

Indexed Product Platform
For small to medium sized life companies

Cutting edge indexed life and indexed annuity products confer multiple benefits on the underwriting carriers. However, the significant expense required to develop, promote and administrate these products limit individual carrier access.

This document proposes a structure to pool the capabilities of several carriers to defray the costs of a successful entry into the indexed product markets.

Modern Indexed Product Benefits & Requirements

Modern indexed insurance products, such as Indexed Universal Life (IUL) and Fixed Indexed Annuities (FIAs) have significant benefits including:

- They are the fastest growing segments in both the annuity and life business
- They provide enhanced agent/distribution retention and recruitment
- These products offer favorable market appeal in low interest environments
- The unique product design offers specific Pricing/Profitability advantages

IUL & FIA adoption also require significant human and capital resources for life companies to implement, including:

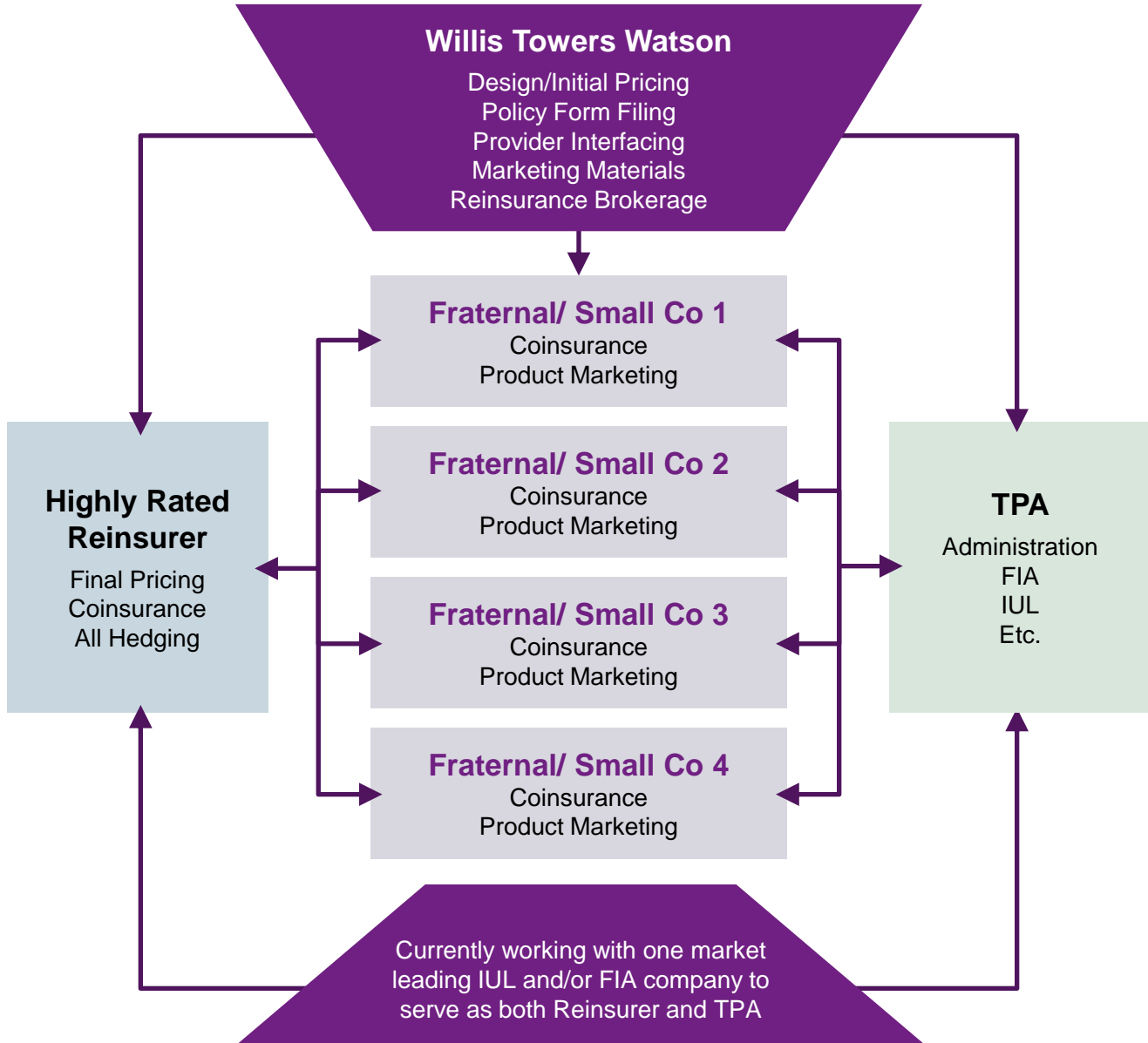
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| <ul style="list-style-type: none"> ▪ Product & Market Intelligence ▪ Actuarial Pricing/Modeling Expertise ▪ Administrative System Retrofitting | <ul style="list-style-type: none"> ▪ Hedging Expertise ▪ Minimum Annual Premium Requirements for Favorable Hedge Pricing ▪ Marketing & Training Expertise |
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Economies of scale advantage larger insurers in addressing both initial investment and ongoing fixed costs from these products.

Smaller insurers and fraternal may be able to pool their capacities via a strategic reinsurance and consulting arrangement.

The Willis Towers Watson Indexed Product Platform provides small/medium life insurance companies a path into this strong product space.

Indexed Product Platform Structure



Current Status

WTW working to;

- Finalizing agreement with separate Life and Annuity provider (to provide reinsurance and administrative capabilities)
- Working to identify first companies to launch product in 2019
- Ready to set up discussions between interested companies and providers (execution of 3-way NDA required)

Targeting launch in 2019 with 2-3 companies

Partnership Roles Matrix - proposed

Subject to dialog and discussion with potential interested life companies, the following provides a framework for the roles of each party.

	Direct Writer	Reinsurer	Willis Towers Watson
Concept Development	n/a	Co-Lead	Co-Lead
Carrier Recruitment	n/a	Advisor	Lead
Marketing/Distribution	Lead	Share material	Advisor
Agent Training	Lead	Share material	Advisor
Product Design	Advisory Council	Co-Lead	Co-Lead
Product Filings	Lead	Support	Support
Illustration Actuary	Technically Responsible	Lead	n/a
Underwriting	N/A	N/A	N/A
Administration	May perform call center	TPA/BPO services	Advisory group to assist and advise
Hedging	n/a	Lead	n/a
Valuation	Reporting	Lead	n/a
Cashflow Testing	Reporting	Support and Perform	n/a

Lead resources and contact information

Please contact either of these individuals with questions



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Matthew has specialized in the successful design, implementation and launch of over 50 unique annuity and life insurance products. These products have been developed at companies from the largest and highest rated U.S. carriers to those new to particular product lines. Partnership, consensus decision making and lasting production success have been the hallmarks of these efforts.



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Mike leads Willis RE's Life Solutions Group in the U.S., focused on innovative reinsurance solutions for clients. He has extensive experience in life, annuity and long term care reinsurance, leveraging his years of experience in capital management, valuation and insurance product pricing. Mike has led efforts to expand reinsurance services into asset-intensive projects, including several recent closed block transactions.