STATEMENT OF ADDITIONAL INFORMATION FOR THE

OAK ELITE ADVISORY REGISTERED INDEX-LINKED AND VARIABLE ANNUITY CONTRACT

Flexible Premium Deferred Index-Linked Variable Annuity Contract

Issued by

MIDLAND NATIONAL LIFE INSURANCE COMPANY

(Through Midland National Life Separate Account C)

Our Customer Service Center:

P.O. Box 9261

Des Moines, IA 50306-9261

(866) 747-3421

This Statement of Additional Information expands upon subjects discussed in the current Prospectus for the Midland Advisory Flexible Premium Index-Linked and Variable Annuity Contract ("Contract") issued by Midland National Life Insurance Company. You may obtain a free copy of the Prospectus dated May 1, 2026 by contacting us at our Customer Service Center using the above address and phone number. Terms used in the current Prospectus for the contract are incorporated in this document.

This statement of additional information is not a prospectus and should be read only in conjunction with the prospectus for the contract and the prospectuses for all of the Investment Portfolios currently available in the contract.

Dated May 1, 2026

TABLE OF CONTENTS

REGISTERED SEPARATE ACCOUNT AND THE COMPANY

The insurance company, Midland National Life Insurance Company, is a stock life insurance company. It was organized in 1906, in South Dakota, as a mutual life insurance company at that time named "The Dakota Mutual Life Insurance Company." We were reincorporated as a stock life insurance company, in 1909. Our name "Midland" was adopted in 1925. We were redomesticated to Iowa in 1999. We are licensed to do business in 49 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam and the Mariana Islands.

We are regulated and supervised by the Iowa Insurance Department. We are subject to the insurance laws and regulations in every jurisdiction where we sell insurance and annuity contracts. We are engaged in a broad range of insurance and insurance-related activities.

Midland National is a subsidiary of Sammons Enterprises, Inc., Dallas, Texas. Sammons Enterprises has controlling or substantial stock interests in a large number of other companies engaged in the areas of insurance, corporate services, and industrial distribution.

The Registered Separate Account, Separate Account C, was established under the insurance laws of the State of South Dakota in March 1991 and is now governed by Iowa law. It is registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 as a unit investment trust.

SERVICES

Midland National keeps the assets of the Midland National Life Separate Accounts and holds all funds of the Separate Account. Midland National maintains the proceeds of shares of the underlying Investment Options purchased and sold through the Midland National Life Separate Accounts. Financial statements of each Investment Option within Midland National Life Separate Account C and Midland National Life Insurance Company are prepared by PricewaterhouseCoopers LLP, 699 Walnut Street, Suite 1300, Des Moines, IA 50309.

THE CONTRACT

ENTIRE CONTRACT

The entire contract between you and us consists of the contract, the attached written application and any attached endorsements, riders, and amendments.

CHANGES TO THE CONTRACT

No one has the right to change any part of the contract or to waive any of its provisions unless the change is approved in writing by one of our officers. Only our President or Secretary may modify the contract.

We may change the contract without your consent to conform to state or federal laws or regulations. A change will be made by attaching an endorsement to the contract.

INCONTESTABILITY

We will not contest the contract.

MISSTATEMENT OF AGE OR SEX

If the age or sex of the annuitant has been misstated, we will adjust the amount of each annuity payment to whatever the applied value would have purchased at the correct age and sex.

Any underpayments made by us will be paid to the payee. Any overpayments made by us will be charged against benefits falling due after adjustment. All underpayments and overpayments will include interest at the rate required by the jurisdiction in which the contract is delivered.

NON-PARTICIPATING

The contract does not participate in the surplus or profits of the Company and the Company does not pay any dividends on it.

CLAIMS OF CREDITORS

To the extent permitted by law, no benefits payable based on the assets in the Registered Separate Account under the contract to a beneficiary or payee are subject to the claims of creditors.

MINIMUM BENEFITS

The annuity payments, Surrender Value and Death Benefit under the contract are not less than the minimum required by the laws of the state in which the contract is delivered.

OWNERSHIP

The contract belongs to you. You have all rights granted by the contract, including the right to change owners and beneficiaries, subject to the rights of:

1) Any assignee of record with us;

2) Any irrevocable beneficiary; and

3) Any restricted ownership.

We must receive written notice informing us of any change, designation or revocation. Once recorded, a change, designation or revocation takes effect as of the date the written notice was signed. However, we are not liable for payments made by us before we record the written notice. A change of owner may have adverse tax consequences.

ACCUMULATION UNIT VALUE

We determine Accumulation Unit Values for each Subaccount of our Registered Separate Account at the end of each Valuation Period. The Accumulation Unit Value for each Subaccount was initially set at $10.00. The Accumulation Unit Value for any Business Day is equal to the Accumulation Unit Value for the preceding Business Day multiplied by the net investment factor for that Subaccount on that Business Day.

We determine the net investment factor for each Subaccount every Valuation Period by taking a) divided by b) minus c) where:

a) Is the total of:

   1) The net asset value per share at the end of the current Valuation Period; plus

   2) Any dividend or capital gains per share reinvested during the current Valuation Period; plus

   3) Total accrued, but not yet reinvested, capital gains per share as of the current Valuation Period.

b) Is the net asset value plus the total accrued but not yet reinvested capital gains per share as of the preceding Valuation Period.

c) Is the Separate Account Annual Expenses for each day in the current Valuation Period.

We reserve the right to subtract any other daily charge for taxes or amounts set aside as a reserve for taxes. Generally, this means that we would adjust unit values to reflect what happens to the Investment Portfolios, and also for any charges.

ANNUITY PAYMENTS

The amount of each fixed annuity payment will be set on the Maturity Date and will not subsequently be affected by the investment performance of the Investment Options.

ADJUSTED HISTORICAL PERFORMANCE DATA

Midland National may also disclose adjusted historical performance data for an Subaccount for periods before the Subaccount commenced operations, based on the assumption that the Subaccount was in existence before it actually was, and that the Subaccount had been invested in a particular Investment Portfolio that was in existence prior to the Subaccount's commencement of operations. The Investment Portfolio used for these calculations will be the actual Investment Portfolio that the Subaccount will invest in.

Adjusted historical performance data of this type will be calculated as follows. First, the value of an assumed $1,000 investment in the applicable Investment Portfolio is calculated on a monthly basis by comparing the net asset value per share at the beginning of the month with the net asset value per share at the end of the month (adjusted for any dividend distributions during the month), and the resulting ratio is applied to the value of the investment at the beginning of the month to get the gross value of the investment at the end of the month. Second, that gross value is then reduced by a "contract charges" factor to reflect the charges imposed under the contract. The contract charges factor is calculated by taking the daily Separate Account asset charge. The total is then divided by 12 to get the monthly contract charges factor, which is then applied to the value of the hypothetical initial payment in the applicable Investment Portfolio to get the value in the Subaccount. The contract charges factor is assumed to be deducted at the beginning of each month. In this manner, the Ending Redeemable Value ("ERV") of a hypothetical $1,000 initial payment in the Subaccount is calculated each month during the applicable period, to get the ERV at the end of the period. Third, that ERV is then utilized in the formulas above.

This type of performance data may be disclosed on both an average annual total return and a cumulative total return basis. Moreover, it may be disclosed assuming that the contract is not surrendered (i.e., with no deduction for the contingent deferred sales charge) and assuming that the contract is surrendered at the end of the applicable period (i.e., reflecting a deduction for any applicable contingent deferred sales charge).

FEDERAL TAX MATTERS

TAX-FREE EXCHANGES (SECTION 1035)

Midland National accepts premiums which are the proceeds of a contract in a transaction qualifying for a tax-free exchange under Section 1035 of the Internal Revenue Code ("Code").

We also accept "rollovers" from contracts qualifying as individual retirement annuities or accounts (IRAs), or any other qualified contract which is eligible to "roll-over" into an IRA. The Company differentiates between non-qualified contracts and IRAs to the extent necessary to comply with federal tax laws. In all events, a tax adviser should be consulted with and relied upon before you effect an exchange or a rollover.

REQUIRED DISTRIBUTIONS

In order to be treated as an annuity contract for federal income tax purposes, section 72(s) of the Code requires any non-qualified contract to provide that (a) if any owner dies on or after the annuity date but prior to the time the entire interest in the contract has been distributed, the remaining portion of such interest will be distributed at least as rapidly as under the method of distribution being used as of the date of that owner's death; and (b) if any owner dies prior to the annuity starting date, the entire interest in the contract will be distributed (1) within five years after the date of that owner's death, or (2) as Annuity payments which will begin within one year of that owner's death and which will be made over the life of the owner's "designated beneficiary" or over a period not extending beyond the life expectancy of that beneficiary. The owner's "designated beneficiary" is the person to whom ownership of the contract passes by reason of death and must be a natural person. However, if the owner's designated beneficiary is the surviving spouse of the owner, the contract may be continued with the surviving spouse as the new owner.

The non-qualified contracts contain provisions which are intended to comply with the requirements of section 72(s) of the Code, although no regulations interpreting these requirements have yet been issued. We intend to review such provisions and modify them if necessary to assure that they comply with the requirements of Code section 72(s) when clarified by regulation or otherwise.

Other rules may apply to qualified contracts.

NON-NATURAL PERSON OWNERS

If a non-natural person (e.g., a corporation or a trust) owns a non-qualified contract, the taxpayer generally must include in income any increase in the excess of the account value over the investment in the contract (generally, the premiums or other consideration paid for the contract) during the taxable year.

There are some exceptions to this rule and a prospective owner that is not a natural person should discuss these with a tax adviser.

The tax discussion in the prospectus and herein generally applies to contracts owned by natural persons.

DIVERSIFICATION REQUIREMENTS

The Code requires that the investments of each Subaccount of the Separate Account underlying the contracts be "adequately diversified" in order for the contracts to be treated as annuity contracts for Federal income tax purposes. It is intended that each Subaccount, through the fund company in which it invests, will satisfy these diversification requirements.

OWNER CONTROL

In some circumstances, owners of variable contracts who retain control over the investment of the underlying Separate Account assets may be treated as owners of those assets and may be subject to tax on income produced by those assets. Although published guidance in this area does not address certain aspects of the contracts, we believe that the owner of a contract should not be treated as the owner of the Separate Account assets. We reserve the right to modify the contracts to bring them into conformity with applicable standards should such modification be necessary to prevent owners of the contracts from being treated as the owners of the underlying Separate Account assets.

