

iStructureTM Annuity

iStructure Annuity Proposal
IS00003234-0001
April 25, 2023

Prepared for:
Michael Seller

Guaranteed by:



Contact:

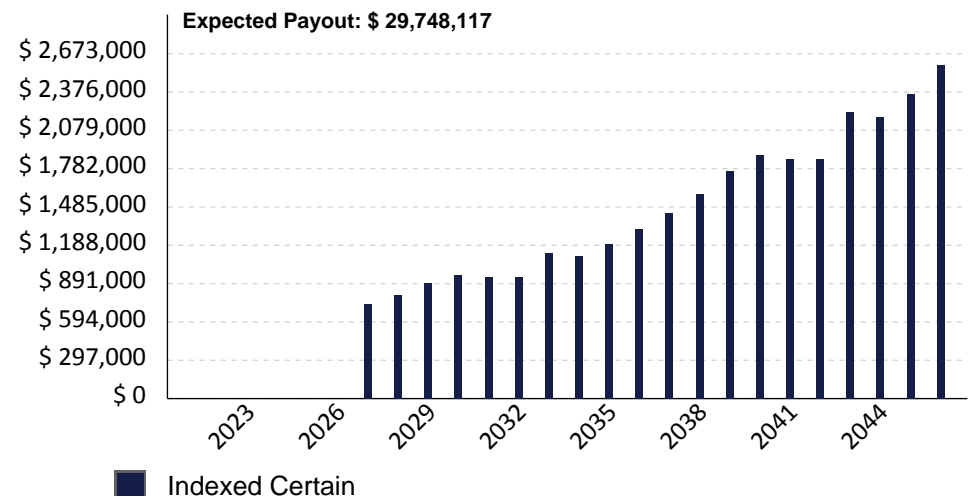
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Overview

- Total Premium - **\$10,000,000**
- Total Initial Guaranteed Payments - **\$10,000,000**
- Indexed certain payments from **09/20/2027** until **08/20/2047**
- Indexed certain payment on **09/20/2027** guaranteed to be at least **\$44,042**, with an expected range between **\$55,789** and **\$72,810**
- Expected Totals between **\$22,808,866** and **\$43,081,028**
- Participation Rate - **127%**
- Future payments grow based on the performance of the Franklin BofA World Index

<u>Expected</u>	<u>Lowest</u>	<u>Median</u>	<u>Highest</u>
IRR	5.71%	7.42%	9.81%

Your Expected iStructure Payments*



*Based on the Median historical scenario index performance and stated participation rate of 127.00%

Welcome to iStructure Annuity™, the first and only uncapped index-linked annuity. iStructure is designed to provide upside potential that exceeds a fixed payout annuity, while still providing protection of your initial principal/premium. How so? iStructure offers uncapped growth of the periodic payment plan you select up front, while also providing guaranteed payments that at least protect your initial premium in full (Note: Unless opted out. Please see total guaranteed payments in illustration to confirm selection.).

Annuity payments in the iStructure Annuity are linked to the **Franklin BofA World Index**. The index was developed through the collaborative efforts of leading financial institutions **Franklin Templeton** and **Bank of America**. The Franklin BofA World Index is designed to capture long-term growth through the dynamic use of three asset classes: mid and large cap global equities, U.S. Treasury Futures, and cash. The index's allocation or exposure to these three asset classes is adjusted daily based upon pre-determined factors in the markets, with the primary goal of achieving consistent returns.

The pages that follow in this illustration will show you the power of iStructure and the projected payments and returns over the life of the designed payment plan.

How do your payments grow?

Each future payment in your plan has a defined starting amount at inception. These starting amounts can be found on the page titled "[iStructure Annuity Payment Starting Points](#)" and can be equal, increasing, or decreasing from one year to the next. No payments can be accelerated or deferred once in place.

- 1) On each anniversary of your starting index date, the index value will be compared to the previous year's index value to determine how the index performed.
- 2) If there was **positive growth**, the future payments will grow following the methodology described in detail in the contract.
- 3) If there was **no growth** or **negative growth** in the index value for the year, each individual payment amount will remain unchanged from its amount entering that year, except perhaps the payment sets starting within the immediately forthcoming year following the methodology described in detail in the contract.
- 4) This analysis repeats each year until all required payments are made.

