



EQUITABLE BULLETIN

Life Business

- New
- Update

Category

- Products
- Underwriting
- New Business
- Marketing
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Channel: Independent

Bulletin number: AD20-0922 (**September 22, 2020**)

Subject: Updates to IUL Growth Cap Rates, Fixed Account Crediting Rate and Segment Bonuses

Main message:

Due to the current macroeconomic landscape, including a low interest rate environment prolonged by low U.S. Treasury rates, growth cap rates and the fixed account (guaranteed interest account) crediting rate will be reduced and the segment bonus calculation will be changed for certain IUL products.

Specific details on these changes can be found in the below tables beginning on page two of this bulletin.

Who:

Financial Professionals

Where:

Additional information on the growth cap rates and segment bonus calculation updates can be found in this bulletin beginning on page two. For additional information, please contact the Life Sales Desk at (800) 924-6669, option 2.

When:

On October 1, 2020, WinFlex will reflect the new growth cap rates, new fixed account crediting rate, new segment bonus calculations, and updated default illustrated rates for impacted products.

Growth Cap Rates

- The new growth cap rates will be effective for funds (premiums, maturing segments, and reallocations) that move into a holding account on or after **October 15, 2020** (with the next segment being established on November 17, 2020).
- To enter segments at the current growth cap rates, money must be allocated to the holding account by October 14, 2020 or earlier.

Fixed Account Crediting Rate

- The new fixed account crediting rate will be effective for policies with register dates of October 1, 2020 or later.

Segment Bonuses

- The new segment bonus calculations will be effective on nearest policy anniversaries on or following December 1, 2020.

How:

See pages below.

Growth Cap Rates

Please note: While the non-guaranteed growth cap rate did not change for products with a S&P 500 3-year option listed below; the default illustrated rate was reduced.

Product	Indexed Option*	New Non-Guaranteed Growth Cap Rate	New Default Illustrated Rate
IUL Protect, Series 160	Select S&P 500 1-Year Option	7.00%	4.59%
IUL Protect, Series 159	Select S&P 500 1-Year Option	8.00%	5.14%
BrightLife® Grow, Series 159	S&P 500 1-Year Option	7.00%	4.59%
	S&P 500 3-Year Option	30.00%	4.59%
BrightLife® Grow, Series 155 and BrightLife® Grow Survivorship, Series 156	Plus S&P 500 1-Year Option	8.00%	5.14%
	Plus S&P 500 3-Year Option	30.00%	5.14%
BrightLife® Protect Survivorship, Series 156 and BrightLife® Protect, Series 155	S&P 500 1-Year Option	5.75%	3.85%
Athena IUL, Series 153	Basic S&P 500 1-Year Option	8.00%	5.14%
	Basic S&P 500 3-Year Option	30.00%	5.14%
	Choice S&P 500 1-Year Option	10.50%	6.39%
	Choice S&P 500 3-Year Option	Unlimited	6.39%
Athena IUL, Series 151	S&P 500 1-Year Option	7.50%	4.87%
	S&P 500 3-Year Option	30.00%	4.87%

* Participation rates and floors remain unchanged.

All other indexed options for the products listed in the above table are unaffected by the growth cap rate changes.

Fixed Account Crediting Rate

Product	Updated Fixed Account Crediting Rate**
IUL Protect, Series 160	2.50%***

** The new business fixed account crediting rate for BrightLife® Grow, Series 159 remains unchanged at 2.00%.

***As a result of the reduction of the fixed account crediting rate down to 2.50%, the Extra Interest Credit rate for IUL Protect, Series 160 will remain 0.00%. Note: this does not affect the Index-Linked Rate of Return that the segments achieve, which is based on the performance of the underlying indexed option.

Segment Bonus Calculation Update

The calculation of the non-guaranteed segment bonus for BrightLife® Grow, Series 155 and 159 and BrightLife® Grow Survivorship, Series 156 will be updated and is effective on nearest policy anniversaries on or following December 1, 2020.

The calculations of these segment bonuses have been updated to ensure that, in years when a segment bonus may be credited, the annual percentage rate of the bonus will never exceed the difference between each product's current unloaned Guaranteed Interest Account (GIA) crediting rate and corresponding guaranteed minimum interest rate. If the segment bonus rate is calculated to be greater than 0.00%, it will be applied to the amounts in the index segment(s) to determine the bonus amount. Please see the table below for specific details.

Product	Policy Year	Segment Bonus (annual rate)
BrightLife® Grow, Series 159	1-10	No bonus
	11-15	Lesser of 0.50% AND (Current unloaned fixed account crediting rate – 2.00%)
	16+	Lesser of 1.00% AND (Current unloaned fixed account crediting rate – 2.00%)
BrightLife® Grow, Series 155 and BrightLife® Grow Survivorship, Series 156	1-5 (Plus, Core & Hi- Par Options)	No bonus
	6-10 (Plus Options)	No bonus
	6-10 (Core & Hi-Par Options)	Lesser of 0.25% AND (Current unloaned fixed account crediting rate – 2.00%)
	11-15 (Plus Options)	Lesser of 0.50% AND (Current unloaned fixed account crediting rate – 2.00%)
	11-15 (Core & Hi-Par Options)	Lesser of 0.75% AND (Current unloaned fixed account crediting rate – 2.00%)
	16+ (Plus Options)	Lesser of 1.00% AND (Current unloaned fixed account crediting rate – 2.00%)
	16+ (Core & Hi-Par Options)	Lesser of 1.10% AND (Current unloaned fixed account crediting rate – 2.00%)

Note: If, at any time, the current unloaned fixed account crediting rate for any of these products is equal to its guaranteed minimum interest rate, no segment bonus would be payable at that time.

At the time of the publication of this communication, the current unloaned fixed account crediting rate was equal to the guaranteed minimum interest rate for BrightLife® Grow, Series 155 & 159 and BrightLife® Grow Survivorship, Series 156.

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