Evolution of Indices in Fixed Index Annuities
MARKET CAP EQUITIES → RISK CONTROL ON EQUITIES

Source: S&P Dow Jones Indices. For illustrative purposes only.

S&P Dow Jones Indices

An S&P Global Division
RISK CONTROL (EQUITY) → RISK CONTROL (EQUITY + BONDS)

Volatility Control (Equity Bond)

- Base Index (A)
- Liquid Bond Index (B)

Variance Covariance Matrix

- Base Index Weight (W)
- Liquid Bond Index Weight (1-W)

Risk Control 2 Index

Asset Allocation + Volatility Control

- Base Index (A)
- Liquid Bond Index (B)

Allocation Framework (Risk Parity/Other)

Volatility Control

- Base Index Weight (W)
- Liquid Bond Index Weight (1-W)

Strategy Index

Source: S&P Dow Jones Indices. For illustrative purposes only.
MULTI-ASSET CLASS INDICES (WITH/WITHOUT RISK CONTROL)

Asset Allocation + Volatility Control (Multiple Asset Classes)

- Equity Index (A) – S&P 500
- Equity Index (B) – International
- Equity Index (C) - Other
- Commodity Index (D)
- Liquid Bond Index (A)
- Liquid Bond Index (B)

Allocation Framework –
(a) Risk Parity
(b) Mean Variance Optimization
(c) Momentum

Volatility Control

Asset class Mix (Selection and Weights)

Strategy Index

Source: S&P Dow Jones Indices. For illustrative purposes only.
EVOLUTION OF INDICES – S&P 500

January 31, 2001 = 100

Source: S&P Dow Jones Indices. Data as of August 30, 2016. Charts are provided for illustrative purposes. 'Past Performance is no guarantee of future results. These charts and graphs may reflect hypothetical historical (back-tested) index performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

S&P Dow Jones Indices
An S&P Global Division
EVOLUTION OF INDICES – S&P 500 WITH VOLATILITY CONTROL

Source: S&P Dow Jones Indices and/or its affiliates. Data as August 30, 2016. Charts are provided for illustrative purposes. Past Performance is no guarantee of future results. These charts and graphs may reflect hypothetical historical (back-tested) index performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.
EVOLUTION OF INDICES – S&P 500 AND BOND WITH VOLATILITY CONTROL

Source: S&P Dow Jones Indices, BLOOMBERG. Data as August 30, 2016. Charts are provided for illustrative purposes. Past Performance is no guarantee of future results. These charts and graphs may reflect hypothetical historical (back-tested) index performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.
EVOLUTION OF INDICES – S&P 500 AND S&P 500 AND BOND WITH VOLATILITY CONTROL

Source: S&P Dow Jones Indices, BLOOMBERG. Data as August 30, 2016. Charts are provided for illustrative purposes. Past Performance is no guarantee of future results. These charts and graphs may reflect hypothetical historical (back-tested) index performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.
Source: S&P Dow Jones Indices, BLOOMBERG. Data as August 30, 2016. Charts are provided for illustrative purposes. Past Performance is no guarantee of future results. These charts and graphs may reflect hypothetical historical (back-tested) index performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.
## APPENDIX – REFERENCE

<table>
<thead>
<tr>
<th>Short Name</th>
<th>INDEX Name</th>
<th>Bloomberg Ticker</th>
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<tr>
<td>Barclays US Dynamic Balance</td>
<td>Barclays US Dynamic Balance Index</td>
<td>BXIIUDBI Index</td>
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<tr>
<td>ML Strategic Balanced</td>
<td>ML Strategic Balanced Index</td>
<td>MLSB Index</td>
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<tr>
<td>Barclays ARMOUR Volatility Control</td>
<td>Barclays ARMOUR II Volatility Control Index</td>
<td>BXIIAG7T Index</td>
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<td>GS Dynamo Strategy</td>
<td>Goldman Sachs Dynamo Strategy Index</td>
<td>GSDYNMO5 Index</td>
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<td>JPMorgan ETF Efficiente 5 TR Index</td>
<td>EEJPUS5T Index</td>
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<tr>
<td>JPMorgan Mozaic</td>
<td>JP Morgan Mozaic USD Index</td>
<td>JMOZUSD Index</td>
</tr>
</tbody>
</table>

*Source: BLOOMBERG*
Performance Disclosure

S&P 500 Daily Risk Control 10% Index was launched on September 9, 2010. S&P 500 Daily Risk Control 2 8% Index was launched on June 03, 2011. All information presented for an index prior to its launch date is hypothetical (back-tested), and back-tested performance is not actual performance. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. Complete index methodology details are available at www.spindices.com.

Some index concepts discussed in this presentation are hypothetical; no index has been launched. All information presented for an index in a concept phase is hypothetical (back-tested) based on the index concept’s proposed methodology, which is subject to change without notice. In preparing back-tested information for any index in a concept phase, existing indices may have been used as underlying building blocks. Those existing indices may have actual performance and history, and they also will have back-tested data for any period shown prior to the launch date of the existing index.

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