TAXATION OF QUALIFIED CONTRACTS

The tax rules applicable to qualified contracts vary according to the type of retirement plan and the terms and conditions of the plan. Your rights under a qualified contract may be subject to the terms of the retirement plan itself, regardless of the terms of the qualified contract. Adverse tax consequences may result if you do not ensure that contributions, distributions and other transactions with respect to the contract comply with the law.

Individual Retirement Accounts and Annuities (IRAs), as defined in Section 408 of the Code, permit individuals to make annual contributions of up to the lesser of a specific dollar amount or the amount of compensation includable in the individual's gross income for the year. The contributions may be deductible in whole or in part, depending on the individual's income and whether the individual is a participant in a qualified plan. Distributions from certain retirement plans may be "rolled over" into an IRA on a tax-deferred basis without regard to these limits. Amounts in the IRA (other than nondeductible contributions) are taxed when distributed from the IRA. A 10% penalty tax generally applies to distributions made before age $59^1/_2$, unless certain exceptions apply.

Roth IRAs, as described in Code section 408A, permit certain eligible individuals to make non-deductible contributions to a Roth IRA in cash or as a rollover or transfer from another Roth IRA or other IRA. The owner may wish to consult a tax adviser before combining any converted amounts with any other Roth IRA contributions, including any other converted amounts from other tax years. Distributions from a Roth IRA generally are not taxed, except that, once aggregate distributions exceed contributions to the Roth IRA, income tax and a 10% penalty tax may apply to distributions made (1) before age $59^1/_2$ (subject to certain exceptions) or (2) during the five taxable years starting with the year in which the first contribution is made to any Roth IRA. A 10% penalty tax may apply to amounts attributable to a conversion from an IRA if they are distributed during the five taxable years beginning with the year in which the conversion was made.

The Setting Every Community Up for Retirement Enhancement Act of 2019 and 2022 (collectively, the "Secure Act") made changes to the required minimum distribution rules. Under the Secure Act, the age on which required minimum distributions generally must begin is based on the individual's applicable age. If the individual attains (1) age $70^1/_2$ before 2020, the applicable age is $70^1/_2$; (2) age

72 during or after 2020 but before 2023, the applicable age is 72; (3) age 72 during or after 2023 and age 73 before 2033, the applicable age is 73; or (4) age 74 after 2032, the applicable age is 75.

The Secure Act also provides that for qualified contract owners who die after January 1, 2020 that any designated beneficiary who is not an "eligible designated beneficiary" must withdraw the entire account value by the end of the tenth year following the year of death. This rule applies regardless of whether required minimum distributions have begun.

DISTRIBUTION OF THE CONTRACTS

The Contracts are offered on a continuous basis. We anticipate continuing to offer the Contracts, but reserve the right to discontinue the offering.

Sammons Financial Network, LLC. ("Sammons Financial Network") serves as principal underwriter for the Contracts. Sammons Financial Network is a Delaware limited liability company and its principal office is located at 8300 Mills Civic Parkway, West Des Moines, IA 50266. Sammons Financial Network is an indirect, wholly owned subsidiary of Sammons Enterprises, Inc. of Dallas, Texas, which in turn is the ultimate parent company of Midland National Life Insurance Company. Sammons Financial Network is registered as a broker-dealer with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as well as with the securities commissions in the states in which it operates, and is a member of FINRA, Inc. Sammons Financial Network offers the contracts through its registered representatives. Sammons Financial Network also may enter into selling agreements with other broker-dealers ("selling firms") and compensates them for their services. Registered representatives, who offer contracts, are appointed as insurance agents for Midland National Life Insurance Company.

We have entered into an agreement to pay a distribution allowance to Sammons Financial Network of 1.50% of total premiums received on the Contracts. The following amounts were paid to Sammons Financial Network for each of the last three fiscal years:

Fiscal Year	Aggregate Amount of Distribution Allowance paid to Sammons Financial Network *
2023	$3,724,565
2024	$8,926,126
2025	$14,171,402

* Represents amounts paid to Sammons Financial Network for the LiveWell Variable Annuity, the LiveWell Dynamic Annuity, and the Oak Elite Advisory RILA. The entire distribution amount was retained by Sammons Financial Network each year.

Sammons Financial Network or its affiliates via expense sharing agreements will pay the advertising and sales expenses related to the distribution of the contracts.

We and/or Sammons Financial Network may pay certain selling firms additional amounts for:

- participation in their marketing programs, which may include marketing services and increased access to their sales representatives;
- sales promotions relating to the contracts;
- costs associated with sales conferences and educational seminars for their sales representatives; and
- other sales expenses incurred by them.

We may pay flat dollar amounts to certain selling firms. Our sales and marketing personnel may be permitted to attend selling firm's annual, sales, and other conferences and/or may be given booth time, speaking time, or access to lists of the selling firm's registered representatives.

We and/or Sammons Financial Network may make bonus payments to certain selling firms based on aggregate sales or persistency standards. These additional payments are not offered to all selling firms, and the terms of any particular agreement governing the payments may vary among selling firms.

We do not pay commissions to financial intermediaries (i.e., Advisors) who receive Advisory Fees from Contract Owners. Your Advisor receives compensation in connection with the Contract in the form of those Advisory Fees.

SAFEKEEPING OF ACCOUNT ASSETS

Title to assets of the Separate Account is held by Midland National. The assets are held separate and apart from our general account assets. Records are maintained of all premiums and redemptions of Investment Portfolio shares held by each of the Subaccounts.

STATE REGULATION

Midland National is subject to the insurance laws and regulations of all the states where it is licensed to operate. The availability of certain contract rights and provisions depends on state approval and/or filing and review processes. Where required by state law or regulation, the contracts will be modified accordingly.

RECORDS AND REPORTS

All records and accounts relating to the Separate Account will be maintained by Midland National. As presently required by the Investment Company Act of 1940 and regulations promulgated thereunder, reports containing such information as may be required under that Act or by any other applicable law or regulation will be sent to owners semi-annually at their last known address of record.

FAIR VALUE FORMULAS FOR CYCLE INVESTMENTS

We compute the Cycle Investment Unit Value using the Fair Value.

For Cycle Investments with a Cap Rate Crediting Type. The Cycle Business Day's Cycle Investment Unit Value will equal the Fair Value per Cycle Values outstanding.

The Cycle Business Day Fair Value per Cycle Units outstanding equals the Cycle's Fair Value divided by the total number of Cycle Investment Units outstanding, each as of that day.

The Floor Rate and the Buffer Rate do not apply during the Cycle Term prior to the Cycle End Date. Thus, there is no protection against any decrease in value of the Cycle Investment for withdrawals during the Cycle Term prior to the Cycle End Date.

On the Cycle End Date. For each Cycle Investment, we determine the Cycle Investment Unit Value on its Cycle End Date based on the change in the Index Value (see A below), the Cap Rate, and the Floor Rate or the Buffer Rate, as applicable. As of the Cycle End Date, we compute the Cycle End Date Initial Unit Value (see B below). The Cycle End Date Unit Value will equal the Cycle End Date Initial Unit Value subject to the Cycle End Date Unit Value Cap (see C below) and the Cycle End Date Unit Value Floor for Cycles Investments with Floor Rates (see D below) and the Cycle End Date Unit Value Cap (see C below) and the Buffer Rate (see E below) for Cycle Investments with Buffer Rates (see E below),

A. Change in the Index Value

The change in Index Value equals:

1) The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by

2) The last reported value of the Index on the Cycle Start Date.

B. Cycle End Date Initial Unit Value

The Cycle End Date's initial Unit Value equals:

1) The initial Unit Value multiplied by

2) One plus the Change in Index Value, computed as set forth in A above.

C. Cycle End Date Unit Value Cap

The Cycle End Date's Unit Value Cap equals the Initial Cycle Investment Unit Value multiplied by one plus the Cap Rate.

D. Cycle End Date Unit Value Floor

The Cycle End Date Unit Value Floor equals the Initial Cycle Investment Unit Value multiplied by one plus the Floor Rate (which is a negative number).

E. Cycle End Date Unit Value Buffer

The Cycle End Date Unit Value Buffer equals any negative change in the Index Value offset by the Buffer Rate. If there is negative change of less than the Buffer Rate, then impact is 0% to Unit Value. If there is negative change greater than the Buffer Rate, then the Cycle End Date Unit Value Buffer is the Initial Cycle Investment Unit Value multiplied by one plus the difference between the change and the Buffer Rate (which is a negative number).

For Cycle Investments with a Participation Rate Crediting Type. The Cycle Business Day's Cycle Investment Unit Value will equal the Fair Value per Cycle Values outstanding:

The Cycle Business Day Fair Value per Cycle Units outstanding equals the Cycle's Fair Value divided by the total number of Cycle Investment Units outstanding, each as of that day.

The Buffer Rate does not apply during the Cycle Term prior to the Cycle End Date. Thus, there is no protection against any decrease in value of the Cycle Investment for withdrawals during the Cycle Term prior to the Cycle End Date.

On the Cycle End Date. For each Cycle Investment, we determine the Cycle Investment Unit Value on its Cycle End Date based on the change in the Index Value (see A below), the Participation Rate, and the Buffer Rate, as applicable. The Cycle End Date Unit Value will be determined with reference to the Participation Rate (see B below) if there is Index gain. The Cycle End Date Unit Value will equal the Initial Unit Value subject to the Cycle End Date Unit Value Buffer (see C below) if there is Index loss.

A. Change in the Index Value

The change in Index Value equals:

1.The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by

2.The last reported value of the Index on the Cycle Start Date.

B. Maturity unit value – Index gain

If the Change in Index Value, computed as set forth in A above, is greater than or equal to 0, the Cycle End Date's Unit Value equals:

1.The initial Unit Value multiplied by

2.One plus

3.The Change in Index Value, computed as set forth in A above, multiplied by the Participation Rate.

C. Cycle End Date Unit Value Buffer

The Cycle End Date Unit Value Buffer equals any negative change in the Index Value offset by the Buffer Rate. If there is negative change of less than the Buffer Rate, then impact is 0% to Unit Value. If the Index performance is between 0% and the Buffer Rate, then impact is 0% to Unit Value. If the Index performance is less than the Buffer Rate, then the Cycle End Date Unit Value Buffer is the Initial Cycle Investment Unit Value multiplied by one plus the difference between the change and the Buffer Rate (which is a negative number).