PLEASE NOTE: if your starting amounts at inception are designed to decrease over time (an allocation strategy known as "**Balanced Growth**"), there is a possibility over the life of your contract that a payment amount may be less than a previous payment amount you received. This decrease does not represent a loss to you, but instead is a function of the decreasing starting amounts. This payment design is intended to provide moderate growth in payments over time, but since the future performance of the index is unknown, there may be times where the payout in a year is less than it was in the prior year. Electing **Cash Flow Stabilization** will reduce or may eliminate the risk of this phenomenon. If you cannot tolerate these occurrences, you may want to consider a "**High Growth**" allocation strategy that will provide lower projected payment amounts early in your contract and much higher but never decreasing projected payments later in your contract.

PRODUCT HIGHLIGHTS

- Uncapped growth of payments
- Return of premium guaranteed (unless opted out)
- Guarantees rise with index growth
- No ongoing fees
- Customized payouts
 - o Lifetime
 - o Certain Only
 - o Lump Sums
- Payments can begin immediately or deferred
- Up to 40 years of indexing available
- Tax-free for qualified cases
- Tax-deferred for all others

COMPANY HIGHLIGHTS (as of June 30, 2022)

- "A" rated by Egan-Jones Ratings Company
- Reinsurance treaty with company "A+" rated by AM Best
- Top-tier capital and surplus ratios in structured settlement market
- Published payee protection policy
- Highly experienced sales support team
- Please visit www.independent.life to learn more

DISCLOSURES

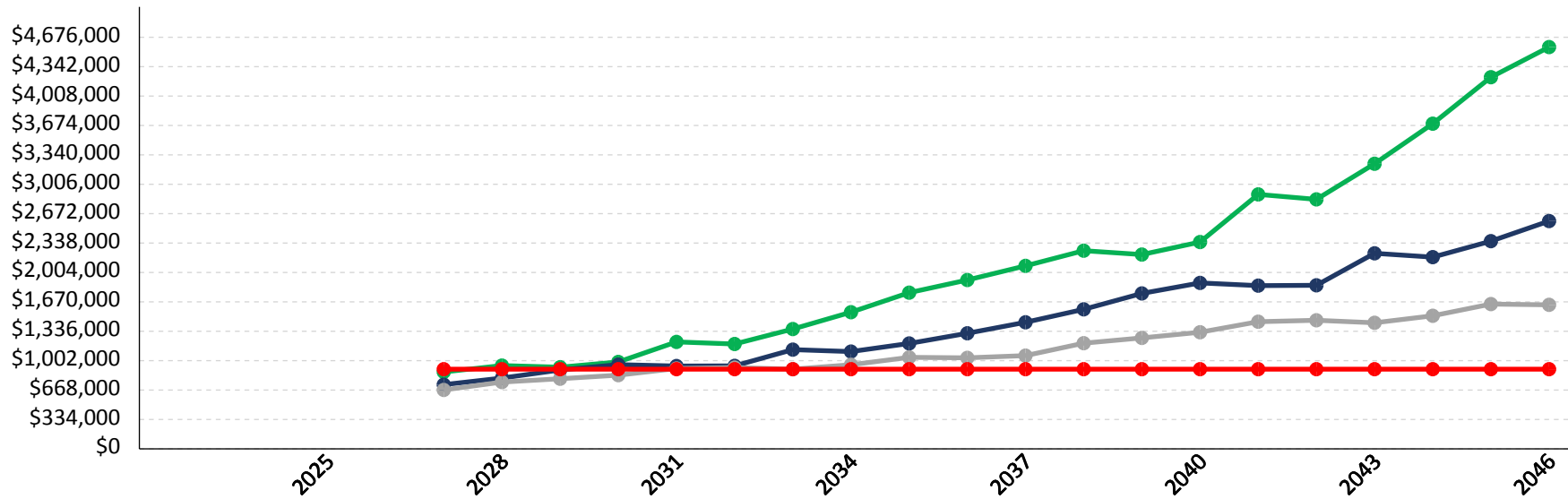
- Please read this illustration in full.
- You are not investing directly in the Franklin BofA World Index.
- To learn more about the index, visit www.independent.life





