PAN-AMERICAN

Global Assets IUL

CLIENT GUIDE

People You Can Trust for Life

Pan-American International Insurance Corporation (PAIIC) and Pan-American Assurance Company International, Inc. (PAACII), are member companies of Pan-American Life Insurance Group, a leading provider of life, health and accident insurance. Since our inception in 1911, we've focused on helping clients in Latin America, the Caribbean and the United States achieve genuine well-being.

To us, well-being is more than the peace of mind that comes from knowing those you love will be taken care of after you're gone. It's about the benefits that a strong financial plan—which includes the right insurance—offers while you're alive: the freedom to live well after retirement, the joy of watching your kids or grandkids graduate from college, the inspiration to live a healthy lifestyle.

Through the expertise of our employees and strategic partners, we're able to provide resources and insights that you, as our client, can use to make informed, knowledgeable decisions, including about the insurance coverage you need.

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Pan-American Private Client Life is our suite of best-in-class life and accident insurance products that are uniquely designed to meet the needs of an affluent international clientele. Aligned with a highly-personalized service experience, these solutions offer trusted financial security and peace of mind.

They can provide you with the flexibility to live well, while building a legacy for your loved ones. That legacy is backed by one of our own: a legacy of financial strength, disciplined risk management and a balanced investment portfolio that has consistently outperformed the industry for more than a decade.

So, in addition to providing best-in-class insurance products, we're a solid, dependable partner for the people who rely on us – people you can trust for life.

PALIG Today

22 Countries in the Americas

1950 Employees

5.2 Million Covered Lives

Best in Class Product Portfolio

Disciplined Enterprise Risk Management Culture

Proven Financial Strength

Stellar Ratings

Refer to the latest AM Best and Fitch Ratings reports for company specific ratings

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INTRODUCING PAN-AMERICAN GLOBAL ASSETS IUL

We're proud to bring you Pan-American Global Assets IUL—the first Indexed Universal Life insurance product in our Private Client Life portfolio. Like our other universal life solutions, IUL offers you more flexibility than term or whole life insurance. It will allow you to maintain permanent life insurance coverage, but also take advantage of equity market performance for greater upside cash value growth potential—while enjoying strong protection against market downturns.

INVESTMENT FLEXIBILITY

Our IUL product puts you in charge. You can choose from four accounts (one traditional Fixed and three Index Accounts) to mix and match as you wish. You have the freedom to change future premium allocation choices and how funds are allocated within Accounts, so you can keep pace with market trends and economic cycles.

LIMITED RISK

Funds are not directly invested in the stock market; however, you can enjoy the benefits of market performance through the interest rate credited on the Index Accounts (up to the participation rate and cap). Regardless of market performance, the minimum rate credited to all Index Accounts is 0%, so you're protected from market downturns.

ACCESS TO MONEY

Because "life happens", it's important to know that you can access your plan's cash value via Partial Withdrawals, Traditional Loans and Participating Loans (which allow you to keep earning interest through the interest rate tied to the Index Accounts).

FLEXIBLE PREMIUMS

With our IUL product, you have a range of premium payment options. Choose a planned premium to suit your financial needs and goals ... pay the minimum premium to maintain coverage ... or pay extra to boost long term accumulation. You may also change your premium payment option over time.

What's the Difference Between Universal Life and Index Universal Life?

- Many of the same features apply to both products, and both offer flexibility.
- Both products include both a life insurance and savings component through Account Values.
- Only IUL offers multiple Accounts. In addition to choosing a Fixed Account (which functions similarly to our UL Account), you can choose specific Index Account choices not available under UL.
- Credited interest to the Index Account Values is linked to the performance of an index, not a Company declared rate as with UL.

INDEX ACCOUNT CHOICES

Your current index account choices are:

S&P 500® (SPX)
The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

Euro Stoxx 50® (SX5E)
The EURO STOXX 50®, Europe's leading blue-chip index for the Eurozone, provides a blue-chip representation of super sector leaders in the region. The index covers 50 stocks from 11 Eurozone countries.