For Cycle Investments with a Cap Rate with Participation Rate Crediting Type*. The Cycle Business Day's Cycle Investment Unit Value will equal the Fair Value per Cycle Values outstanding:

The Cycle Business Day Fair Value per Cycle Units outstanding equals the Cycle's Fair Value divided by the total number of Cycle Investment Units outstanding, each as of that day.

The Buffer Rate does not apply during the Cycle Term prior to the Cycle End Date. Thus, there is no protection against any decrease in value of the Cycle Investment for withdrawals during the Cycle Term prior to the Cycle End Date.

On the Cycle End Date. For each Cycle Investment, we determine the Cycle Investment Unit Value on its Cycle End Date based on the change in the Index Value (see A below), the Cap Rate and/or Participation Rate, and the Buffer Rate, as applicable. The Cycle End Date Unit Value will be determined with reference to the Cap Rate and/or Participation Rate (see B below) if there is Index gain. The Cycle End Date Unit Value will equal the Initial Unit Value subject to the Cycle End Date Unit Value Buffer (see C below) if there is Index loss.

A. Change in the Index Value

The change in Index Value equals:

1.The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by

2.The last reported value of the Index on the Cycle Start Date.

B. Maturity unit value – Index gain

When a cycle has an Unlimited Cap Rate and a Participation Rate

If the Change in Index Value, computed as set forth in A above, is greater than or equal to 0, the Cycle End Date's Unit Value equals:

1.The initial Unit Value multiplied by

2.One plus

3. The Change in Index Value, computed as set forth in A above, multiplied by the Participation Rate, or

When the Participation Rate is set at 100% with a fixed Cap Rate

If the Change in Index Value, computed as set forth in A above, is greater than or equal to 0, the Cycle End Date's Unit Value will equal the Cycle End Date Initial Unit Value (See (a) below) subject to the Cycle End Date Unit Value Cap (see (b) below).

(a) Cycle End Date Initial Unit Value

The Cycle End Date's Initial Unit Value equals:

1.The initial Unit Value multiplied by

2.One plus the Change in Index Value, computed as set forth in A above.

(b) Cycle End Date Unit Value Cap

The Cycle End Date's Unit Value Cap equals the Initial Cycle Investment Unit Value multiplied by one plus the Cap Rate

*Cycle offerings for Cap Rate and Participation Rate either have Unlimited Cap Rate and a Par Rate or 100% Par Rate and a fixed Cap Rate.

C. Cycle End Date Unit Value Buffer

The Cycle End Date Unit Value Buffer equals any negative change in the Index Value offset by the Buffer Rate. If there is negative change of less than the Buffer Rate, then impact is 0% to Unit Value. If the Index performance is between 0% and the Buffer Rate, then impact is 0% to Unit Value. If the Index performance is less than the Buffer Rate, then the Cycle End Date Unit Value Buffer is the Initial Cycle Investment Unit Value multiplied by one plus the difference between the change and the Buffer Rate (which is a negative number).

Reporting. For each Cycle Investment in which you invest, we will make electronically available to you on each Cycle Business Day (i) the number of Cycle Investment Units credited to your Cycle Investment(s) and (ii) the Cycle Investment Unit Value on the Business Day preceding the Cycle Business Day.

At least once each year, we will send you a report containing information required by applicable state law and the following:

1) The beginning date and end date for the reporting period;
2) For each Cycle Investment in which you invested during the reporting period;
    a) The Start Date, Cycle Term, Floor Rate or Buffer Rate, Crediting Type (i.e., Cap Rate, Participation Rate, and the value of the Index on the Start Date, and if there was a Cycle End Date, the value of the Index on the Cycle End Date;
    b) The number of Cycle Investment Units credited to the Contract (i) at the beginning of the reporting period, and (ii) on the Cycle Business Day immediately prior to the date of the report;
    c) The number of Cycle Investment Units redeemed and the Cycle Investment Unit Value in connection with each withdrawal made during the current reporting period;
    d) The Cycle Investment Unit Value (i) at the beginning of the reporting period, and (ii) on the Cycle Business Day immediately prior to the date of the report;
3) The Index price for each Cycle Investment on the Start Date and, at the end of the current report period.

We have contracted with S&P Global Market Intelligence, an independent analytics firm, to be the Fair Value Calculation Agent to compute the Fair Value of a Cycle Investment Unit each Business Day during a Cycle Term. The Fair Value reflects the current value of financial instruments that would provide a return equal to the change in Index Value at the end of the Cycle Term subject to the Cap Rate/Participation Rate and subject to the Floor Rate /Buffer Rate. The Fair Value is based on a variety of factors considered by the Fair Value Calculation Agent, which include the change in the Index Value from the Cycle Start Date, volatility of the Index, changes in prevailing interest rates, dividend yield on the index, changes in index level, and the time remaining until the Cycle End Date. The Fair Value is determined using a formula which is based on the economic value of a hypothetical investments at the time of the valuation designed to match the Cycle Investment Value at the Cycle End Date.

The value of each of these financial instruments is determined by the Fair Value Calculation Agent using standard financial industry calculations. The call and put options are all valued using the Black-Scholes option valuation formula. The value of the zero-coupon bond is determined by a present value of the maturity value at a ***bond discount rate proxy for the appropriate credit rate*** (currently SOFR plus a spread). ***For the derivatives valuation we use a proxy risk-free interest rate*** (currently SOFR Rates).

Calculation of Fair Value for Cycle Investments with a Floor Rate and a Cap Rate:

The Fair Value Calculation Agent uses five hypothetical financial instruments to determine the Fair Value of a Cycle Investment during the Cycle Term. These hypothetical financial instruments are constructed to produce a return equal to the proceeds payable on a Cycle Investment on its Cycle End Date.

These financial instruments are:

1) A zero-coupon bond with a maturity date equal to the Cycle End Date, plus;
2) An at-the-money call option. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date, less;
3) An at-the-money put option. This is an option to sell a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date, less;

4) An out-of-the-money call option. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Cap Rate), plus;

5) An out-of-the-money put option. This is an option to sell a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Floor Rate (which is a negative number)).

The formulas for the above components are:

1) Zero coupon bond = (Maturity Value) / [(1 + d)^T]

Whereas; d = the discount rate for the term T (prevailing risk free rate, SOFR rate plus a spread, for term T) and T = time until Cycle End Date

2) Black-Scholes formula for a call option = $S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2)$;

where $d_1 = [\ln(S_t/K) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the at-the-money call option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to S_0

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield for the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an at-the-money call option on the Index that reflects the moneyness and term T at the time of the valuation

3) Black-Scholes formula for a put option = $K e^{-rT} N(-d_2) - S_t e^{-yT} N(-d_1)$;

where $d_1 = [\ln(S_t/K) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the at-the-money put option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to S_0

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield for the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an at-the-money put option on the Index that reflects the moneyness and term T at the time of the valuation

4) Black-Scholes formula for a call option = $S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2)$;

where $d_1 = [\ln(S_t/K) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the out-of-the-money call option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to $S_0(1 + \text{Cap Rate})$

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield for the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an out-the-money call option by the amount of the Cap Rate on the Index that reflects the moneyness and term T at the time of the valuation

5) Black-Scholes formula for a put option = $K e^{-rT} N(-d_2) - S_t e^{-yT} N(-d_1)$;

where $d_1 = [\ln(St/K) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the out-of-the-money put option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to S_0(1- Floor Rate)

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield on the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an out-the-money put option by the amount of the Floor Rate on the Index that reflects the moneyness and term T at the time of the valuation

Calculation of Fair Value for Cycle Investments with a Buffer Rate and a Cap Rate:

The Fair Value Calculation Agent uses four hypothetical financial instruments to determine the Fair Value of a Cycle Investment during the Cycle Term. These hypothetical financial instruments are constructed to produce a return equal to the proceeds payable on a Cycle Investment on its Cycle End Date. These financial instruments are:

1) A zero-coupon bond with a maturity date equal to the Cycle End Date, plus;

2) An at-the-money call option. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date, less;

3) An out-of-the-money call option. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Cap Rate), less;

4) An out-of-the-money put option. This is an option to sell a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Buffer Rate (which is a negative number)).

The formulas for the above components are:

1) Zero coupon bond = (Maturity Value) / [(1 + d)^T]

Whereas; d = the discount rate for term T (prevailing risk free rate, SOFR rate plus a spread, for term T) and T = time until Cycle End Date

2) Black-Scholes formula for a call option = $S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2)$;

where $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the at-the-money call option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to S_0

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield for the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an at-the-money call option on the Index that reflects the moneyness and term T at the time of the valuation

3) Black-Scholes formula for a call option = $S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2)$;

where $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the out-of-the-money call option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to S_0(1 + Cap Rate)

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield on the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an out-the-money call option by the amount of the Cap Rate on the Index that reflects the moneyness and term T at the time of the valuation

4) Black-Scholes formula for a put option = $Ke^{-rT}N(-d2) - S_te^{-yT}N(-d_1)$; where

$d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the out-of-the-money put option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to $S_0(1 - \text{Buffer Rate})$

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield on the Index

y = dividend yield

T = time until Cycle End Date

σ = volatility of an out-the-money put option by the amount of the Buffer Rate on the Index that reflects the moneyness and term T at the time of the valuation

Calculation of Fair Value for Cycle Investments with a Buffer Rate and a Participation Rate:

The Fair Value Calculation Agent uses three hypothetical financial instruments to determine the Fair Value of a Cycle Investment during the Cycle Term. These hypothetical financial instruments are constructed to produce a return equal to the proceeds payable on a Cycle Investment on its Cycle End Date. These financial instruments are:

1) A zero-coupon bond with a maturity date equal to the Cycle End Date, plus;

2) An at-the-money call option for an amount equal to the Participation Rate. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date, less;

3) An out-of-the-money put option. This is an option to sell a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Buffer Rate (which is a negative number)).

