

In light of the continued low, long-term interest rate environment and recent increases in hedging costs, we will be adjusting cap rates and interest rates on certain in force IUL products that are no longer available for sale effective 8/20/20. Premiums received AFTER 8/6/20 will be subject to new cap rates that will take effect 8/20/20.

Liberty Solution / Liberty Solution Plus	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.25%	3.25%	2.75%	2.75%
1 Yr Fixed	3.25%	3.25%	2.75%	2.75%
5 Yr Fixed	2.55%	2.55%	2.05%	2.05%
1 Yr PTP	7.00%	4.60%	6.25%	4.16%
Multi	5.25%	3.70%	4.50%	3.24%
Monthly Cap	2.50%	3.92%	2.35%	3.57%
Monthly Average	7.25%	4.02%	7.00%	3.93%

Liberty Performance/ Performance Builder/Vista Premier	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.25%	3.25%	2.75%	2.75%
1 Yr Fixed	3.25%	3.25%	2.75%	2.75%
5 Yr Fixed	2.55%	2.55%	2.05%	2.05%
1 Yr PTP	7.00%	4.60%	6.25%	4.16%

Liberty Builder/ Vista Select/ Vision Builder/Vista Elite/Alliance Performance	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.25%	3.25%	2.75%	2.75%
1 Yr Fixed	3.25%	3.25%	2.75%	2.75%
5 Yr Fixed	2.55%	2.55%	2.05%	2.05%
1 Yr PTP	7.00%	4.60%	6.25%	4.16%
Multi	5.25%	3.70%	4.50%	3.24%
Monthly Cap	2.50%	3.92%	2.35%	3.57%
Monthly Average	7.25%	4.02%	7.00%	3.93%
2 Yr PTP	15.50%	4.60%	13.50%	4.16%

Life Builder /Life Builder II	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.50%	3.50%	3.00%	3.00%
1 Yr Fixed	3.50%	3.50%	3.00%	3.00%
5 Yr Fixed	2.80%	2.80%	2.30%	2.30%
1 Yr PTP	7.75%	5.02%	7.00%	4.60%
Multi	7.75%	5.02%	7.00%	4.60%
Monthly Cap	2.70%	4.38%	2.55%	4.04%
Monthly Average	8.25%	4.38%	8.00%	4.30%

Lifetime Builder / Vista Lifetime / Lifetime Builder II	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.50%	3.50%	3.00%	3.00%
1 Yr Fixed	3.50%	3.50%	3.00%	3.00%
5 Yr Fixed	2.80%	2.80%	2.30%	2.30%
1 Yr PTP	7.75%	5.02%	7.00%	4.60%
Multi	7.75%	5.02%	7.00%	4.60%
Monthly Cap	2.70%	4.38%	2.55%	4.04%
Monthly Average	8.25%	4.38%	8.00%	4.30%
2 Yr PTP	18.50%	5.02%	16.50%	4.60%

Life Builder III	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.60%	3.60%	3.10%	3.10%
1 Yr Fixed	3.60%	3.60%	3.10%	3.10%
5 Yr Fixed	2.90%	2.90%	2.40%	2.40%
1 Yr PTP	9.75%	6.05%	9.00%	5.67%
Multi	9.75%	5.95%	9.00%	5.63%
Monthly Cap	2.80%	4.60%	2.65%	4.26%
Monthly Average	10.00%	4.92%	9.75%	4.85%
Increased Par	8.50%	5.81%	7.75%	5.33%
International HS	10.00%	6.01%	9.00%	5.48%
Elevated Cap	12.50%	6.05%	11.50%	5.67%

Lifetime Builder III	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.60%	3.60%	3.10%	3.10%
1 Yr Fixed	3.60%	3.60%	3.10%	3.10%
5 Yr Fixed	2.90%	2.90%	2.40%	2.40%
1 Yr PTP	9.75%	6.05%	9.00%	5.67%
Multi	9.75%	5.95%	9.00%	5.63%
Monthly Cap	2.80%	4.60%	2.65%	4.26%
Monthly Average	10.00%	4.92%	9.75%	4.85%
Increased Par	8.50%	5.81%	7.75%	5.33%
International HS	10.00%	6.01%	9.00%	5.48%
Elevated Cap	12.50%	6.05%	11.50%	5.67%
2 Yr PTP	24.00%	6.05%	22.00%	5.67%

Multi Choice Indexed SPL/Vista Choice SPL	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.00%	3.00%	2.50%	2.50%
5 Yr Fixed	4.00%	4.00%	3.25%	3.25%
1 Yr PTP	7.00%	4.57%	6.25%	4.16%
Monthly Cap	2.50%	3.89%	2.35%	3.57%
Monthly Average	7.75%	4.18%	7.50%	4.12%