Quote Date: 04/25/2023	Index: Franklin BofA World Index	Measuring Life: Michael Seller
Purchase Date: 06/01/2023	Participation Rate: 127.00%	Gender: Male
Index Start Date: 06/17/2023	Allocation Strategy: Balanced Growth	DOB: 09/20/1962

Benefit Description	Cost	Total Guaranteed	Historical Lowest	Historical Median	Historical Highest
INDEXED BENEFITS					
Period Certain Annuity – a monthly payment amount to be calculated based on the performance of the index and the participation rate, guaranteed for 20 years beginning on 09/20/2027, with the last guaranteed payment on 08/20/2047	\$ 10,000,000.00	\$ 10,000,000	\$ 22,808,866	\$ 29,748,117	\$ 43,081,028
Total	\$ 10,000,000.00	\$ 10,000,000	\$ 22,808,866	\$ 29,748,117	\$ 43,081,028
Internal Rate of Return			5.71%	7.42%	9.81%

Prepared By: Chad Ettmueller
Quote ID No.: IS00003234-0001

Case Type: Installment Sale
 This proposal will expire on **05/02/2023** or the last date of **IS20230202**, whichever is earlier.



Certain	Illustrated Scenario	IRR	Total Expected Payments
	Highest Historical Scenario	9.81%	\$ 43,081,028
	Median Historical Scenario	7.42%	\$ 29,748,117
	Lowest Historical Scenario	5.71%	\$ 22,808,866
	Fixed Rate Structure	4.48%	\$ 18,103,798

Based on historical scenario index performance and stated participation rate of 127.00%
 Certain payments are paid to a beneficiary if the Measuring Life has died.

Fixed Rate Structure subject to home office approval

Year*	Age ⁺	Starting Payment Date	Frequency	Duration	0% Index Growth	Historical Lowest	Historical Median	Historical Highest	vs.	Fixed Rate Structure
2027 - 2028	65	09/20/2027	monthly	12 months	\$ 44,042.47	\$ 55,789.28	\$ 60,811.11	\$ 72,810.15		\$ 75,432.49
2028 - 2029	66	09/20/2028	monthly	12 months	\$ 43,178.89	\$ 63,228.56	\$ 67,026.43	\$ 78,853.80		\$ 75,432.49
2029 - 2030	67	09/20/2029	monthly	12 months	\$ 42,332.24	\$ 66,382.16	\$ 74,678.77	\$ 77,307.64		\$ 75,432.49
2030 - 2031	68	09/20/2030	monthly	12 months	\$ 41,502.20	\$ 69,776.06	\$ 79,724.76	\$ 82,290.91		\$ 75,432.49
2031 - 2032	69	09/20/2031	monthly	12 months	\$ 40,688.43	\$ 76,078.34	\$ 78,416.46	\$ 101,247.96		\$ 75,432.49
2032 - 2033	70	09/20/2032	monthly	12 months	\$ 39,890.62	\$ 76,941.07	\$ 78,575.30	\$ 99,262.71		\$ 75,432.49
2033 - 2034	71	09/20/2033	monthly	12 months	\$ 39,108.45	\$ 75,432.42	\$ 93,946.30	\$ 113,435.31		\$ 75,432.49
2034 - 2035	72	09/20/2034	monthly	12 months	\$ 38,341.62	\$ 79,618.89	\$ 92,104.22	\$ 129,376.93		\$ 75,432.49
2035 - 2036	73	09/20/2035	monthly	12 months	\$ 37,589.82	\$ 86,632.83	\$ 99,785.71	\$ 147,880.20		\$ 75,432.49
2036 - 2037	74	09/20/2036	monthly	12 months	\$ 36,852.77	\$ 86,187.92	\$ 109,434.49	\$ 159,863.84		\$ 75,432.49
2037 - 2038	75	09/20/2037	monthly	12 months	\$ 36,130.16	\$ 88,274.74	\$ 119,836.80	\$ 173,247.85		\$ 75,432.49
2038 - 2039	76	09/20/2038	monthly	12 months	\$ 35,421.73	\$ 100,045.84	\$ 132,084.98	\$ 187,628.42		\$ 75,432.49
2039 - 2040	77	09/20/2039	monthly	12 months	\$ 34,727.18	\$ 105,035.73	\$ 147,164.98	\$ 183,949.40		\$ 75,432.49
2040 - 2041	78	09/20/2040	monthly	12 months	\$ 34,046.26	\$ 110,405.88	\$ 157,108.81	\$ 195,806.83		\$ 75,432.49
2041 - 2042	79	09/20/2041	monthly	12 months	\$ 33,378.69	\$ 120,377.92	\$ 154,530.66	\$ 240,914.16		\$ 75,432.49
2042 - 2043	80	09/20/2042	monthly	12 months	\$ 32,724.20	\$ 121,742.98	\$ 154,843.64	\$ 236,190.31		\$ 75,432.49
2043 - 2044	81	09/20/2043	monthly	12 months	\$ 32,082.55	\$ 119,355.87	\$ 185,134.34	\$ 269,913.27		\$ 75,432.49
2044 - 2045	82	09/20/2044	monthly	12 months	\$ 31,453.48	\$ 125,980.06	\$ 181,504.25	\$ 307,845.47		\$ 75,432.49
2045 - 2046	83	09/20/2045	monthly	12 months	\$ 30,836.75	\$ 137,078.17	\$ 196,641.76	\$ 351,873.10		\$ 75,432.49
2046 - 2047	84	09/20/2046	monthly	12 months	\$ 129,004.83	\$ 136,374.15	\$ 215,655.95	\$ 380,387.38		\$ 75,432.49
Total					\$ 10,000,000**	\$ 22,808,866	\$ 29,748,117	\$ 43,081,028		\$ 18,103,798