The formulas for the above components are:

1) Zero coupon bond = (Maturity Value) / [(1 + d)^T]

Whereas; d = the discount rate for term T (prevailing risk free rate, SOFR rate plus spread, for term T) and T = time until Cycle End Date

2) Black-Scholes formula for a call option times the Participation Rate = $(S_te^{-yT}N(d_1) - Ke^{-rT}N(d_2))$ * Participation Rate;

where $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the at-the-money call option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to S_0

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield for the Index

y = dividen yield

T = time until Cycle End Date

σ = volatility of an at-the-money call option on the Index that reflects the moneyness and term T at the time of the valuation

3) Black-Scholes formula for a put option = $Ke^{-rT}N(-d2) - S_te^{-yT}N(-d_1)$;

where $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

$d_2 = d_1 - \sigma\sqrt{T}$

Below are the inputs to calculate the out-of-the-money put option:

S_t = the Index level at the time of the valuation

S_0 = the starting Index level

K= strike price which is equal to $S_0(1 - \text{Buffer Rate})$

N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield on the Index
y = dividend yield

T = time until Cycle End Date

σ = volatility of an out-the-money put option by the amount of the Buffer Rate on the Index that reflects the moneyness and term T at the time of the valuation

Calculation of Fair Value for Cycle Investments with a Buffer Rate, a Cap Rate, and a Participation Rate:

For these cycles both a Cap Rate and a Par Rate will be declared. Depending on market conditions the Participation Rate will be set at 100% and the Cap Rate will not be unlimited or the Cap Rate will be unlimited and the Participation Rate will be set at a value greater than 100%.

Cap Rate is unlimited and Participation Rate is greater than 100%

The Fair Value Calculation Agent uses three hypothetical financial instruments to determine the Fair Value of a Cycle Investment during the Cycle Term. These hypothetical financial instruments are constructed to produce a return equal to the proceeds payable on a Cycle Investment on its Cycle End Date. These financial instruments are:

1) A zero-coupon bond with a maturity date equal to the Cycle End Date, plus;
2) An at-the-money call option for an amount equal to the Participation Rate. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date, less;
3) An out-of-the-money put option. This is an option to sell a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Buffer Rate (which is a negative number)).

The formulas for the above components are:

1) Zero coupon bond = (Maturity Value) / [(1 + d)^T]

   Whereas; d = the discount rate for term T (prevailing risk free rate, SOFR rate, for term T) and T = time until Cycle End Date

2) Black-Scholes formula for a call option times the Participation Rate = $(S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2))$ * Participation Rate; where

   $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

   $d_2 = d_1 - \sigma\sqrt{T}$

   Below are the inputs to calculate the at-the-money call option:

   S_t = the Index level at the time of the valuation

   S_0 = the starting Index level

   K= strike price which is equal to S_0

   N(x) = is cumulative probability function for the standard normal distribution

   r = risk free rate for term T less the annual dividend yield for the Index

   y = dividend yield

   T = time until Cycle End Date

   σ = volatility of an at-the-money call option on the Index that reflects the moneyness and term T at the time of the valuation

3) Black-Scholes formula for a put option = $Ke^{-rT}N(-d2) - S_t e^{-yT} N(-d_1)$;

   where $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

   $d_2 = d_1 - \sigma\sqrt{T}$

   Below are the inputs to calculate the out-of-the-money put option:

   S_t = the Index level at the time of the valuation

   S_0 = the starting Index level

   K= strike price which is equal to $S_0(1 - \text{Buffer Rate})$

   N(x) = is cumulative probability function for the standard normal distribution

   r = risk free rate for term T less the annual dividend yield on the Index

   y = dividend yield

   T = time until Cycle End Date

   σ = volatility of an out-the-money put option by the amount of the Buffer Rate on the Index that reflects the moneyness and term T at the time of the valuation

Participation Rate is 100% and the Cap Rate is not unlimited

The Fair Value Calculation Agent uses four hypothetical financial instruments to determine the Fair Value of a Cycle Investment during the Cycle Term. These hypothetical financial instruments are constructed to produce a return equal to the proceeds payable on a Cycle Investment on its Cycle End Date. These financial instruments are:

1) A zero-coupon bond with a maturity date equal to the Cycle End Date, plus;
2) An at-the-money call option. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date, less;
3) An out-of-the-money call option. This is an option to buy a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Cap Rate), less:
4) An out-of-the-money put option. This is an option to sell a position in the Index on the Cycle End Date at a strike price equal to the price of the Index on the Cycle Start Date times (1 + Buffer Rate (which is a negative number)).

The formulas for the above components are:

1) Zero coupon bond = (Maturity Value) / [(1 + d)^T]

   Whereas; d = the discount rate for term T (prevailing risk free rate, SOFR rate, for term T) and T = time until Cycle End Date

2) Black-Scholes formula for a call option = $S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2)$;

   where $d_1 = [\ln(S_t/k) + (r - y + \sigma^2/2)T] / \sigma\sqrt{T}$

   $d_2 = d_1 - \sigma\sqrt{T}$

   Below are the inputs to calculate the at-of-the-money put option:

   S_t = the Index level at the time of the valuation

   S_0 = the starting Index level

   K= strike price which is equal to S_0

   N(x) = is cumulative probability function for the standard normal distribution

   r = risk free rate for term T less the annual dividend yield on the Index

   y = dividend yield

   T = time until Cycle End Date

   σ = volatility of an out-the-money call option by the amount of the Buffer Rate on the Index that reflects the moneyness and term T at the time of the valuation

3) Black-Scholes formula for a call option = $(S_t e^{-yT} N(d_1) - K e^{-rT} N(d_2))$; where

   $d_1 = [\ln(S_t/k) + (r- y + \sigma^2/2)T] / \sigma\sqrt{T}$

   $d_2 = d_1 - \sigma\sqrt{T}$

   Below are the inputs to calculate the out-of-the-money call option:

   S_t = the Index level at the time of the valuation

   S_0 = the starting Index level

   K= strike price which is equal to $S_0(1 + \text{Cap Rate})$

   N(x) = is cumulative probability function for the standard normal distribution

   r = risk free rate for term T less the annual dividend yield on the Index

   y = dividend yield

   T = time until Cycle End Date

   σ = volatility of an out-the-money call option by the amount of the Cap Rate on the Index that reflects the moneyness and term T at the time of the valuation

4) Black-Scholes formula for a put option = $K e^{-rT} N(-d2) - S_t e^{-yT} N(-d_1)$;

   where $d_1 = [\ln(S_t/k) + (r- y + \sigma^2/2)T] / \sigma\sqrt{T}$

   $d_2 = d_1 - \sigma\sqrt{T}$

   Below are the inputs to calculate the out-of-the-money put option:

   S_t = the Index level at the time of the valuation

   S_0 = the starting Index level

   K= strike price which is equal to $S_0(1 - \text{Buffer Rate})$

   N(x) = is cumulative probability function for the standard normal distribution

r = risk free rate for term T less the annual dividend yield on the Index

y = dividend yield

T = time until Cycle End Date

σ = volatility of an out-the-money put option by the amount of the Buffer Rate on the Index that reflects the moneyness and term T at the time of the valuation

Examples Fair Value Per Cycle Investment Unit: 6-Year Cycle; -10% Floor, Cap Rate Crediting Type.

Component	6-Year Cycle; -10% Floor	**6-Year Cycle; -10% Floor**
Cycle Term (in months)	72	72
Valuation Date (months since Cycle Start Date)	12	66
Cap Rate	70%	70%
Time to End Date (in months)	60	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.43	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.34	$0.00
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$3.13	$3.87
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.48	$2.89
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$8.11	$8.85
Percentage Change in Contract Value as a result of Fair Value Adjustment	(18.85)%	(11.51)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.43	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.58	$0.22
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$1.54	$1.10
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.07	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$1.16	$0.50
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$9.55	$9.45
Percentage Change in Contract Value as a result of Fair Value Adjustment	(4.46)%	(5.51)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.43	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$2.86	$1.31
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.93	$0.21
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.31	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.69	$0.06
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.73	$10.99
Percentage Change in Contract Value as a result of Fair Value Adjustment	7.35%	9.94%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.43	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$5.19	$4.09
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.44	$0.01
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$1.22	$0.02
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.32	$0.00
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$12.28	$13.90
Percentage Change in Contract Value as a result of Fair Value Adjustment	22.79%	38.96%
Bond discount rate	3.49%	3.49%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.44%	3.44%
ATM Call volatility	20.84%	20.84%
ATM Put volatility	20.84%	20.84%
OTM Call volatility	14.20%	14.20%
OTM Put volatility	21.98%	21.98%

Examples Fair Value Per Cycle Investment Unit: 3-Year Cycle; -10% Floor, Cap Rate Crediting Type.

Component	3-Year Cycle; -10% Floor	3-Year Cycle; -10% Floor
Cycle Term (in months)	36	36
Valuation Date (months since Cycle Start Date)	12	30
Cap Rate	30%	30%
Time to End Date (in months)	24	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.35	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.03	$0.00
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$3.53	$3.87
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.67	$2.89
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$8.52	$8.85
Percentage Change in Contract Value as a result of Fair Value Adjustment	(14.79)%	(11.49)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.35	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.71	$0.18
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$1.28	$1.07
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.04	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.84	$0.48
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$9.57	$9.42
Percentage Change in Contract Value as a result of Fair Value Adjustment	(4.26)%	(5.78)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.35	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.90	$1.27
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.52	$0.17
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.36	$0.03
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.32	$0.05
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.69	$10.95
Percentage Change in Contract Value as a result of Fair Value Adjustment	6.93%	9.54%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.35	$9.83
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$4.42	$4.08
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.11	$0.00
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$1.94	$1.27
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.07	$0.00
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$11.79	$12.64
Percentage Change in Contract Value as a result of Fair Value Adjustment	17.89%	26.42%
Input Values used above as follows		
Bond discount rate	3.42%	3.42%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.35%	3.35%
ATM Call volatility	18.98%	18.98%
ATM Put volatility	18.98%	18.98%
OTM Call volatility	13.96%	13.96%
OTM Put volatility	20.88%	20.88%

Examples Fair Value Per Cycle Investment Unit: 1-Year Cycle; -10% Floor, Cap Rate Crediting Type.

Component	1-Year Cycle; -10% Floor	1-Year Cycle; -10% Floor
Cycle Term (in months)	12	12
Valuation Date (months since Cycle Start Date)	2	10
Cap Rate	12%	12%
Time to End Date (in months)	10	2
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.72	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.00	$0.00
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$3.77	$3.95
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.81	$2.96
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$8.76	$8.95
Percentage Change in Contract Value as a result of Fair Value Adjustment	(12.36)%	(10.50)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.72	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.28	$0.02
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$1.07	$0.98
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.03	$0.00
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.60	$0.29
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$9.49	$9.28
Percentage Change in Contract Value as a result of Fair Value Adjustment	(5.06)%	(7.21)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.72	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.41	$1.07
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.23	$0.03
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.57	$0.18
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.12	$0.00
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.46	$10.80
Percentage Change in Contract Value as a result of Fair Value Adjustment	4.63%	8.02%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.72	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$4.17	$4.03
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.01	$0.00
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$3.01	$2.84
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.01	$0.00
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.88	$11.14
Percentage Change in Contract Value as a result of Fair Value Adjustment	8.76%	11.37%
Input Values used above as follows		
Bond discount rate	3.44%	3.44%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.64%	3.64%
ATM Call volatility	17.50%	17.50%
ATM Put volatility	17.50%	17.50%
OTM Call volatility	14.04%	14.04%
OTM Put volatility	21.32%	21.32%

Examples Fair Value Per Cycle Investment Unit: 6-Year Cycle; -10% Buffer, Cap Rate with Participation Crediting Type.