Hang Seng Index (HSI)
The Hang Seng Index is widely recognized as the barometer of the Hong Kong stock market. It comprises more than 400 real-time and daily indexes.

How the Index Interest Credited Rate is Calculated

The Index Credited Rate is obtained by first calculating the Index Performance Rate on an annual point-to-point basis. The performance rate measures the growth in the index over a one-year period using both the beginning and ending values of the index. Interest is credited at the end of the year.

Then, the participation rate, cap, and floor are applied to this Index Performance Rate to determine the final Index Interest Credited Rate.

INTEREST CREDITING STRATEGIES

With Pan-American Global Assets IUL, you can take advantage of four different crediting strategies through the Fixed Account and three Index Accounts.

FIXED ACCOUNT INTEREST

With the Fixed Account, you benefit from a guaranteed minimum interest rate of 2%. The current rate is declared by the Company and is periodically reevaluated, but will never be less than 2%. Interest is credited on a regular basis throughout the policy year. In addition, there may be an Enhanced Interest Credit beginning in policy year 7.

INDEX ACCOUNT INTEREST

The Global Assets IUL plan offers three Index Accounts. For each, the interest credited rate is tied to the performance of a highly-regarded stock index. So, you may take advantage of market returns applying to their values, rather than earning a rate declared by the Company, while not directly investing in the index itself. As a result, growth in the equity markets can allow for greater cash value growth, thereby affording you greater financial freedom.

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Values that you designate to any of the Index Accounts earn interest based on the performance of the index to which the Account is tied. In addition, these three modifiers combine to determine the interest rate for each Index Account:

- **Participation Rate** – This is the extent to which the Company will “match” the index performance. It is guaranteed to be at least 75%. The current participation rate is 100%.
- **The Cap** – This is the maximum index performance rate credited. Regularly set by the Company, the cap is guaranteed to be at least 3%.
- **The Floor** – This is the minimum guaranteed interest rate, and it will always be at least 0%. Even if there is a negative return on the Index, you will not owe additional amounts to cover negative performance.

Once the interest rate for each particular Index Account is determined, there may be an additional Enhanced Interest Credit beginning in policy year 7, which applies to all Index Accounts.

Here are three examples of how this works:

Example 1: If the value of the S&P 500® increased by 13%, with a participation rate of 100%, a cap of 10%, and a floor of 0%, then you would enjoy an Index Interest Credited Rate of 10%.

Example 2: If the value of the S&P 500® increased by 8%, with a participation rate of 100%, a cap of 9%, and a floor of 0%, then you'd enjoy an Index Interest Credited Rate of 8%.

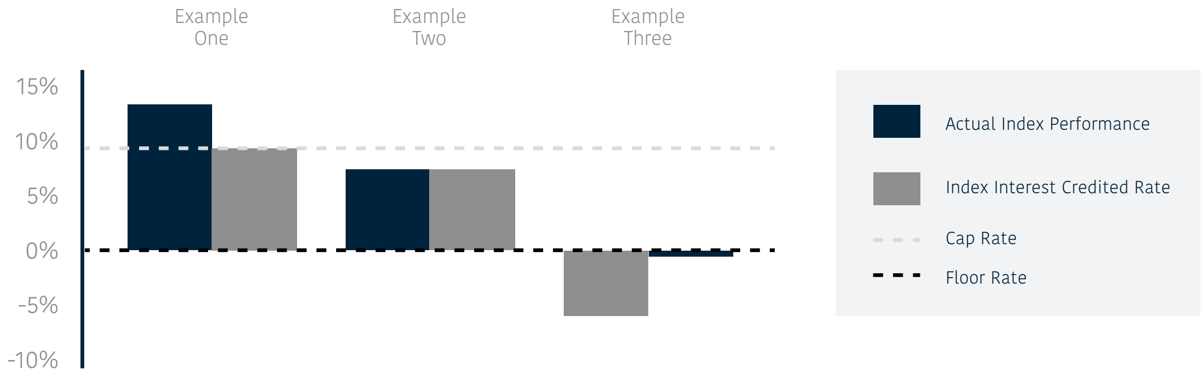
The cap acts as a ceiling to the amount of interest credited, so in both examples above, the interest rate credited does not exceed the cap. If, in Example One, the cap had been set at 7% instead of 10%, the credited rate would be 7%.