* Fiscal Year: Ends on the day before the First Payment Update Date or its anniversary

⁺ Age is the age last birthday at the end of the fiscal year

** This is the amount payable under the Minimum Indexed Benefit Payout provision of the annuity contract and all illustrated life contingent payments (if applicable)

Fixed Rate Structure subject to home office approval

	Lowest Scenario 10/04/2012 - 10/04/2022		Median Scenario 11/27/2007 - 11/27/2017		Highest Scenario 01/28/2010 - 01/28/2020	
Year	Index Growth %	Policy Credit %	Index Growth %	Policy Credit %	Index Growth %	Policy Credit %
1	6.03%	7.66%	-4.27%	0.00%	12.86%	16.33%
2	8.65%	10.99%	8.27%	10.51%	13.06%	16.59%
3	1.16%	1.48%	9.34%	11.86%	8.08%	10.27%
4	3.52%	4.47%	9.21%	11.70%	8.30%	10.54%
5	12.28%	15.60%	9.78%	12.43%	8.24%	10.47%
6	5.58%	7.09%	10.74%	13.65%	-3.06%	0.00%
7	5.68%	7.21%	7.00%	8.89%	6.75%	8.57%
8	8.83%	11.21%	0.26%	0.33%	20.08%	25.50%
9	2.49%	3.16%	1.74%	2.21%	-4.20%	0.00%
10	-9.27%	0.00%	17.29%	21.95%	13.04%	16.56%
Compound Annual Growth Rate (CAGR)	4.34%	6.79%	6.78%	9.16%	8.08%	11.24%

- Compound Annual Growth Rate (CAGR) for the Index Growth % is the constant annual growth rate that grows to the same level as the varying index growth rate over the 10-year period being measured.
- Compound Annual Growth Rate (CAGR) for the Policy Credit % is the constant annual growth rate that grows to the same level as the varying policy growth rate over the 10-year period being measured where the policy growth rate is the index growth rate times the participation rate of 127.00% and not less than 0.00%
- Lowest Scenario represents the worst historical hypothetical index performance
- Median Scenario represents 50th percentile historical hypothetical index performance
- Highest Scenario represents the best historical hypothetical index performance