Component	6-Year Cycle; -10% Buffer	6-Year Cycle; -10% Buffer
Cycle Term (in months)	72	72
Valuation Date (months since Cycle Start Date)	12	66
Participation Rate	110%	110%
Cap Rate	Unlimited	Unlimited
Time to End Date (in months)	60	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$0.38	$0.00
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.48	$2.89
4) Fair Value {1) + 2) - 3)}	$6.47	$6.96
Percentage Change in Contract Value as a result of Fair Value Adjustment	(35.29)%	(30.39)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$1.74	$0.24
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$1.16	$0.50
4) Fair Value {1) + 2) - 3)}	$9.15	$9.58
Percentage Change in Contract Value as a result of Fair Value Adjustment	(8.46)%	(4.17)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$3.15	$1.44
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.69	$0.06
4) Fair Value {1) + 2) - 3)}	$11.03	$11.23
Percentage Change in Contract Value as a result of Fair Value Adjustment	10.31%	12.31%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$5.71	$4.50
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.32	$0.00
4) Fair Value {1) + 2) - 3)}	$13.97	$14.35
Percentage Change in Contract Value as a result of Fair Value Adjustment	39.67%	43.46%
Input Values used above as follows		
Bond discount rate	3.13%	3.13%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.44%	3.44%
ATM Call volatility	20.84%	20.84%
OTM Call volatility		
OTM Put volatility	21.98%	21.98%

Examples Fair Value Per Cycle Investment Unit: 6-Year Cycle; -10% Buffer, Cap Rate with Participation Rate Crediting Type.

Component	6-Year Cycle; -10% Buffer	6-Year Cycle; -10% Buffer
Cycle Term (in months)	72	72
Valuation Date (months since Cycle Start Date)	12	66
Participation Rate	100%	100%
Cap Rate	250%	250%
Time to End Date (in months)	60	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.78	$9.87
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.34	$0.00
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.48	$2.89
5) Fair Value {1) + 2) - 3) - 4)}	$6.64	$6.98
Percentage Change in Contract Value as a result of Fair Value Adjustment	(33.58)%	(30.16)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.78	$9.87
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.58	$0.22
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$1.16	$0.50
5) Fair Value {1) + 2) - 3) - 4)}	$9.20	$9.58
Percentage Change in Contract Value as a result of Fair Value Adjustment	(7.99)%	(4.15)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.78	$9.87
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$2.86	$1.31
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.69	$0.06
5) Fair Value {1) + 2) - 3) - 4)}	$10.95	$11.12
Percentage Change in Contract Value as a result of Fair Value Adjustment	9.50%	11.23%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.78	$9.87
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$5.19	$4.09
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.32	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$13.65	$13.96
Percentage Change in Contract Value as a result of Fair Value Adjustment	36.54%	39.60%
Input Values used above as follows		
Bond discount rate	2.65%	2.65%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.44%	3.44%
ATM Call volatility	20.84%	20.84%
OTM Call volatility	5.33%	5.33%
OTM Put volatility	21.98%	21.98%

Examples Fair Value Per Cycle Investment Unit: 6-Year Cycle; -20% Buffer, Cap Rate with Participation Rate Crediting Type.

Component	6-Year Cycle; -20% Buffer	6-Year Cycle; -20% Buffer
Cycle Term (in months)	72	72
Valuation Date (months since Cycle Start Date)	12	66
Participation Rate	100%	100%
Cap Rate	200%	200%
Time to End Date (in months)	60	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.34	$0.00
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$1.89	$1.92
5) Fair Value {1) + 2) - 3) - 4)}	$7.02	$7.92
Percentage Change in Contract Value as a result of Fair Value Adjustment	(29.83)%	(20.76)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.58	$0.22
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.84	$0.17
5) Fair Value {1) + 2) - 3) - 4)}	$9.31	$9.89
Percentage Change in Contract Value as a result of Fair Value Adjustment	(6.92)%	(1.05)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$2.86	$1.31
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.49	$0.01
5) Fair Value {1) + 2) - 3) - 4)}	$10.94	$11.15
Percentage Change in Contract Value as a result of Fair Value Adjustment	9.38%	11.47%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.57	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$5.19	$4.09
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.22	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$13.54	$13.94
Percentage Change in Contract Value as a result of Fair Value Adjustment	35.37%	39.37%
Input Values used above as follows		
Bond discount rate	3.15%	3.15%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.44%	3.44%
ATM Call volatility	20.84%	20.84%
OTM Call volatility	7.00%	7.00%
OTM Put volatility	23.21%	23.21%

Examples Fair Value Per Cycle Investment Unit: 6-Year Cycle; -30% Buffer, Cap Rate with Participation Crediting Type.

Component	6-Year Cycle; -30% Buffer	6-Year Cycle; -30% Buffer
Cycle Term (in months)	72	72
Valuation Date (months since Cycle Start Date)	12	66
Participation Rate	100%	100%
Cap Rate	80%	80%
Time to End Date (in months)	60	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.52	$9.84
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.34	$0.00
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$1.38	$1.05
5) Fair Value {1) + 2) - 3) - 4)}	$7.48	$8.80
Percentage Change in Contract Value as a result of Fair Value Adjustment	(25.21)%	(12.05)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.52	$9.84
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.58	$0.22
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.03	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.59	$0.04
5) Fair Value {1) + 2) - 3) - 4)}	$9.48	$10.02
Percentage Change in Contract Value as a result of Fair Value Adjustment	(5.17)%	0.20%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.52	$9.84
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$2.86	$1.31
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.18	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.34	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$10.86	$11.15
Percentage Change in Contract Value as a result of Fair Value Adjustment	8.64%	11.53%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.52	$9.84
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$5.19	$4.09
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.88	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.15	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$12.68	$13.93
Percentage Change in Contract Value as a result of Fair Value Adjustment	26.83%	39.30%
Input Values used above as follows		
Bond discount rate	3.25%	3.25%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.44%	3.44%
ATM Call volatility	20.84%	20.84%
OTM Call volatility	13.45%	13.45%
OTM Put volatility	24.60%	24.60%

Examples Fair Value Per Cycle Investment Unit: 3-Year Cycle; -10% Buffer; Cap Rate Crediting Type.

Component	3-Year Cycle; -10% Buffer	3-Year Cycle; -10% Buffer
Cycle Term (in months)	36	36
Valuation Date (months since Cycle Start Date)	12	30
Cap Rate	100%	100%
Time to End Date (in months)	24	6
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.41	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.03	$0.00
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.67	$2.89
5) Fair Value {1) + 2) - 3) - 4)}	$6.76	$6.96
Percentage Change in Contract Value as a result of Fair Value Adjustment	(32.37)%	(30.41)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.41	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.71	$0.18
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.84	$0.48
5) Fair Value {1) + 2) - 3) - 4)}	$9.28	$9.55
Percentage Change in Contract Value as a result of Fair Value Adjustment	(7.23)%	(4.52)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.41	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.90	$1.27
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.32	$0.05
5) Fair Value {1) + 2) - 3) - 4)}	$10.98	$11.07
Percentage Change in Contract Value as a result of Fair Value Adjustment	9.85%	10.67%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.41	$9.85
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$4.42	$4.08
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.02	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.07	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$13.73	$13.93
Percentage Change in Contract Value as a result of Fair Value Adjustment	37.35%	39.31%
Input Values used above as follows		
Bond discount rate	3.11%	3.11%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.35%	3.35%
ATM Call volatility	18.98%	18.98%
OTM Call volatility	11.38%	11.38%
OTM Put volatility	20.88%	20.88%

Examples Fair Value Per Cycle Investment Unit: 1-Year Cycle; -10% Buffer, Cap Rate Crediting Type.

Component	1-Year Cycle; -10% Buffer	1-Year Cycle; -10% Buffer
Cycle Term (in months)	12	12
Valuation Date (months since Cycle Start Date)	2	10
Cap Rate	16%	16%
Time to End Date (in months)	10	2
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.70	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.00	$0.00
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.00	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.81	$2.96
5) Fair Value {1) + 2) - 3) - 4)}	$6.90	$6.98
Percentage Change in Contract Value as a result of Fair Value Adjustment	(31.02)%	(30.18)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.70	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.28	$0.02
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.01	$0.00
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.60	$0.29
5) Fair Value {1) + 2) - 3) - 4)}	$9.37	$9.67
Percentage Change in Contract Value as a result of Fair Value Adjustment	(6.28)%	(3.30)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.70	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.41	$1.07
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.36	$0.06
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.12	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$10.64	$10.95
Percentage Change in Contract Value as a result of Fair Value Adjustment	6.36%	9.47%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.70	$9.94
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$4.17	$4.03
3) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$2.63	$2.44
4) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.01	$0.00
5) Fair Value {1) + 2) - 3) - 4)}	$11.24	$11.53
Percentage Change in Contract Value as a result of Fair Value Adjustment	12.36%	15.31%
Input Values used above as follows		
Bond discount rate	3.67%	3.67%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.64%	3.64%
ATM Call volatility	17.50%	17.50%
OTM Call volatility	12.96%	12.96%
OTM Put volatility	21.32%	21.32%

Examples Fair Value Per Cycle Investment Unit: 1-Year Cycle; -10% Buffer, Participation Rate Crediting Type.

