

Sage Choice Single Premium Deferred Annuity

MONTHLY INTEREST OPTION CALCULATION



Sagicor®

LIFE INSURANCE COMPANY

Contract forms and riders may vary by state and may not be available in all states. Contract Form: 3005

The Sage Choice Single Premium Deferred Annuity offers a valuable benefit! It provides the opportunity for the annuity owner, provided the annuity meets the Monthly Interest Option requirements, to withdraw the interest earnings on a monthly basis.

Interest is compounded annually but credited to the Accumulation Value on a daily basis. If interest is withdrawn more frequently than annually, the interest earnings lose their compounding capabilities and the actual amount of interest earned in one year can be less than the effective annual rate.

Since months have a different number of days and interest is credited daily at a compounded annual effective rate, the amount of interest credited each month varies slightly.

Contract owners often ask how the monthly interest withdrawals are calculated. We hope you will find the following examples helpful in responding to contract owner's questions.

CALCULATION EXAMPLES:

To estimate the amount of a monthly interest payment, first determine the Monthly Income Factor (MIF) by selecting the current Annual Effective Rate of interest and the number of days in the month using the Quick Reference Table.

Assume an Accumulation Value of \$100,000, earning a current annual effective rate of 5.00%. If the payment is made in a 31-day month, the MIF to use from the table is 4.15242. The calculation to determine the amount of the monthly interest payment is $4.15242 \times 100 = \$415.24$. Likewise, for a 30 day month, the MIF to use from the table is 4.01820. The calculation to determine the amount of the monthly interest payment is $4.01820 \times 100 = \$401.82$.

Please remember monthly interest payments are made one month in arrears and the amount of the payment will change if the interest rate changes.

Slight differences may occur between the estimated amounts and the amount of the actual check due to rounding differences. However, if you or your client(s) have any questions regarding their monthly interest check, please contact Sagicor at 888-724-4267 Ext. 4610.

Reminder: Monthly interest payments are fully taxable as income. A 1099R will be sent to the contract owner each year to report the total taxable payments for the year.*

* Neither Sagicor Life Insurance Company nor its agents provide tax, legal or accounting advice. Please consult with your tax and/or legal advisor for information specific to your situation.

QUICK REFERENCE TABLE

Annual Effective Rate	Monthly Income Factors Per \$1,000 Accumulation Value		
	28 Days	30 Days	31 Days
2.00%	1.52026	1.62894	1.68328
2.25%	1.70835	1.83049	1.89156
2.50%	1.89602	2.03159	2.09938
2.75%	2.08327	2.23224	2.30674
3.00%	2.27010	2.43244	2.51363
3.25%	2.45651	2.63220	2.72006
3.50%	2.64250	2.83152	2.92604
3.75%	2.82808	3.03039	3.13156
4.00%	3.01324	3.22882	3.33663
4.25%	3.19800	3.42682	3.54125
4.50%	3.38235	3.62438	3.74542
4.75%	3.56629	3.82151	3.94914
5.00%	3.74982	4.01820	4.15242
5.25%	3.93295	4.21447	4.35526
5.50%	4.11568	4.41031	4.55765
5.75%	4.29801	4.60572	4.75961
6.00%	4.47995	4.80071	4.96113
6.25%	4.66149	4.99528	5.16222
6.50%	4.84263	5.18943	5.36287
6.75%	5.02338	5.38316	5.56310
7.00%	5.20375	5.57648	5.76289
7.25%	5.38372	5.76938	5.96226
7.50%	5.56330	5.96187	6.16121
7.75%	5.74251	6.15394	6.35973
8.00%	5.92132	6.34561	6.55783
8.25%	6.09976	6.53688	6.75551
8.50%	6.27781	6.72773	6.95277
8.75%	6.45549	6.91819	7.14962
9.00%	6.63279	7.10824	7.34605
9.25%	6.80972	7.29790	7.54207
9.50%	6.98627	7.48715	7.73769
9.75%	7.16245	7.67601	7.93289
10.00%	7.33826	7.86448	8.12769

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8660 E. Hartford Drive, Suite 200, Scottsdale, AZ 85255 T (888) 724-4267