Benefit Number	Payment Amount	Indexed (Yes/No)	Payment Frequency	Duration	Starting Date	Ending Date	Certain Only (Yes/No)
1	\$ 44,042.47	Yes	monthly	1 Year	09/20/2027	08/20/2028	Yes
2	\$ 43,178.89	Yes	monthly	1 Year	09/20/2028	08/20/2029	Yes
3	\$ 42,332.24	Yes	monthly	1 Year	09/20/2029	08/20/2030	Yes
4	\$ 41,502.20	Yes	monthly	1 Year	09/20/2030	08/20/2031	Yes
5	\$ 40,688.43	Yes	monthly	1 Year	09/20/2031	08/20/2032	Yes
6	\$ 39,890.62	Yes	monthly	1 Year	09/20/2032	08/20/2033	Yes
7	\$ 39,108.45	Yes	monthly	1 Year	09/20/2033	08/20/2034	Yes
8	\$ 38,341.62	Yes	monthly	1 Year	09/20/2034	08/20/2035	Yes
9	\$ 37,589.82	Yes	monthly	1 Year	09/20/2035	08/20/2036	Yes
10	\$ 36,852.77	Yes	monthly	1 Year	09/20/2036	08/20/2037	Yes
11	\$ 36,130.16	Yes	monthly	1 Year	09/20/2037	08/20/2038	Yes
12	\$ 35,421.73	Yes	monthly	1 Year	09/20/2038	08/20/2039	Yes
13	\$ 34,727.18	Yes	monthly	1 Year	09/20/2039	08/20/2040	Yes
14	\$ 34,046.26	Yes	monthly	1 Year	09/20/2040	08/20/2041	Yes
15	\$ 33,378.69	Yes	monthly	1 Year	09/20/2041	08/20/2042	Yes
16	\$ 32,724.20	Yes	monthly	1 Year	09/20/2042	08/20/2043	Yes
17	\$ 32,082.55	Yes	monthly	1 Year	09/20/2043	08/20/2044	Yes
18	\$ 31,453.48	Yes	monthly	1 Year	09/20/2044	08/20/2045	Yes
19	\$ 30,836.75	Yes	monthly	1 Year	09/20/2045	08/20/2046	Yes
20	\$ 30,232.10	Yes	monthly	1 Year	09/20/2046	08/20/2047	Yes**

** Last Certain Payment

Specifications
First Payment Update Date: 06/17/2024
Index: Franklin BofA World Index
Minimum Indexed Benefit Payout: \$ 10,000,000
Participation Rate: 127.00%
Total Guaranteed Payments: \$ 10,000,000

Fixed Indexed Payout Annuity - Hypothetical Illustration

The purpose of this hypothetical illustration is to demonstrate the effect of hypothetical non-guaranteed growth of this contract's values. This material is not a recommendation to buy, sell, hold, or rollover any asset, adopt a financial strategy or use a particular account type. Clients should work with their financial professional to discuss their specific situation. Please refer to the Statement of Understanding for additional information.

Illustration Only

This is an illustration only and designed to help you better understand how the annuity contract you are considering works and how it might look in the future under various conditions. This illustration is not intended to indicate actual performance nor predict future results. This illustration is hypothetical in nature, and you should expect actual payouts to be higher or lower than those shown in this illustration. *See the iStructure Indexed Annuity Statement of Understanding and other detailed documentation provided by Independent Life Insurance Company or your insurance or investment professional for details, definitions, and limitations.*

- Back-tested index performance is not indicative of future performance.
- Back-tested data covers a 10-year span within the date range of 07/10/2006 – 12/28/2022. This results in potential starting dates ranging from 07/10/2006 – 12/28/2012.
- Back-tested index performance is ranked based on the sum of expected payments.
- IRR listed on page 4 is the customer IRR based on the total consideration for the policy and the expected payments as illustrated in the scenario.
- Compound Annual Growth Rate (CAGR) is the constant annual growth rate that grows to the same level as the varying index growth rate over the 10-year period being measured.

Product Description

The Company, the Independent Life Insurance Company of Dallas, Texas, designed the iStructure Indexed Annuity as a custom payout fixed annuity providing payment growth potential linked to the performance of an index. The index is the Franklin BofA World Index, <https://www.franklinindices.com/franklin-bofa-world-index>. The owner defines a series of future payments at specific future dates. The Company sets the price and a Participation Rate, as shown in the contract. This annuity is a series of payment streams that each start at its own specific date in the future and, for streams described as "Certain", end at a specific date and for streams described as "Life Contingent" end when the specified person, the measuring life, is no longer alive, including never starting if that measuring life is no longer alive on the start date. The Payment Update Date is a date defined in the annuity contract. The method of increase is described in the contract. The amount of the increase is not guaranteed and could be zero. Once a payment has increased, it cannot decrease. Once a payment stream has made its first payment it is no longer eligible for increases from the index performance.