Example 3: If the value of the S&P 500® decreased by 8% (-8% return), with a participation rate of 100%, a cap of 11%, and a floor of 0%, then the Index Interest Credited Rate will be 0%.

Example 3 shows what happens if the index performance decreases.

Because the floor is set at 0%, even though the ending value of the index is lower than what it was at the beginning of the period, the interest credit is "floored" at 0%. So, while you would not receive any interest, you will also not be penalized for the negative performance of the Index.

This is how Pan-American Global Assets IUL safeguards against the downside of market performance. Funds are not directly invested in the stock market, so you can enjoy the benefits of market performance with considerably less risk.



EXAMPLES	INDEX PERFORMANCE RATE	PARTICIPATION RATE	CAP	FLOOR	INDEX INTEREST CREDITED RATE
Example 1	13%	100%	10%	0%	10%
Example 2	8%	100%	9%	0%	8%
Example 3	-8%	100%	11%	0%	0%

ADDITIONAL IUL POLICY FEATURES

TIMING OF PREMIUM PAYMENTS

The timing of premium payments is a key aspect of the IUL product. Your money will be moved, or allocated, to your designated accounts on the 15th of any given month (the **Sweep Date**), provided premium is paid and applied to the Company's account by the 10th of the month (the **Cut-Off Date**). Premium paid after the Cut-Off Date is swept into the selected Accounts on the next month's Sweep Date.

Each time a premium is paid and placed into an Index Account, an individual **Index Account Segment** is created. The values within each Index Account Segment are tracked individually for a one-year period. During this period, policy charges are deducted and interest is credited at the end of the year of the Segment duration, based on the growth in the Index over the same period.

PREMIUM FLEXIBILITY

With this IUL product, you have flexibility over premium amounts and payment frequency, and you can make adjustments over time as your needs and goals change. Keep in mind, the amount and frequency of premiums are a determining factor in the financial performance of the policy.

- You can pay premiums in various frequencies (single, annual, semi-annual, or monthly).
- You can pay premiums through credit card payments or wire transfers.
- The premium required to initially put the policy inforce will be an amount at least equal to the minimum premium until the next planned premium is scheduled to be paid, based on the payment mode you select.
- You can make unplanned premium payments, subject to a minimum of $250.
- Maximum premium limitations apply.
- If the total Account Value of the policy is enough to cover the plan charges, the policy will remain in effect even if you miss premium payments.

You have the flexibility to realign your Account Values. You may transfer existing values within the Fixed Account to any available Index Accounts. You may also move, or "reallocate," money from one Index Account to another and/or to the Fixed Account at the end of an Index Account Segment.

You will receive an Annual Report or Statement of Account at the end of each policy year, which will provide detailed information of the Account Values in each Account, along with policy charges deducted and interest credited. Please review this report each year to monitor your policy's performance. This will help you determine if premium payments should be adjusted or if you'd like to request other policy changes.

DEATH BENEFIT OPTIONS

With Global Assets IUL, you select a Face Amount of insurance. However, the value your beneficiaries ultimately receive can be greater or lower than the Face Amount depending on your choice of death benefit option, plus any additional benefits included, the total Account Value, loans, and/or pending charges.

- Under Option 1, the death benefit remains level over time despite the growth of the Account Value.
- Under Option 2, the death benefit equals the Face Amount plus the total Account Value, which may result in an increase of the death benefit, should Account Values grow over time.

