# EVOLVE™

## MODIFIED SINGLE PREMIUM FIXED INDEXED ANNUITIES

SIC-EVOLVE-B

SILAC INSURANCE COMPANY®

# THE SILAC® EVOLVE SERIES

### DO YOU FEEL UNCERTAIN ABOUT RETIREMENT?

**It's almost impossible not to.**

**80%** Of Americans are nervous about retirement[1]

### DO YOU HAVE A RETIREMENT INCOME STREAM THAT YOU CAN'T OULIVE?

**Most don't.**

**73%** Of Americans are concerned about not having a lifetime income[1]

### DO YOU HAVE A PLAN THAT CAN PROTECT YOU FROM SURPRISES?

**It's ok if you don't. We are here to help!**

**71%** Of Americans are concerned about the risk of a financial surprise[1]

SILAC's Evolve Series provides guarantees where you need guarantees and flexibility where you need flexibility. The right combination can prepare you for life's uncertainties and leads to a

## RETIREMENT: REIMAGINED.



[1]https://insurancenewsnet.com/innarticle/80-of-americans-nervous-about-retirement-nest-egg-study#.XqtNBmhKiUk

# THE SILAC EVOLVE SERIES MAY BE A GOOD FIT IF YOU ARE LOOKING FOR:

## GUARANTEES
You can choose the certainty of a fixed interest rate that is annually declared and subject to minimum guarantees. Your annuity also has a Minimum Guaranteed Value.

## GROWTH POTENTIAL
You also have the choice of interest based on the performance of an external market Index.

## PROTECTION OF PRINCIPAL
Your savings are always protected from market fluctuations and are 100% principal protected. There is no direct downside market risk to your funds.

## TAX DEFERRAL
Save more for retirement with tax-deferred growth. The Evolve Series allows you to keep more of your retirement savings working for you by deferring taxes until you choose to access the funds in your annuity.

## IMMEDIATE GROWTH
Evolve includes a premium bonus, which is immediately added to the money used to purchase the annuity.

## INCOME THAT CAN'T BE OUTLIVED
A lifetime withdrawal benefit is automatically included and ensures that you can generate a lifetime income that will last for your life.

## HIGHER INCOME IN A TIME OF NEED
To help prepare for the unexpected, the Evolve Series can offer higher withdrawals for a period of time if certain health conditions are met.

## ACCESS TO FUNDS
Multiple liquidity options are available to help you when life throws a curveball. After the withdrawal charge term, you can always access the full account value of your annuity.

## WEALTH TRANSFER
Leave a legacy for your loved ones and avoid probate. The full account value is available after your death. If your spouse is the beneficiary, then he or she can always choose to continue the policy.

# GET STARTED IN TWO EASY STEPS

## 1. CHOOSE THE LENGTH OF YOUR PRODUCT

You can select the withdrawal charge period that best suits your financial goals. The longer the period, the higher the interest crediting adjustments.

Withdrawal charge periods offered with the Evolve Series include 7-, 10- and 14-years.

## 2. DECIDE HOW YOU'D LIKE YOUR MONEY TO GROW.

The Evolve Series offers you flexibility to place your money in different crediting strategies tied to different external market indexes. By placing your money in multiple interest crediting strategies or indexes, you can have diversification within your annuity.

**SELECT FROM THE SEVERAL FIXED & INDEXED CREDITING STATEGIES TO FIND WHAT BEST SUITS YOU.**

# HOW WILL MY MONEY GROW?

Multiple crediting strategies are available for you to choose from. The crediting strategies are used to determine how much interest, if any, will be credited to your annuity. You can allocate your funds among one or more of the available crediting strategies. You can reallocate at the end of each crediting strategy term. Gain comfort knowing your money is working for you and is protected from market fluctuations.

The Evolve Series' crediting strategies provide the following benefits:

1. *Annual floor protection of 0%*
   No matter what happens with the underlying index, you will never earn an interest credit less than 0%.
2. *Interest credit lock-in*
   Once interest has been credited, it is locked in and cannot be lost due to future market changes.
3. *Choices*
   You have multiple crediting strategies to choose from and can change your mind each strategy term.

## FIXED INTEREST STRATEGY

The fixed interest strategy provides a guaranteed rate of interest. Interest is credited daily, and the fixed interest rate will be declared annually.

## INDEXED CREDITING STRATEGY

Indexed crediting strategies provide interest credits that are tied to the performance of an external market index. Interest is credited at the end of the crediting strategy's term. You are guaranteed to never earn less than 0% interest for the strategy term – even during market downturns. This is one of the key features of a fixed indexed annuity.

In order to provide the annual floor protection of 0%, indexed crediting strategies limit the total interest you can receive. This limit is in the form of an adjustment – a cap, participation rate or spread. Next year's adjustments will be declared at the end of each crediting strategy's term.

# ACCESSING YOUR SAVINGS

## FREE WITHDRAWALS

Each year after the first policy year, you may withdraw up to 5% of your account value (as of the most recent policy anniversary). Free withdrawals will not be subject to withdrawal charges, market value adjustments or bonus & interest recovery percentages, if applicable.

## REQUIRED MINIMUM DISTRIBUTIONS

Required minimum distributions (RMDs) are mandatory withdrawals from qualified contracts. RMDs can begin immediately and are considered a free withdrawal, even if they exceed 5% of the account value.

