



SECURITY BENEFIT

RateTrack[®]

Annuity

FIXED ANNUITY





Whether you're picking a vacation destination, a car, or a career path, many life choices are mutually exclusive — all or none, either or. Choose this, lose that.

It's often the same with retirement savings strategies. Invest in the market but risk your principal. Lock in a great long-term rate but forfeit the chance to grow assets as short-term interest rates rise. But what if you could replace *or* with *and* when it comes to your hard-earned savings, potentially accruing more assets automatically as rates rise?

Preserve Principal and Take Advantage as Rates Adjust

RateTrack® Annuity, the industry's first floating rate annuity, allows you to preserve your principal, avoid market risk, and automatically benefit as rates rise.

How RateTrack® Annuity Provides Potential for Asset Growth

If you're close to retirement or recently retired, you may have a portion of your savings set aside as "safe money," savings you don't want to risk losing after a lifetime of accumulating. A fixed annuity may be a valuable part of your retirement savings portfolio as it provides the safety of an insurance contract without the volatility of the financial markets.



You may have placed money in a fixed annuity or similar fixed savings instrument because it provided a set rate. If interest rates went down, you were protected from any loss, but if rates went up, you may have missed the opportunity to receive any increases.

Launched in March 2016, the Security Benefit RateTrack® Annuity reimagines a traditional fixed annuity for retirement savings, one that offers an interest rate with the possibility to increase the rate of growth for your contract's value automatically during the Guarantee Period of the contract.

Where Rates Have Been and Where They Might Go

From the early 1980s until December 2015, interest rates declined progressively, dropping to historic lows after the economic downturn in 2008. As rates dipped, consumers saw their savings growth diminish and some people actually lost money because of taxes, inflation, and indecision while waiting for rates to rise.

In December 2015, the Federal Open Market Committee (FOMC), the Federal Reserve's primary monetary policymaking body, increased the federal funds rate for the first time in nine years. The Federal Reserve raised rates multiple times between December 2015 and mid-2019. Later that year and into 2020, the Federal Reserve lowered rates.

The Federal Reserve raises and lowers the federal funds rate based on current and projected economic conditions.

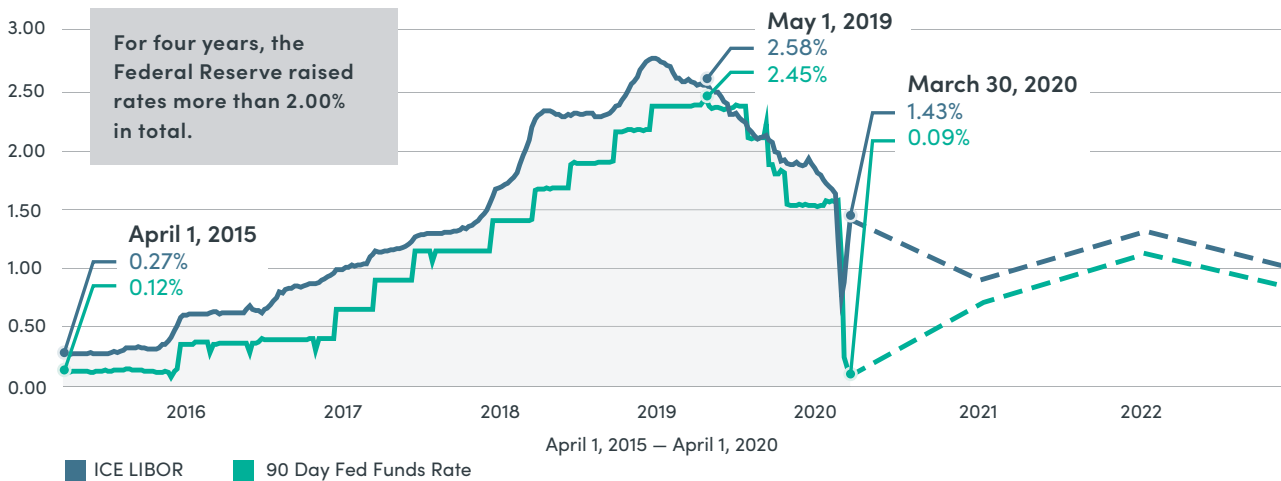
How RateTrack® Annuity Works

During the RateTrack® Annuity’s Guarantee Period (you choose either a 5- or 7-year period), interest is calculated and credited on the combination of a fixed interest rate – the Guarantee Period Base Rate – and a floating rate based on the 3 Month ICE LIBOR USD Rate (LIBOR).