Component	1-Year Cycle; -10% Buffer	1-Year Cycle; -10% Buffer
Cycle Term (in months)	12	12
Valuation Date (months since Cycle Start Date)	2	10
Participation Rate	65%	65%
Time to End Date (in months)	10	2
Assuming Change in Index Value -40% (for example from 1,000 to 600)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.84	$9.97
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$0.00	$0.00
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$2.81	$2.96
4) Fair Value {1) + 2) - 3)}	$7.03	$7.01
Percentage Change in Contract Value as a result of Fair Value Adjustment	(29.69)%	(29.91)%
Assuming Change in Index Value -10% (for example from 1,000 to 900)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.84	$9.97
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$0.18	$0.02
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.60	$0.29
4) Fair Value {1) + 2) - 3)}	$9.42	$9.69
Percentage Change in Contract Value as a result of Fair Value Adjustment	(5.81)%	(3.11)%
Assuming Change in Index Value +10% (for example from 1,000 to 1,100)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.84	$9.97
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$0.92	$0.69
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.12	$0.00
4) Fair Value {1) + 2) - 3)}	$10.63	$10.66
Percentage Change in Contract Value as a result of Fair Value Adjustment	6.34%	6.57%
Assuming Change in Index Value +40% (for example from 1,000 to 1,400)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.84	$9.97
2) Fair Value of hypothetical at-the-money call option (ATM Call)*Participation Rate	$2.71	$2.62
3) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.01	$0.00
4) Fair Value {1) + 2) - 3)}	$12.54	$12.59
Percentage Change in Contract Value as a result of Fair Value Adjustment	25.39%	25.88%
Input Values used above as follows		
Bond discount rate	1.98%	1.98%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.64%	3.64%
ATM Call volatility	17.50%	17.50%
OTM Call volatility		
OTM Put volatility	21.32%	21.32%

Examples: Fair Value when market inputs change after issue versus if market inputs are the same as from issue.

Examples Fair Value Per Cycle Investment Unit: 6-Year Cycle; -10% Floor, Cap Rate Crediting Type.

Component	6-Year Cycle; -10% Floor	6-Year Cycle; -10% Floor
Cycle Term (in months)	72	72
Valuation Date (months since Cycle Start Date)	6	24
Cap Rate	70%	70%
Time to End Date (in months)	66	48
Assuming Change in Index Value +5% (for example from 1,000 to 1,050)		
1) Fair Value hypothetical zero coupon bond (Bond)	$8.28	$7.93
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$2.63	$2.27
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$1.08	$0.99
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.28	$0.13
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.81	$0.70
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.36	$9.78
Percentage Change in Contract Value as a result of Fair Value Adjustment	3.61%	(2.18)%
Input Values used above as follows		
Bond discount rate	3.49%	5.99%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.44%	3.44%
ATM Call volatility	20.84%	20.84%
ATM Put volatility	20.84%	20.84%
OTM Call volatility	14.20%	14.20%
OTM Put volatility	21.98%	21.98%

Examples Fair Value Per Cycle Investment Unit: 3-Year Cycle; -10% Floor, Cap Rate Crediting Type.

Component	3-Year Cycle; -10% Floor	3-Year Cycle; -10% Floor
Cycle Term (in months)	36	36
Valuation Date (months since Cycle Start Date)	6	12
Cap Rate	30%	30%
Time to End Date (in months)	30	24
Assuming Change in Index Value +2% (for example from 1,000 to 1,020)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.19	$8.91
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$1.52	$1.36
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.82	$0.76
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.26	$0.18
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.55	$0.48
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.18	$9.82
Percentage Change in Contract Value as a result of Fair Value Adjustment	1.81%	(1.84)%
Input Values used above as follows		
Bond discount rate	3.42%	5.92%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.35%	3.35%
ATM Call volatility	18.98%	18.98%
ATM Put volatility	18.98%	18.98%
OTM Call volatility	13.96%	13.96%
OTM Put volatility	20.88%	20.88%

Examples Fair Value Per Cycle Investment Unit: 1-Year Cycle; -10% Floor, Cap Rate Crediting Type.

Component	1-Year Cycle; -10% Floor	1-Year Cycle; -10% Floor
Cycle Term (in months)	12	12
Valuation Date (months since Cycle Start Date)	2	6
Cap Rate	12%	12%
Time to End Date (in months)	10	6
Assuming Change in Index Value +1% (for example from 1,000 to 1,010)		
1) Fair Value hypothetical zero coupon bond (Bond)	$9.72	$9.70
2) Fair Value of hypothetical at-the-money call option (ATM Call)	$0.79	$0.61
3) Fair Value of hypothetical at-the-money put option (ATM Put)	$0.49	$0.39
4) Fair Value of hypothetical out-of-the-money call option (OTM Call)	$0.21	$0.10
5) Fair Value of hypothetical out-of-the-money put option (OTM Put)	$0.26	$0.16
6) Fair Value {1) + 2) - 3) - 4) + 5)}	$10.07	$9.98
Percentage Change in Contract Value as a result of Fair Value Adjustment	0.71%	(0.21)%
Input Values used above as follows		
Bond discount rate	3.44%	6.19%
Annual dividend yield	1.18%	1.18%
Risk free rate	3.64%	3.64%
ATM Call volatility	17.50%	17.50%
ATM Put volatility	17.50%	17.50%
OTM Call volatility	14.04%	14.04%
OTM Put volatility	21.32%	21.32%

CYCLE INVESTMENT UNIT VALUE EXAMPLES

For each active Cycle Investment, the Cycle Investment Unit Value will be calculated on each Cycle Business Day based on Cycle Investment's Fair Value as determined by the Fair Value Calculation Agent and the number of Cycle Investment units held.

Start Date

The Initial Cycle Investment Unit Value will be set as $10 for each Cycle on the Start Date.

During the Cycle Term

Each Cycle Business Day prior to Cycle End Date, the Cycle Investment Unit Value will be calculated as:

The Cycle Investment Unit Value based on the Fair Value

Each Business Day the Fair Value of each Cycle Investment will be determined by a Fair Value Calculation Agent.

The Fair Value per Cycle Units outstanding = Fair Value / number of Cycle Investment Units

Example 1: A Cycle Investment that is 150 days since the Cycle Start Date, has a 3 year Cycle Term, a 20% Cap Rate, a Fair Value of $1,250,000, and current number of Cycle Investment Units of 100,000.

The Fair Value per Cycle Units outstanding = Fair Value / number of Cycle Investment Units = $1,250,000 / 100,000 = $12.50

The Cycle Investment Unit Value = $12.50,

Example 2: A Cycle Investment that is 150 days since the Start Date, has a 3 year Cycle Term, a 20% Cap Rate, a Fair Value of $900,000, and current number of Cycle Investment Units of 100,000.

The Fair Value per Cycle Units outstanding = Fair Value / number of Cycle Investment Units = $900,000 / 100,000 = $9.00

The Cycle Investment Unit Value = $9.00

During the Cycle Term prior to the Cycle End Date, no Floor Rate or Buffer Rate applies. Thus, during the Cycle Term, the decrease in the Cycle Investment Unit Value is not protected by Floor Rate or Buffer Rate protection. This means that you could lose all of your principal invested in a Cycle, if you take a withdrawal prior to the Cycle End Date.

Withdrawals from the Cycle Investment prior to the Cycle End Date are permitted and the impact of the withdrawal on the amount of investment remaining in the Cycle Investment is based on the dollar amount withdrawn and the Cycle Investment Unit Value at the time of the Withdrawal.

(A) The dollar amount of the Withdrawal is translated into number of Cycle Investment Units withdrawn as (dollar amount of the Withdrawal) / (Cycle Investment Unit Value at the time of the Withdrawal) = number of Cycle Investment Units withdrawn.

(B) The number of Cycle Investment Units remaining after the Withdrawal = (number of Cycle Investment Units prior to Withdrawal) – (number of Cycle Investment Units withdrawn [as calculated in (A) above]).

(C) Value of the remaining investment in the Cycle Investment = (number of Cycle Investment Units remaining after the Withdrawal [as calculated in (B) above]) × (Cycle Investment Unit Value at the time of the Withdrawal).

Example 1: A Cycle Investment prior to the Cycle End Date has a current Cycle Investment Unit Value of $10 and current number of Cycle Investment Units of 10,000 has withdrawals of $10,000.

(A) The number of Cycle Investment Units withdrawn = (dollar amount of the Withdrawal) / (Cycle Investment Unit Value at the time of the Withdrawal) = $10,000 / $10 = 1,000.

(B) The number of Cycle Investment Units remaining after the withdrawal = (number of Cycle Investment Units prior to the Withdrawal) – (number of Cycle Investment Units withdrawn) = 10,000 – 1,000 = 9,000.

(C) The value of the remaining investment in the Cycle Investment = (number of Cycle Investment Units remaining after the Withdrawal) × (Cycle Investment Unit Value at the time of the Withdrawal) = 9,000 × $10 = $90,000.

Example 2: A -10% Floor Cycle that had an initial Cycle Investment of $100,000, takes a withdrawal prior to the Cycle End Date. The current Cycle Investment Unit Value is $7.00 (note: if the Floor Rate applied prior to the Cycle End Date, the Cycle Investment Unit Value would be $9.00 = $10 * (1 + Cycle Floor Rate)) and current number of Cycle Investment Units of 10,000 has a withdrawal of $7,000.

(A) The number of Cycle Investment Units withdrawn = (dollar amount of the Withdrawal) / (Cycle Investment Unit Value at the time of the Withdrawal) = $7,000 / $7.00 = 1,000.

(B) The number of Cycle Investment Units remaining after the withdrawal = (number of Cycle Investment Units prior to the Withdrawal) – (number of Cycle Investment Units withdrawn) = 10,000 – 1,000 = 9,000.

(C) The value of the remaining investment in the Cycle Investment = (number of Cycle Investment Units remaining after the Withdrawal) × (Cycle Investment Unit Value at the time of the Withdrawal) = 9,000 × $7 = $63,000.

Example 3: A -10% Buffer Cycle that had an initial Cycle Investment of $100,000, takes a withdrawal prior to the Cycle End Date. The current Cycle Investment Unit Value is $7.00 (note: if the Buffer Rate applied prior to the Cycle End Date, the Cycle Investment Unit Value would be $8.00 = $10 * (30% + Buffer Rate)) and current number of Cycle Investment Units of 10,000 has a withdrawal of $7,000.

(A) The number of Cycle Investment Units withdrawn = (dollar amount of the Withdrawal) / (Cycle Investment Unit Value at the time of the Withdrawal) = $7,000 / $7.00 = 1,000.

(B) The number of Cycle Investment Units remaining after the withdrawal = (number of Cycle Investment Units prior to the Withdrawal) – (number of Cycle Investment Units withdrawn) = 10,000 – 1,000 = 9,000.

(C) The value of the remaining investment in the Cycle Investment = (number of Cycle Investment Units remaining after the Withdrawal) × (Cycle Investment Unit Value at the time of the Withdrawal) = 9,000 × $7 = $63,000.