Accordia Life Lifetime Builder	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.60%	3.60%	3.10%	3.10%
1 Yr Fixed	3.60%	3.60%	3.10%	3.10%
1 Yr PTP	9.75%	6.05%	9.00%	5.67%
Monthly Cap	2.80%	4.60%	2.65%	4.26%
Increased Par	8.50%	5.81%	7.75%	5.33%
International HS	10.00%	6.01%	9.00%	5.48%
Elevated Cap	12.50%	6.05%	11.50%	5.67%
2 Yr PTP	24.00%	6.05%	22.00%	5.67%

Accordia Life Lifetime Foundation/Accordia Life Provider	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.40%	3.40%	2.90%	2.90%
1 Yr Fixed	3.40%	3.40%	2.90%	2.90%
1 Yr PTP	9.00%	5.67%	8.25%	5.28%
Monthly Cap	3.00%	5.04%	2.85%	4.71%
Increased Par	8.00%	5.49%	7.25%	5.01%
International HS	10.00%	5.67%	9.00%	5.28%
Elevated Cap	10.50%	5.58%	9.50%	5.19%
2 Yr PTP	21.00%	5.67%	19.00%	5.28%

Accordia Life Survivorship Builder	Current/Prior		New	
	Rate/Cap	Illustrated Rate	Rate/Cap	Illustrated Rate
Basic Interest	3.50%	3.00%	3.00%	3.00%
1 Yr Fixed	3.50%	3.00%	3.00%	3.00%
1 Yr PTP	7.75%	4.88%	7.00%	4.60%
Monthly Cap	2.70%	4.38%	2.55%	4.04%
Increased Par	6.50%	4.52%	5.75%	4.02%
International HS	9.50%	4.88%	8.50%	4.60%
Elevated Cap	9.00%	4.88%	8.00%	4.57%
2 Yr PTP	18.50%	4.88%	16.50%	4.60%

## Global Atlantic IUL Cap Rate Change Talking Points and FAQs

### What?

- **Caps and interest rates on Lifetime Foundation ELITE IUL, Lifetime Builder ELITE IUL, Global Accumulator IUL and Benefit Builder Xtra IUL are not impacted.**
- Our competitive position remains very strong relative to our competitors.

### Why?

- Global Atlantic periodically assesses its crediting rates and indexed crediting caps against the prevailing economic environment.
- Long-term interest rates have remained low and costs associated with IUL hedging have increased over the year.
- These rate changes better reflect the current economic environment.
- Many companies in the industry have made or are making adjustments to caps.

### When?

- The field will receive communications detailing the changes on July 23, 2020.
- The illustration system will be updated as follows:  
**Illustrations for IUL products, not currently available for sale, will be updated July 31, 2020.**
- The new caps will be in effect with the first sweep date after 8/20/20.

### When do the new cap rates take effect?

8/20/20 new cap rates will go into effect for new premiums and premium sweeps. IUL products with bi-monthly sweeps have sweep dates of the 11th and 26th every month.

### Can exceptions be made?

No exceptions or special circumstances will be made for premiums received after 8/6/20. The cap rate change is a hard code in the system, with no way of making exceptions or adjustments after the 8/20/20 date hits.

### When will the illustration software be updated with the new cap rates?

The web version of the LPSS illustration software will be updated 7/31/20 to reflect the new cap rates effective 8/20/20. For desktop software users, a new downloadable version will also be made available.

### Why is Lifetime Foundation ELITE, Lifetime Builder ELITE IUL, Global Accumulator and Benefit Builder Xtra IUL not impacted by the cap change?

Global Atlantic's IUL products are designed and managed to be self-supporting and not reliant on subsidization. Global Atlantic's risk management and investment expertise has been incorporated into the design of our newest products, providing the ability to maintain cap rates in the current economic environment. Products currently available for sale received cap and interest rate adjustments in May. We will continue to monitor cap rates on these products but a change is not necessary at this time.

### Are the cap rate changes related to the conversion project?

No, we delayed making adjustments while we completed the conversion. As you are aware, the industry has experienced a prolonged period of historically low interest rates and increased volatility in the market. 2020 has experienced further yield declines and higher volatility. Those two factors have a significant impact on IUL hedging.

### Do you anticipate additional changes in the future?

We will continue to manage caps and interest rates appropriately to align with current interest rates and hedging costs.

**Transition Rules for IUL Products impacted by the 8/20/20 Cap Rate change.**

Bi-monthly premium sweeps occur on the 11th and 26th of each month.

Premiums need to have been received in house **two business days** prior to be eligible for the next sweep date. The final sweep date to lock in current caps is Tuesday, 8/11/20. Funds will need to be in house on or before Thursday 8/6/20. **Premiums received after this date will receive the new cap rates.**