



The Power of Long-Term Holding Periods for Indexed Universal Life

Indexed Universal Life (IUL) insurance offers permanent death benefit protection, plus growth potential tied to the performance of an equity index, such as the S&P 500®. While the growth potential of an IUL policy is market-based, there is no direct participation in the stock market.

Unlike stock market investments, the downside risk of an IUL policy is limited by a guaranteed minimum interest rate or 'floor'. Likewise, an IUL policy's growth potential can be limited by a maximum interest rate or 'cap'.

Accumulation Builder Select IUL (ABSIUL) Historical Frequency of Returns*

The 'look-back' chart below shows how Penn Mutual's ABSIUL's cap and floor design, coupled with normal market fluctuations, helps ensure the growth potential will be greater the longer the policy remains in force.

The example also incorporates the product's guaranteed Index Credit Enhancement (ICE) that increases performance-based crediting by 10% for all indexed account segments on each segment maturity date.

ABSIUL Assumptions

1 Year S&P 500 Indexed Account	
Hypothetical Cap:	10.50%
Allocation:	100%
Guaranteed Floor:	1.00%
Guaranteed Participation:	100%

With the guaranteed ICE, the annual historical look-back returns for the 25-year periods surveyed, **would have averaged:**

- **6.0% or higher 93.2% of the time**
- **An annual return of 7.28%**
- **A minimum annual return of 4.89%**

Average Annual Return Range		25-Year Period (without ICE)	25-Year Period (with ICE)
<4.00%		0.0%	0.0%
>=4.00%	<5.00%	1.6%	0.1%
>=5.00%	<6.00%	19.1%	6.7%
>=6.00%	<7.00%	42.9%	26.3%
>=7.00%	<8.00%	36.2%	49.9%
>=8.00%	<9.00%	0.1%	17.0%
>9.00%		0.0%	0.0%
Returns > 6.00%		79.2%	93.2%
Minimum		4.44%	4.89%
Maximum		8.14%	8.95%
Average		6.62%	7.28%

Total Historical Periods: 10,067

*Look-back returns assume current indexed account cap rates for the entire look-back period. Indexed account cap rates can change and would impact the average returns for all look-back periods. ABSIUL did not exist over the entire time period shown and the returns do not reflect policy charges. An account with a 100% participation rate in an index is credited the full percentage of growth for that index, up to the cap. Index Credit Enhancement applied at end of segment term along with index credit in excess of the floor. Past performance is not indicative of future results.

Historical Returns based on past S&P 500 Index performance (excluding dividends) for the 25 year holding periods surveyed. It applies the ABSIUL cap, floor and participation rates for all possible indexed account segments over a 66 year historical period to help determine how frequently different rates of return would have occurred. First segment start date: December 31, 1952. Last period ending: December 31, 2017.

To learn about all of the features of Accumulation Builder Select IUL, please contact:

All guarantees are based on the claims paying ability of the issuing company

Accumulation Builder Select IUL is an indexed universal life policy issued by The Penn Insurance and Annuity Company, a wholly owned subsidiary of The Penn Mutual Life Insurance Company. Policy form ICC16-PI-IFL2. Policy form numbers may vary by state. Products and features may not be available in all states. This product is not offered in NY.

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