ACCESS TO MONEY

As with traditional UL products, you have access to your funds during the life of the policy. Funds can be accessed through several mechanisms, including:

PARTIAL WITHDRAWALS

Partial Withdrawals are available to you after the first policy year, if values are sufficient. Partial Withdrawals are taken proportionately across all Accounts, unless you specify individual accounts. Partial Withdrawals are subject to a policy change fee as well as any applicable surrender charges.

TRADITIONAL AND PARTICIPATING LOANS

Two types of loans are available to you after the first policy year:

- Traditional Loans – With Traditional Loans, the loaned amount is moved from the Fixed Account and/or Index Account Segments and placed in a Loan Account, where it will earn interest at a rate declared by the company. It will never be less than the guaranteed rate of 2%.
- Participating Loans – With Participating Loans, loan amounts remain within the Fixed Account and/or Index Accounts, and interest is credited in the same manner. This allows you to continue earning the index-linked interest credit on Account Values within the Index Accounts, even under a loan situation.

The interest rate charged on borrowed values is variable and may change at each policy anniversary. Loans are charged interest and any unpaid loan interest will be added to the outstanding loan balance. You cannot have active loans under both types at the same time.

TOTAL CASH SURRENDER

You may also elect to completely surrender and discontinue your policy. In this event, the total surrender amount equals the Cash Surrender Value (the total Account Value less any outstanding loans and applicable surrender charges). Once surrendered, your policy will be terminated. It will not be eligible for a reinstatement.

Think Global Assets IUL might be a great choice for you? For additional details, please ask your PALIG representative.

PRODUCT FEATURES AT-A-GLANCE	
Type Of Policy	Indexed Universal Life plan with excellent cash value accumulation and flexible premiums. Interest rate credited to each Index Account is tied to the market performance of one of 3 global stock indexes. Also includes a traditional Fixed Account option.
Issue Ages	Preferred Plus Non-Tobacco **18-75** Preferred Non-Tobacco **18-80** Non-Tobacco **18-80** Preferred Tobacco **18-75** Tobacco **18-80** Issue Age is to be determined on an Age Last Birthday basis (Insured's actual age at issue). May be backdated up to 3 months but to save age only.
Maturity Date	At age 121 (or as extended by the Maturity Extension Rider)
Coverage	Minimum: $200,000 Maximum: No predetermined maximum[1]
Death Benefit Options	Option 1 (Level): Death benefit equals the policy's specified Face Amount. Option 2 (Increasing): Death benefit equals the policy's specified Face Amount plus the Account Value. Death benefit paid is net of any outstanding loans and/or deductions in place at the time.
No Lapse Guarantee	5 year no-lapse guarantee based on ongoing payment of the minimum specified premium during the no-lapse guarantee period.
Fixed Account Interest Rate	Guaranteed Rate: 2.0% Current rate set by the Company and periodically reevaluated
Index Account	Choice of 3 Index Accounts: S&P 500® Euro Stoxx 50® Hang Seng Index

Calculaton Basis For Index Accounts Interest Credited Rate	Interest rate is based on a One-Year Point-to-Point performance of the Index to which the account is tied. Participation Rate – Currently 100%, minimum of 75% Cap – Each index will have its own declared cap, minimum of 3% Floor – Minimum of 0%
Enhanced Credited Rate Bonus	Starting in Policy Year 7, each interest credit will earn an additional bonus interest credit, declared by the Company.
Methods Of Accessing Cash Value	Partial Withdrawals Traditional Loans Participating Loans
Additional Benefits & Riders	Maturity Extension Rider Terminal Illness Accelerated Benefit Rider Accidental Death Benefit Rider Waiver of Monthly Deductions Rider Primary Insured Term Rider Additional Insured Term Rider Critical Illness Rider
Product Solutions	Planning for Retirement Education Funding Family Protection Wealth Transfer Business Continuation

[1]Maximum coverage will be subject to individual evaluation, country of residence, and reinsurance capacity.
This is a US Dollar product and all amounts denoted by $ are in USD.

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Flexibility. Possibility. Control.

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