All guarantees and protections of the iStructure Indexed Annuity are backed by the claims-paying ability of Independent Life Insurance Company. This product is not FDIC or NCUSIF insured.

The iStructure Indexed Annuity is not a stock market investment and does not directly participate in any stock or equity or debt investments. The index does not include dividends paid on the stocks or actual interest on the bonds that comprise the index, and therefore do not reflect the total return of these stocks and bonds.

General Tax Information

iStructure has been designed to allow individuals who settle claims using periodic payments that qualify for treatment under IRC Section 104(a)(1) or Section 104(a)(2) to exclude their periodic payments (including any Indexed payments) from gross income. The iStructure can also be used to fund periodic payments to defer U.S. federal income taxation when neither the claim being settled, nor the agreed periodic payments (including any Indexed payments), qualify for treatment under IRC 104(a)(1) or IRC 104(a)(2) provided all other related tax rules are met. The iStructure can also be used to fund periodic payments as part of a IRC 453 installment sale provided all other related tax rules are met. For any of these case categories, the responsibility / liability to make future periodic payments to the recipient/payee can be transferred to a third party (assignee) and maintain the tax status to the recipient. If the transfer is made to a United States taxpayer/assignee, the transfer must satisfy the conditions of IRC 130 to be a "Qualified Assignment" and thereby avoid onerous tax results for that assignee. The iStructure has been designed to meet the requirements of a "Qualified Funding Asset" set forth in IRC 130(d) including: the amount of any payment from the iStructure to the recipient/payee "does not exceed the periodic payment to which it relates." In other words, the amounts paid from the iStructure to the assignee will exactly match the amounts the assignee pays to the recipient/payee. In most cases, Independent Life Insurance Company will make the iStructure payments directly to the recipient/payee as a service to the assignee. This servicing arrangement will have no effect on the tax status of either the recipient/payee or the assignee. If the transfer is to a non-US taxpayer / assignee, the assignee must satisfy its local tax requirements, which typically do not require a specific relationship between the iStructure payments and the amount the assignee owes the recipient/payee. Individuals considering an iStructure to fund future periodic payments are advised to seek tax advice from an attorney or financial advisor before agreeing to do so.

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Powered by the quantitative insights of Franklin Templeton and Bank of America, the Franklin BofA World Index is designed to capture long-term growth by systematically allocating to companies around the world with the potential for high profitability. Bringing together a factor-based screen created to identify higher-growth-potential stocks with a proprietary intraday risk management strategy and a US Treasury allocation, the index's primary goal is to achieve consistent returns.

INDEX DESIGN



INDEX BACK-TESTED HISTORICAL PERFORMANCE

Historical Index Value
As of 12/14/2021

Time Period
Since Inception

From Date 07/10/2006 To Date 12/14/2021

Time Period Return (Annualized)
6.53%



For More Information: www.FranklinBofAWorldIndex.com

IMPORTANT INFORMATION It is not possible to invest directly in an index. There is no assurance that investment products based on the Index will accurately track index performance or provide positive investment returns. Inclusion of a security within an index is not a recommendation by Franklin Templeton or BofA Securities, Inc. to buy, sell, or hold such security.

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Individuals seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

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There are risks relating to the Index discussed herein. Please request a copy of the applicable Index rulebook for risk disclosure.

Fixed indexed annuities are insurance contracts, not registered securities or stock market investments. Fixed indexed annuities are not invested in the Index itself, but rather value growth is based on the performance of the Index and the rules prescribed in the insurer’s annuity contract. Fixed indexed annuities are not issued by Franklin or BofAS.

This information should not be relied upon as investment advice, research, or a recommendation by Franklin or BofAS regarding (i) any products tied to the Index, (ii) the use or suitability of the Index, or (iii) any security in particular.

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WHAT ARE THE RISKS?

Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds in an investment portfolio adjust to a rise in interest rates, the performance of the Index may decline. During times of extreme market volatility, the Index will not be able to eliminate investment losses or capture all investment gains.

For More Information: <https://www.franklinindices.com/franklin-bofa-world-index>