On the Cycle End Date for Cycle Investments with a Floor Rate and a Cap Rate

The Cycle End Date Unit Value will equal the Cycle Investment Unit Value on the Cycle End Date subject to being no greater than the Cycle End Date Unit Value Cap (See D below) and being no less than the Cycle End Date Unit Value Floor (see E below).

(A) Initial Cycle Investment Unit Value:

1. The Initial Cycle Investment Unit Value = $10

(B) Change in the Index Value

The Change in the Index Value equals:

1. The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Start Date, divided by.
2. The last reported Value of the Index on the Start Date.

(C) Cycle End Date Initial Unit Value

The Cycle End Date's initial Unit Value equals:

1. The Initial Cycle Investment Unit Value multiplied by
2. One plus the Change in Index Value, computed as set forth in (B) above.

(D) Cycle End Date Unit Value Cap

The Cycle End Date's Unit Value Cap equals the Initial Cycle Investment Unit Value multiplied by (one plus the Cap Rate.)

(E) Cycle End Date unit value Floor

The Cycle End Date's unit value Floor equals the Initial Cycle Investment Unit Value multiplied by (one plus the Floor Rate (which is a negative number)).

(F) Maturity unit value

Cycle Investment Unit Cycle Investment Value is the greater of (i) (E) ; or (ii) the lesser of (C) and (D).

Example 1: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 1,500, Index Value on the Cycle Start Date is 1,000, and the Floor Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (1,500 – 1,000)/1,000 = 50%
(C) Cycle End Date Initial Unit Value = $10 × (1+50%) = $15.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Floor = $10 × (1+ -10%) = $9.00

Cycle Investment Unit Value = (C) subject to being no greater than (D) and no less than (E) = Max {$9.00 and Min($15.00, $12.00)} = $12.00

Example 2: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 800, Index Value on the Start Date is 1,000, and the Floor Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (800 – 1,000)/1,000 = -20%
(C) Cycle End Date initial Unit Value = $10 × (1+-20%) = $8.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Floor = $10 × (1+ -10%) = $9.00

Cycle Investment Unit Value = (C) subject to being no greater than (D) and no less than (E) = Max{$9.00 and Min($8.00, $12.00)} = $9.00

Example 3: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 1,100, Index Value on the Start Date is 1,000, and the Floor Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (1,100 – 1,000)/1,000 = 10%
(C) Cycle End Date initial Unit Value = $10 × (1+10%) = $11.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Floor = $10 × (1+ -10%) = $9.00

Cycle Investment Unit Value = (C) subject to being no greater than (D) and no less than (E) = Max{$9.00 and Min($11.00 , $12.00)} = $11.00

The value of investment in a Cycle Investment on the Cycle End Date is equal to the (number of Cycle Investment Units at the Cycle End Date) × (Cycle Investment Unit Value on the Cycle End Date).

Example 1: A Cycle on the Cycle End Date has a current Cycle Investment Unit Value of $12.31 and current number of Units of 10,000. The value of the investments in the Cycle on the Cycle End Date is $12.31 × 10,000 = $123,100.

On the Cycle End Date for Cycle Investments with a Buffer Rate and a Cap Rate

The Cycle End Date Unit Value will equal the Cycle End Date Initial Unit Value subject to being no greater than the Cycle End Date Unit Value Cap (See D below) and for losses that occur in excess of the Cycle End Date Unit Value Buffer (see E below).

(A) Initial Cycle Investment Unit Value:

1. The Initial Cycle Investment Unit Value = $10

(B) Change in the Index Value:

The Change in the Index Value equals:

1. The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by.
2. The last reported Value of the Index on the Cycle Start Date.

(C) Cycle End Date initial Unit Value

The Cycle End Date's initial Unit Value equals:

1. The Initial Unit Value multiplied by
2. One plus the Change in Index Value, computed as set forth in (B) above.

(D) Cycle End Date Unit Value Cap

The Cycle End Date's Unit Value Cap equals the Initial Cycle Investment Unit Value multiplied by one plus the Cap Rate.

(E) Cycle End Date Unit Value Buffer

If the Change in Index Value, as computed in (B) above, is greater than or equal to the Buffer Rate (i.e., is not a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value. If the Change in the Index Value, as computed in (B) above, is less than the Buffer Rate (i.e., is a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value multiplied by one plus the quantity of the Change in Index Value minus the Buffer Rate.

(F) Maturity unit value

Cycle Investment Unit Value is the greater of (i) (E); or (ii) the lesser of (C) and (D).

Example 1: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 950, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (950 – 1,000)/1,000 = -5.0%
(C) Cycle End Date initial Unit Value = $10 × (1+-5.0%) = $9.50
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of -5.0% is greater than Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is the Initial Unit Value of $10.00.

Cycle Investment Unit Value = Greater of $10.00 versus Min{$9.50, $12.00}, which is $10.00.

Example 2: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 800, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Unit Value = $10.00
(B) Change in Index Value = (800 – 1,000)/1,000 = -20.0%
(C) Cycle End Date Initial Unit Value = $10 × (1+-20.0%) = $8.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $9.00; since the Change in Index Value of -20.0% is less than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10 * (1 + -20% --10%) = $9.00.

Cycle Investment Unit Value = Greater of $9.00 versus Min{$8.00 , $12.00}, which is $9.00.

Example 3: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 1,100, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (1,100 – 1,000)/1,000 = 10.0%
(C) Cycle End Date Initial Unit Value = $10 × (1+10.0%) = $11.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of 10% is greater than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10.00.

Cycle Investment Unit Value = Greater of $10.00 versus Min{$11.00 , $12.00}, which is $11.00.

Example 4: A Cycle Investment matures, the Cap Rate is 20%, Index Value on the Cycle End Date is 1,500, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Unit Value = $10.00
(B) Change in Index Value = (1,500 – 1,000)/1,000 = 50.0%
(C) Cycle End Date Initial Unit Value = $10 × (1+50.0%) = $15.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of 50% is greater than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10.00.

Cycle Investment Unit Value = Greater of $10.00 versus Min{$15.00, $12.00}, which is $12.00.

The value of investment in a Cycle Investment on the Cycle End Date is equal to the (number of Cycle Investment Units at the Cycle End Date) * (Cycle Investment Unit Value on the Cycle End Date).

Example 1: A Cycle Investment on the Cycle End Date has a current Cycle Investment Unit Value of $12.31 and current number of Cycle Investment Units of 10,000 the value of the investments in the Cycle Investment on the Cycle End Date is $12.31 * 10,000 = $123,100.

On the Cycle End Date for Cycle Investments with a Buffer Rate and a Participation Rate

The Cycle End Date Unit Value will be determined with reference to the Participation Rate (See C below) if there is Index gain and will equal the Initial Unit Value subject to losses that occur in excess of the Cycle End Date Unit Value Buffer (see D below) if there is Index loss.

(A) Initial Cycle Investment Unit Value:

1. The Initial Cycle Investment Unit Value = $10

(B) Change in the Index Value:

The Change in the Index Value equals:

1. The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by.
2. The last reported Value of the Index on the Cycle Start Date.

(C) Maturity unit value – Index Gain

If the Change in Index Value, computed as set forth in (B) above is greater than or equal to zero, the Cycle End Date's Unit Value equals:

1. The Initial Unit Value multiplied by
2. One plus the Change in Index Value, computed as set forth in (B) above, multiplied by the Participation Rate.

(D) Cycle End Date Unit Value Buffer

If the Change in Index Value, as computed in (B) above, is greater than or equal to the Buffer Rate (i.e., is not a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value. If the Change in the Index Value, as computed in (B) above, is less than the Buffer Rate (i.e., is a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value multiplied by one plus the quantity of the Change in Index Value minus the Buffer Rate.

(E) Maturity unit value – Index Loss

If the Change in Index Value is less than zero, the Cycle End Date's Unit Value is subject to (D).

Example 1: A Cycle Investment matures, the Participation Rate is 80%, Index Value on the Cycle End Date is 950, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (950 – 1,000)/1,000 = -5.0%
(C) Is not applicable in this example because the Change in Index Value, computed in (B) above, is less than 0
(D) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of -5.0% is greater than Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is the Initial Unit Value of $10.00

Cycle Investment Unit Value = Cycle End Date Unit Value Buffer computed as set forth in (D) above, which is $10.00.

Example 2: A Cycle Investment matures, the Participation Rate is 80%, Index Value on the Cycle End Date is 800, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Unit Value = $10.00
(B) Change in Index Value = (800 – 1,000)/1,000 = -20.0%
(C) Is not applicable in this example because the Change in Index Value, computed in (B) above, is less than 0
(D) Cycle End Date Unit Value Buffer = $9.00; since the Change in Index Value of -20.0% is less than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10 * (1 + -20% – 10%) = $9.00.

Cycle Investment Unit Value = Cycle End Date Unit Value Buffer computed as set forth in (D) above, which is $9.00.

Example 3: A Cycle Investment matures, the Participation Rate is 80%, Index Value on the Cycle End Date is 1,100, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (1,100 – 1,000)/1,000 = 10.0%
(C) Cycle End Date Unit Value = $10 × (1+80%*10.0%) = $10.80
(D) Is not applicable in this example because the Change in Index Value computed in (B) above is greater than 0

Cycle Investment Unit Value =$10.80 as computed in (C), since the Change in Index Value, as computed in (B) above, is greater than 0.

The value of investment in a Cycle on the Cycle End Date is equal to the (number of Cycle Investment Units at the Cycle End Date) * (Cycle Investment Unit Value on the Cycle End Date).

Example 1: A Cycle Investment on the Cycle End Date has a current Cycle Investment Unit Value of $12.31 and current number of Cycle Investment Units of 10,000 the value of the investments in the Cycle Investment on the Cycle End Date is $12.31 * 10,000 = $123,100.

On the Cycle End Date for Cycle Investments with a Buffer Rate, a Cap Rate, and a Participation Rate

For these cycles both a Cap Rate and a Par Rate will be declared. Depending on market conditions the Participation Rate will be set at 100% and the Cap Rate will not be unlimited or the Cap Rate will be unlimited and the Participation Rate will be set at a value greater than 100%.