Your Total Credited Interest Rate is the sum of the fixed rate – the Guarantee Period Base Rate – and the floating rate – LIBOR – and is locked in for the year on the anniversary date of your contract. The floating rate resets annually on your contract anniversary as the LIBOR rate changes.



The 3 Month ICE LIBOR USD Rate has averaged approximately 25 basis points higher than the federal funds rate since its inception.



If you think rates will rise, RateTrack® could be a good option for a portion of your portfolio.

How is your safe money positioned to take advantage if rates rise?

Traditional fixed income instruments typically don't allow for automatic increases in interest rates, and RateTrack® Annuity eliminates the concern of being locked into a longer-term, uncompetitive rate.

However, it's important to note that the floating rate component of RateTrack® Annuity can increase or decrease at each contract anniversary. Historically, the 3 Month ICE LIBOR USD Rate has never fallen to 0% or below. In the unlikely event that LIBOR were to fall below 0%, your annuity would still be credited the difference between the Guarantee Period Base Rate and LIBOR, and you can be assured your contract would never be credited less than the Guaranteed Minimum Interest Rate (GMIR). Please consult a current Security Benefit RateTrack® Annuity rate sheet for the current GMIR. As with any fixed annuity, you cannot lose principal if interest rates decline.

Federal Funds and LIBOR Rates Defined

Federal Funds Rate

The federal funds rate is the interest rate at which a depository institution lends funds maintained at the Federal Reserve to another depository institution overnight. Since the federal funds rate is only available to very creditworthy institutions for overnight loans, it's often viewed as the base rate that determines the level of all other interest rates applied in the U.S. economy.

LIBOR Rate

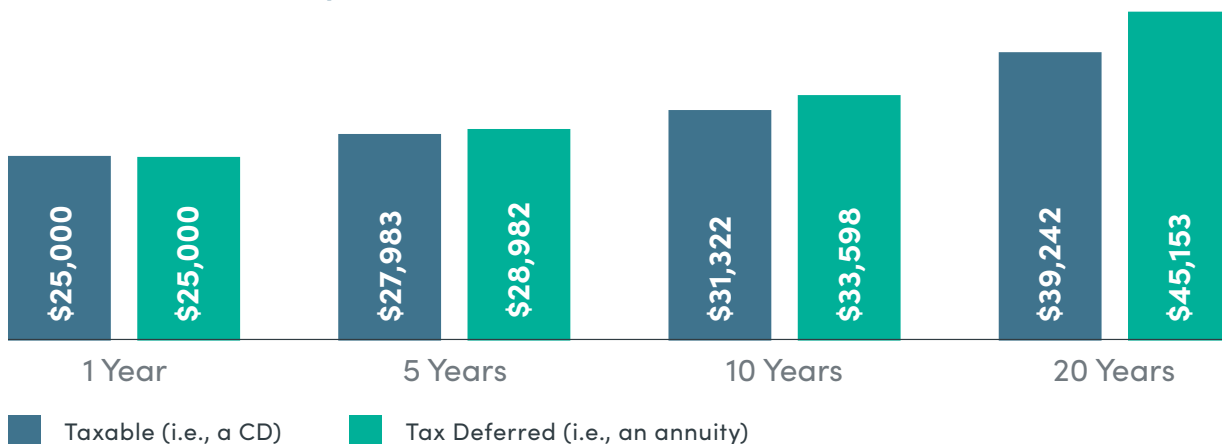
LIBOR is an acronym for London Interbank Offered Rate or the rate at which a contributor bank expects it can obtain unsecured funding from the London interbank market for a certain period of time in a given currency. ICE Benchmark Administration sets several daily LIBOR benchmarks used internationally as the floating rate for financial contracts, from mortgages to corporate funding instruments.

Visit [SecurityBenefit.com](https://www.SecurityBenefit.com) to use an interactive tool that shows rates for the 3 Month ICE LIBOR USD Rate and up to four additional key financial rates for comparison purposes across different time periods.

How an Annuity's Tax-deferred Feature Grows Your Money

- 1 With certificates of deposit and money market funds, even if you're not withdrawing the interest, you will pay taxes on the interest accrued. With a tax-deferred product like RateTrack® Annuity, rather than paying taxes now, you can defer them until you withdraw the money later. However, unlike CDs, annuities generally impose surrender charges and are not insured by the FDIC or NCUA/NCUSIF as most CDs are up to a certain amount. By that time, you may be in a lower tax bracket, further reducing the amount you'll owe to the IRS.¹ An annuity differs from CDs in other ways too, though, including having surrender charges and not being insured by the FDIC as a CD is up to a certain amount.
- 2 Not only do you defer taxes with an annuity, but your credited interest (and any amount that normally would be lost to taxes each year in a taxable product) compound over time to generate more interest and more retirement income for you.²

Which amount would you rather earn interest on – \$39,242 or \$45,153?



