options remains the same as under the Interim Value calculation until the Performance Lock is exercised and these options are sold/bought to lock this value.

Once a Performance Lock is executed, you are unable to participate in the performance of the index and this value is locked in until the next Index Anniversary. Upon your next Index Anniversary, you are able to move all or a portion of your Performance Lock Value into a new Index Strategy regardless of whether this is an Index Strategy End Date. If you do not move your Performance Lock Value, the value will remain locked until the end of the Index Strategy with the ability to move to a different Index Strategy on any subsequent Index Anniversary.

While a reallocation is reflected at your Performance Lock Value, any type of a withdrawal of all or a portion of the Performance Lock Value would be exercised at your Interim Value.

This example utilizes the values from the earlier one-year example and illustrates the differences in the Performance Lock and Interim Values.

Examples:

Exercise of a Performance Lock:

Index Effective Date: 12/1/2022

Purchase Payment: \$400,000

Allocated to:

- 25% 1-Year Point-to-Point Cap Rate; S&P 500; Cap Rate 10%; Buffer 10%
- 25% 1-Year Step Rate Plus; S&P 500; Step Rate 5%; Participation Rate 90%; Buffer 5%
- 25% 1-Year Dual Directional; S&P 500; Cap Rate 12%; Buffer 10%
- 25% 1-Year Enhanced Cap Rate; S&P 500; Cap Rate 15%; Buffer 10%; Spread 2%

On the Index Effective Date

	Point-to-Point Cap Rate	Step Rate Plus	Dual Directional	Enhanced Cap Rate
Index Strategy Term (in days)	365	365	365	365
Index Strategy Base	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Starting Index Value	1,000			
Total Account Value	\$400,000.00			

Index Return is Positive

Days elapsed since Index Strategy Start Date	89	89	89	89
Index Value on Calculation Date	1,300			
Index Return on Calculation Date	30%			
1. Value of Index Strategy Base	\$99,271.72	\$96,849.04	\$98,198.64	\$98,284.19
2. Options value	\$7,538.88	\$29,524.89	\$9,367.17	\$11,357.19
Performance Value for each Strategy	\$106,810.60	\$126,373.93	\$107,565.81	\$109,641.38
Total	\$450,391.72			

As you can see this value differs from the Interim Value (Section 4, Example 1) because the Value of the Index Strategy Base does not include the mark to market adjustment. Since interest rates had increased, the Performance Lock Value exceeds the Interim Value. If interest rates had decreased, then the Performance Lock Value would be less than the Interim Value. If you lock both Index Strategies, then you would be able to move \$450,391.72 into a different Index Strategy upon your next Index Anniversary as long as no withdrawals have been taken. If you do decide to take a withdrawal this Performance Lock Value would be subject to the mark to market adjustment and exercised at your Interim Value.

Section 6: Partial Surrender and Full Surrender Examples

Partial Surrender Example

Issue date and Index Strategy Start Date: 7/2/2024

Index Strategy: 1 Year Point-to-Point with 10% Cap and 5% Buffer

Index Strategy Base: \$50,000

Withdrawal Date: 1/2/2025

Interim Value: \$70,000

Free Withdrawal: $10\% \times \text{Account Value at prior Anniversary Date} = 10\% \times \$50,000 = \$5,000$

Withdrawal: \$5,000

Withdrawal divided by Interim Value: $\$5,000 / \$70,000 = 7.143\%$

Index Strategy Base Adjustment Amount: $\$50,000 \times 7.143\% = \$3,571.50$

Index Strategy Base after Withdrawal: $\$50,000 - \$3,571.50 = \$46,428.50$

Index Strategy End Date: 9/2/2021

Index Return: 15%

Index Credit: $\text{Min (Index Return, Cap Rate)} = (10\%, 15\%) = 10\%$

Account Value: $\$46,428.50 \times (1 + 0.10) = \$51,071.35$

Full Surrender Example:

7/2/2025: Account Value: \$51,071.35 and renews to another 1-year Term

1/2/2026: Account Value (Interim Value) = \$55,000

CDSC%: 8%

CDSC Amount: $\text{Withdrawal Amount} \times \text{CDSC}\% = \$55,000 \times 8\% = \$4,400$

Cash Surrender Value = $\text{Account Value} - \text{CDSC Amount} = \$55,000 - \$4,400 = \$50,600$