Participation Rate is 100% and the Cap Rate is not unlimited

The Cycle End Date Unit Value will equal the Cycle End Date Initial Unit Value subject to being no greater than the Cycle End Date Unit Value Cap (See D below) and for losses that occur in excess of the Cycle End Date Unit Value Buffer (see E below). The Participation Rate does not apply in the unit value determination

(A) Initial Cycle Investment Unit Value:

1. The Initial Cycle Investment Unit Value = $10

(B) Change in the Index Value:

The Change in the Index Value equals:

1. The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by.
2. The last reported Value of the Index on the Cycle Start Date.

(C) Cycle End Date initial Unit Value

The Cycle End Date's initial Unit Value equals:

1. The Initial Unit Value multiplied by
2. One plus the Change in Index Value, computed as set forth in (B) above.

(D) Cycle End Date Unit Value Cap

The Cycle End Date's Unit Value Cap equals the Initial Cycle Investment Unit Value multiplied by one plus the Cap Rate.

(E) Cycle End Date Unit Value Buffer

If the Change in Index Value, as computed in (B) above, is greater than or equal to the Buffer Rate (i.e., is not a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value. If the Change in the Index Value, as computed in (B) above, is less than the Buffer Rate (i.e., is a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value multiplied by one plus the quantity of the Change in Index Value minus the Buffer Rate.

(F) Maturity unit value

Cycle Investment Unit Value is the greater of (i) (E); or (ii) the lesser of (C) and (D).

Example 1: A Cycle Investment matures, the Cap Rate is 20% and the Participation Rate is 100%, Index Value on the Cycle End Date is 950, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (950 – 1,000)/1,000 = -5.0%
(C) Cycle End Date initial Unit Value = $10 × (1+-5.0%) = $9.50
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of -5.0% is greater than Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is the Initial Unit Value of $10.00.

Cycle Investment Unit Value = Greater of $10.00 versus Min{$9.50, $12.00}, which is $10.00.

Example 2: A Cycle Investment matures, the Cap Rate is 20% and the Participation Rate is 100%, Index Value on the Cycle End Date is 800, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Unit Value = $10.00
(B) Change in Index Value = (800 – 1,000)/1,000 = -20.0%
(C) Cycle End Date Initial Unit Value = $10 × (1+-20.0%) = $8.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $9.00; since the Change in Index Value of -20.0% is less than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10 * (1 + -20% --10%) = $9.00.

Cycle Investment Unit Value = Greater of $9.00 versus Min{$8.00 , $12.00}, which is $9.00.

Example 3: A Cycle Investment matures, the Cap Rate is 20% and the Participation Rate is 100%, Index Value on the Cycle End Date is 1,100, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (1,100 – 1,000)/1,000 = 10.0%
(C) Cycle End Date Initial Unit Value = $10 × (1+10.0%) = $11.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of 10% is greater than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10.00.

Cycle Investment Unit Value = Greater of $10.00 versus Min{$11.00 , $12.00}, which is $11.00.

Example 4: A Cycle Investment matures, the Cap Rate is 20% and the Participation Rate is 100%, Index Value on the Cycle End Date is 1,500, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Unit Value = $10.00
(B) Change in Index Value = (1,500 – 1,000)/1,000 = 50.0%
(C) Cycle End Date Initial Unit Value = $10 × (1+50.0%) = $15.00
(D) Cycle End Date Unit Value Cap = $10 × (1+20%) = $12.00
(E) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of 50% is greater than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10.00.

Cycle Investment Unit Value = Greater of $10.00 versus Min{$15.00, $12.00}, which is $12.00.

The value of investment in a Cycle Investment on the Cycle End Date is equal to the (number of Cycle Investment Units at the Cycle End Date) * (Cycle Investment Unit Value on the Cycle End Date).

Example 1: A Cycle Investment on the Cycle End Date has a current Cycle Investment Unit Value of $12.31 and current number of Cycle Investment Units of 10,000 the value of the investments in the Cycle Investment on the Cycle End Date is $12.31 * 10,000 = $123,100.

Cap Rate is unlimited and Participation Rate is greater than 100%

The Cycle End Date Unit Value will be determined with reference to the Participation Rate (See C below) if there is Index gain and will equal the Initial Unit Value subject to losses that occur in excess of the Cycle End Date Unit Value Buffer (see D below) if there is Index loss. The cap rate does not apply in the unit value determination.

(A) Initial Cycle Investment Unit Value:

1. The Initial Cycle Investment Unit Value = $10

(B) Change in the Index Value:

The Change in the Index Value equals:

1. The last reported value of the Index on the Cycle End Date, minus the last reported value of the Index on the Cycle Start Date, divided by.
2. The last reported Value of the Index on the Cycle Start Date.

(C) Maturity unit value – Index Gain

If the Change in Index Value, computed as set forth in (B) above is greater than or equal to zero, the Cycle End Date's Unit Value equals:

1. The Initial Unit Value multiplied by
2. One plus the Change in Index Value, computed as set forth in (B) above, multiplied by the Participation Rate.

(D) Cycle End Date Unit Value Buffer

If the Change in Index Value, as computed in (B) above, is greater than or equal to the Buffer Rate (i.e., is not a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value. If the Change in the Index Value, as computed in (B) above, is less than the Buffer Rate (i.e., is a loss greater than the Buffer Rate) then the Cycle's End Date Unit Value Buffer equals the Initial Unit Value multiplied by one plus the quantity of the Change in Index Value minus the Buffer Rate.

(E) Maturity unit value – Index Loss

If the Change in Index Value is less than zero, the Cycle End Date's Unit Value is subject to (D).

Example 1: A Cycle Investment matures, the Participation Rate is 110% and the Cap Rate is unlimited, Index Value on the Cycle End Date is 950, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (950 – 1,000)/1,000 = -5.0%
(C) Is not applicable in this example because the Change in Index Value, computed in (B) above, is less than 0
(D) Cycle End Date Unit Value Buffer = $10.00; since the Change in Index Value of -5.0% is greater than Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is the Initial Unit Value of $10.00

Cycle Investment Unit Value = Cycle End Date Unit Value Buffer computed as set forth in (D) above, which is $10.00.

Example 2: A Cycle Investment matures, the Participation Rate is 110% and the Cap Rate is unlimited, Index Value on the Cycle End Date is 800, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Unit Value = $10.00
(B) Change in Index Value = (800 – 1,000)/1,000 = -20.0%
(C) Is not applicable in this example because the Change in Index Value, computed in (B) above, is less than 0
(D) Cycle End Date Unit Value Buffer = $9.00; since the Change in Index Value of -20.0% is less than the Buffer Rate of -10%, the Cycle End Date Unit Value Buffer is $10 * (1 + -20% – 10%) = $9.00.

Cycle Investment Unit Value = Cycle End Date Unit Value Buffer computed as set forth in (D) above, which is $9.00.

Example 3: A Cycle Investment matures, the Participation Rate is 110% and the Cap Rate is unlimited, Index Value on the Cycle End Date is 1,100, Index Value on the Start Date is 1,000, and the Buffer Rate is -10%.

(A) Initial Cycle Investment Unit Value = $10.00
(B) Change in Index Value = (1,100 – 1,000)/1,000 = 10.0%
(C) Cycle End Date Unit Value = $10 × (1+110%*10.0%) = $11.10
(D) Is not applicable in this example because the Change in Index Value computed in (B) above is greater than 0

Cycle Investment Unit Value =$11.10 as computed in (C), since the Change in Index Value, as computed in (B) above, is greater than 0.

The value of investment in a Cycle on the Cycle End Date is equal to the (number of Cycle Investment Units at the Cycle End Date) * (Cycle Investment Unit Value on the Cycle End Date).

Example 1: A Cycle Investment on the Cycle End Date has a current Cycle Investment Unit Value of $12.31 and current number of Cycle Investment Units of 10,000 the value of the investments in the Cycle Investment on the Cycle End Date is $12.31 * 10,000 = $123,100.

CYCLE INVESTMENT

The Contract Holder's Cycle Investment on any Cycle Business Day is the number of Cycle Investment Units credited to the Contract Holder multiplied by the day's Cycle Investment Unit Value.

Example 1: On a Cycle Start Date a Contract Holder invests $100,000 in a Cycle Investment. The Initial Cycle Investment Unit Value is $10. After 6 months, the Cycle Investment Unit Value of the Cycle Investment is $13.00.

(A) Number of Cycle Investment Units = $100,000/10 = 10,000 Cycle Investment Units

(B) Cycle Investment after 6 months = 10,000 × $13.00 = $130,000

Example 2: On a Cycle Start Date a Contract Holder invests $90,000 in a Cycle Investment. The Initial Cycle Investment Unit Value is $10. After 3 months, the Cycle Investment Unit Value of the Cycle Investment is $8.50.

(A) Number of Cycle Investment Units = $90,000/10 = 9,000 Cycle Investment Units

(B) Cycle Investment after 3 months = 9,000 × $8.50 = $76,500

Example 3: On a Cycle Start Date a Contract Holder invests $250,000 in a Cycle Investment. The Initial Cycle Investment Unit Value is $10. After 10 months, the Cycle Investment Unit Value of the Cycle Investment is $12.00.

(A) Number of Cycle Investment Units = $250,000/10 = 25,000 Cycle Investment Units

(B) Cycle Investment after 10 months = 25,000 × $12.00 = $300,000

EXPERTS

The statutory basis financial statements as of December 31, 2025 and December 31, 2024 and for each of the three years in the period ended December 31, 2025 of the Midland National Life Insurance Company and the financial statements as of December 31, 2025 and for each of the two years in the period ended December 31, 2025 of Midland National Life Insurance Company Separate Account C incorporated in this Statement of Additional Information by reference to the filed Form N-VPFS dated April 20, 2026, have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, 699 Walnut Street, Suite 1300 Des Moines, IA 50309, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

OTHER INFORMATION

A Registration Statement has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, with respect to the contracts discussed in this Statement of Additional Information. Not all of the information set forth in the Registration Statement, amendments and exhibits thereto has been included in this Statement of Additional Information. Statements contained in this Statement of Additional Information concerning the content of the contracts and other legal instruments are intended to be summaries. For a complete statement of the terms of these documents, reference should be made to the instruments filed with the Securities and Exchange Commission.

FINANCIAL STATEMENTS

The statutory basis financial statements as of December 31, 2025 and December 31, 2024 and for each of the three years in the period ended December 31, 2025 of the Midland National Life Insurance Company and the financial statements as of December 31, 2025 and for each of the two years in the period ended December 31, 2025 of Midland National Life Insurance Company Separate Account C are incorporated by reference to Form N-VPFS filed by the Registered Separate Account on April 20, 2026.