The Security Benefit RateTrack® Annuity provides peace of mind and a guaranteed interest rate as your money grows tax deferred. The graph above shows how tax deferral would affect a hypothetical \$25,000 account, before any withdrawals, during a 5-, 10-, and 20-year accumulation phase. This example assumes an average interest rate of 3.00% and a federal income tax rate of 24% and in no way relates to the actual performance of the annuity or any other product. It is simply a way to show how tax deferral functions and the difference between a tax-deferred product and a taxable product. Because the value in the tax-deferred product is taxable upon withdrawal, the money that otherwise would be paid in taxes can continue to accrue interest.

With a tax-deferred annuity, your retirement savings can increase faster because money that would otherwise be paid in taxes when interest is credited can continue to receive interest until it's withdrawn. For example, the Owner in the graph above would have an additional \$5,911 in a tax-deferred product such as the RateTrack® Annuity.

¹ If you are purchasing an annuity to fund a retirement plan, such as an IRA that receives preferential tax treatment under the Internal Revenue Code, you should consider that an annuity does not provide any additional tax advantages to those already available from a retirement plan. However, an annuity does offer other features and benefits in addition to tax deferral that other funding vehicles may not offer, including death benefit protection for your beneficiaries and annuity options that guarantee income for life.

² Withdrawals are subject to ordinary income tax and, if made before age 59½, may be subject to a 10% penalty tax.



Bridge the gap between locking in a fixed rate for five or seven years or investing in longer-term Treasury bonds by selecting the innovative RateTrack[®] Annuity, which allows you to preserve principal and automatically benefit as rates rise without market risk.

RateTrack® Annuity Provides Growth as Well as Access

Growth | Here's how your money can accumulate automatically in a rising rate environment.

Floating Rate

- The RateTrack® Annuity's floating rate component allows you to benefit automatically as rates rise.
- Your principal is preserved and grows tax free during your contract.

Access | The annuity offers flexibility so you can receive a portion of your funds if your circumstances change.

- You may withdraw up to 10% of the Purchase Payment in the 1st Contract Year and up to 10% of the prior contract anniversary Account Value each subsequent year, free of surrender charges, to put toward whatever retirement aspiration you want to fulfill.
- You can receive your free withdrawal as systematic payments or as a lump sum.

What if you incur expenses for emergency health concerns?

You want safety and growth but if you need emergency funds for hospital or nursing home care, you can access your money without paying surrender charges. (See Surrender Charge on page 8.)

- **Nursing Home Waiver** – Surrender charges are waived if you request a withdrawal after the 3rd Contract Anniversary and if after you purchase the annuity become confined to a nursing home or hospital for longer than 90 days.³
- **Terminal Illness Waiver** – Surrender charges are waived if you request a withdrawal after the 3rd Contract Anniversary and if after you purchase the annuity you are diagnosed with a terminal illness that is expected to result in death within one year of the date of the physician's statement. (See Surrender Charge on page 8.)⁴

Options | At the end of the Guarantee Period of your contract, you have options for the future placement of your funds.

- Take no action and your money will be automatically allocated to a one-year term at a rate of interest that is set by SBL at that time.
- Withdraw all or a portion of your money from the contract.

³ Nursing Home Waiver is subject to qualification requirements and is not available in CA and MA.

⁴ The Terminal Illness Waiver is subject to qualification requirements and is not available in CA and NJ.

Surrender Charge

Early withdrawals may be subject to a surrender charge. The amount of the surrender charge is a percentage of your Contract Value and that percentage generally decreases over time. RateTrack® Annuity offers flexibility to avoid some or all surrender charges, depending on circumstances, through free withdrawals, the Terminal Illness Waiver, the Nursing Home Waiver, and a death benefit.⁵

