

Win By Not Losing: FIA Case Study

How can a 52% participation rate earn interest equaling **72% of the total S&P 500 return?**

A **participation rate (par rate)** determines what percent of increase in an index will be credited to the annuity.

If the index has a negative return, **the floor is zero**, with all previous interest is locked in.

In this hypothetical scenario, annuity with \$100,000 in initial premium is **credited with 52% of the total return of the S&P 500 annually**.

The **S&P 500 cumulative return was 206.10%** over the period shown.

Over the same period, hypothetical fixed index annuity with **52% par rate would have earned cumulative interest of 148.82%**.

That equals 72.21% of the S&P 500 return over the same period, without risk of market losses.

Call your Tarkenton Financial marketer to learn how to share this strategy with your clients!

800.659.4942

Year	S&P 500® Returns	52% Par Rate	Contract Value using Par Rate
1997	31.01%	16.13%	\$116,130.00
1998	26.67%	13.87%	\$132,237.23
1999	19.53%	10.16%	\$145,672.53
2000	-10.14%	0.00%	\$145,672.53
2001	-13.04%	0.00%	\$145,672.53
2002	-23.37%	0.00%	\$145,672.53
2003	26.38%	13.72%	\$165,658.80
2004	8.99%	4.67%	\$173,395.07
2005	3.00%	1.56%	\$176,100.03
2006	13.62%	7.08%	\$188,567.91
2007	3.53%	1.84%	\$192,037.56
2008	-38.49%	0.00%	\$192,037.56
2009	23.45%	12.19%	\$215,446.94
2010	12.78%	6.65%	\$229,774.16
2011	0.00%	0.00%	\$229,774.16
2012	13.41%	6.97%	\$245,789.42
2013	29.60%	15.39%	\$283,616.41
2014	11.39%	5.92%	\$300,406.50
2015	-0.73%	0.00%	\$300,406.50
2016	9.54%	4.96%	\$315,306.66
2017	18.41%	9.57%	\$334,855.67
TOTAL RETURN	206.10%	148.82%	Par Rate credited 72.21% of the S&P 500

This is a hypothetical scenario for demonstration purposes only. Chart based on actual rates for the time period shown for the S&P 500 only. Past performance does not guarantee future results. S&P 500 returns calculated through last business day of each year. Guarantees in insurance products are backed by the financial strength and claims-paying ability of the issuing insurer. Rates are subject to change at any time by the issuing insurer. Tarkenton Financial is not responsible for the performance of any of the products it represents.
FOR PRODUCER USE ONLY. NOT FOR USE WITH CONSUMERS.

TARKENTON FINANCIAL
Solutions for Retirement