RateTrack® Annuity Overview								
Multiple Allocation Choices	Choose from either a 5-year or 7-year interest rate Guarantee Period. The entire premium must be allocated to the same Guarantee Period.							
Joint Ownership	If a Joint Owner is named, then the Owner and Joint Owner must both be named as sole Primary Beneficiaries.							
Interest Crediting	<p>During the selected Guarantee Period, the annuity features a unique interest crediting structure comprised of a Guarantee Period Base Rate (set at issue for the length of the Guarantee Period), in addition to the 3 Month ICE LIBOR USD Rate (reset annually at the rate on the last business day preceding contract anniversary) subject to a cap (set at issue for the length of the Guarantee Period).⁵</p> <p>After the selected Guarantee Period, the interest rate will be determined and set on an annual basis but will be no less than the GMIR.</p>							
No Risk to Your Principal	Security Benefit Life guarantees you will not lose your Purchase Payment due to market downturns. ⁶							
Free Withdrawal	The Owner may withdraw up to 10% of the initial premium in the 1st Contract Year and up to 10% of the prior contract anniversary Account Value each subsequent year, free of surrender charges. Please refer to the contract for more details.							
Loans	Loans are not available on this annuity.							
Guaranteed Minimum Interest Rate (GMIR)	The minimum interest rate that can be credited to the contract. The GMIR is set at contract issue for the duration of the contract. Security Benefit commonly sets interest rates on the product higher than the GMIR.							
Nursing Home Waiver	We will waive the surrender charge on full or partial withdrawals after the 3rd Contract Year provided the Owner satisfies eligibility conditions for the waiver. In PA and TX, the waiver is available after the 1st Contract Year. In CT, the waiver is available beginning in the 1st Contract Year. The waiver is not available in CA or MA.							
Terminal Illness Waiver	We will waive the surrender charge on full or partial withdrawals after the 3rd Contract Year provided the Owner satisfies eligibility conditions for the waiver. In PA and TX, the waiver is available after the 1st Contract Year. In CT, the waiver is available beginning in the 1st Contract Year. The waiver is not available in CA or NJ.							
Death Benefit	100% of Account Value, less any applicable premium tax							
Surrender Charge Schedule	Interest Rate Guarantee Period During Guarantee Period							
	Year	1	2	3	4	5	6	7
	5 Year	9%	8%	7%	6%	5%	--	--
7 Year	9%	8%	7%	6%	5%	4%	3%	

⁵ Rates for new contracts can be changed at any time without notice.

⁶ Principal, less any premium tax due or paid, is guaranteed by Security Benefit Life Insurance Company (SBL). Guarantees are subject to SBL's financial strength.

*Available on Non-qualified and Inherited IRA Incoming Transfers

How RateTrack® Annuity Could Complement Your Savings Strategy

Consider the Advantages

- 1 The interest rate for money you have in a bank savings account or CD may be less than the interest rate potential the RateTrack® Annuity offers.
- 2 You can put the money in a product for a committed amount of time with the option to withdraw up to 10% each year free of surrender charges to put toward whatever retirement aspiration you want to fulfill.^{7,8}
- 3 You can accumulate more interest because you have a tax-deferred product rather than pay taxes on the interest in the same year in which it is credited.
- 4 You have peace of mind knowing you may be able to access your money free of surrender charges if you are confined to a nursing home or become terminally ill.^{9,10}
- 5 The Contract Value of your annuity will pass directly to your beneficiaries without the delay of probate, providing your beneficiaries access to your death benefit quickly and without additional expense.

⁷ Withdrawals are subject to ordinary income tax and, if made before age 59½, may be subject to a 10% penalty tax.

⁸ Each Guarantee Period has its own surrender charge schedule. Early withdrawals in excess of the free withdrawal amount are subject to a surrender charge unless the withdrawal is pursuant to the Nursing Home Waiver or Terminal Illness Waiver.

⁹ Nursing Home Waiver is not available in CA and MA, and Terminal Illness Waiver is not available in CA and NJ. Other state variations may apply.

¹⁰ After the 3rd Contract Anniversary, any request to waive surrender charges must be made on forms provided by Security Benefit Life Insurance Company (SBL) and must be accompanied by a physician's statement. Refer to the contract for details. Not available in all states.

If some or all of these advantages would suit your needs, the Security Benefit RateTrack® Annuity may be right for a portion of your retirement portfolio.



Secure a confident, comfortable retirement.

Your path *To and Through Retirement*[®] begins here.

Talk to your financial professional to see whether a Security Benefit RateTrack[®] Annuity can complement your retirement portfolio or contact us at 800.888.2461.

Security Benefit Life Insurance Company is not a fiduciary and the information provided is not intended to be investment advice. This information is general in nature and intended for use with the general public. For additional information, including any specific advice or recommendations, please visit with your financial professional.

Guarantees provided by annuities are subject to the financial strength of the issuing insurance company. Annuities are not FDIC or NCUA/NCUSIF insured; are not obligations or deposits of and are not guaranteed or underwritten by any bank, savings and loan, or credit union or its affiliates; and are unrelated to and not a condition of the provision or term of any banking service or activity.

Security Benefit does not provide accounting, legal, or tax advice. Please consult a qualified professional for advice for your specific situation.

The Security Benefit RateTrack[®] Annuity, form ICC15 5300 (12-15) and 5300 (12-15), a single premium deferred fixed annuity, is issued by Security Benefit Life Insurance Company. Product features, limitations, and availability vary by state.

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