## OTHER BENEFITS

In the event your health declines after you purchase your annuity, you may withdraw funds without being assessed a withdrawal charge, market value adjustment or bonus & interest recovery percentage, if applicable. These riders are provided at no additional cost:

*Nursing Home Benefit**

After the first policy year, you can withdraw up to 100% of your annuity's account value if you become confined to a qualified care facility for at least 90 consecutive days and meet the eligibility requirements. There is a waiting period of 1 year after policy issue date, and you cannot be confined at the time the policy is issued.

*Terminal Illness Benefit*

After the first policy year, you can withdraw up to 100% of your annuity's account value if you are diagnosed with a terminal illness that results in a life expectancy of 12 months or less and you meet the eligibility requirements. You cannot be confined at the time the policy is issued.

*Home Health Benefit**

After the first policy year, you can withdraw up to 20% of your annuity's account value each year for 5 years if you need home health care services and meet the eligibility requirements.

**Not available in South Dakota.*

# REIMAGINE YOUR RETIREMENT

## HOW WILL MY INCOME GROW?

Lifetime withdrawals are tied to your Income Value. The Income Value is initially equal to the Initial Premium plus Premium Bonus. The Income Value increases with Income Credits. The Income Credit equals the interest credit percentage before the Evolve Spread, plus the rollup rate for that policy year. Income Credits stop after 30 years or once Lifetime Withdrawals begin, whichever is earlier.

The Income Value decreases proportionally with any withdrawal. It has no cash value and cannot be withdrawn as a lump sum and is not part of the death benefit.

## LIFETIME WITHDRAWAL OPTIONS

After the one year waiting period, Evolve offers two lifetime withdrawal benefits to choose from:

1. *Level Lifetime Withdrawals*
   Level Lifetime Withdrawals have the opportunity to increase based on account value performance.
   Level Lifetime Withdrawals tend to begin higher than increasing lifetime withdrawals.

2. *Increasing Lifetime Withdrawals*
   Increasing Lifetime Withdrawals have the opportunity to increase over time with future interest credits. Increasing Lifetime Withdrawals tend to begin lower than level lifetime withdrawals.

## LIFETIME GUARANTEE

Lifetime withdrawal amounts are guaranteed for life as long as you don't take any excess withdrawals - even if your account value falls to zero. An excess withdrawal will lead to a recalculation of the lifetime withdrawal.

## COVERAGE AVAILABLE FOR YOU & YOUR SPOUSE

When you begin lifetime withdrawals, you can decide if the withdrawals will last for your life (single) or as long as you or your spouse is alive (joint). Joint Level Lifetime Withdrawals are based on the attained age of the younger life. Withdrawals can be taken monthly, quarterly, semi-annually or annually.

## PROTECTION WHEN YOU NEED IT MOST

After the waiting period, you can receive a wellness withdrawal if you cannot perform two of the six Activities of Daily Living. If you elected single Lifetime Withdrawals, then the Wellness Withdrawal will be double the amount of the lifetime withdrawal. Wellness Withdrawals can last for five years.

The cost for the lifetime withdrawal benefit is an annual spread of 1.50% of your Account Value. The spread will never exceed the policy's interest credit and occurs on each policy anniversary.

# INCOME OPTIONS

In addition to lifetime withdrawals, The Evolve Series can provide a guaranteed income payment of your choosing. You may elect to receive your income payment monthly, quarterly, semi-annually or annually.

After the income waiting period (5-10 years, depending on term), the payment amount will be based on the account value. Before the income waiting period, it will be based on the cash value.

# WEALTH TRANSFER

The Evolve Series automatically includes a death benefit to help leave a legacy for your loved ones. Your beneficiary(ies) will receive the annuity's full account value. Your loved ones will avoid the delays and hassle of probate. The death benefit will be paid as long as an annuitization option has not been elected.

## SPOUSAL CONTINUATION

If your spouse is an owner or beneficiary, then he or she can always choose to continue the policy.

# IMPORTANT CONSIDERATIONS

The Evolve Series is designed to help meet your long-term retirement savings needs. It includes a withdrawal charge period. If you withdraw more than the free amount allowed during the withdrawal charge period, a withdrawal charge, market value adjustment and bonus & interest recovery, if applicable, will be applied.

These charges do not apply to lifetime withdrawals, wellness withdrawals, free withdrawals, RMDs, nursing home withdrawals, terminal illness withdrawals, home health care withdrawals, income payments or death benefits. For more information, please see the Evolve Certificate of Disclosure.

## WITHDRAWAL CHARGES

If you withdraw an amount that exceeds the free withdrawal amount during the withdrawal charge period, you will incur a withdrawal charge. Withdrawal charges do not apply after the withdrawal charge period ends. In part, withdrawal charges allow us to invest your money on a long-term basis and generally credit higher interest than possible with a similar annuity of shorter term.

## MARKET VALUE ADJUSTMENT

A Market Value Adjustment (MVA) applies to any withdrawal to which a withdrawal charge applies. It can either increase or decrease the amount you will receive. It does not apply after the withdrawal charge period ends.

## INTEREST & BONUS RECOVERY

Interest & bonus recovery will apply to any withdrawal to which a withdrawal charge applies. The interest & bonus recovery schedule is a percentage of the annuity's interest credits and premium bonus. The amount recovered is equal to the account value less any premiums, including interest credits and premium bonus. Interest & bonus recovery percentages decline with time, meaning that less is recovered over the annuity's withdrawal charge period. It does not apply after the withdrawal charge period ends.

In part, interest & bonus recovery allows us to credit higher interest than would have been possible otherwise.

## ANNUAL SPREAD

An annual spread will apply. The annual spread is a percentage of your account value and will never exceed the interest credit for the policy year.

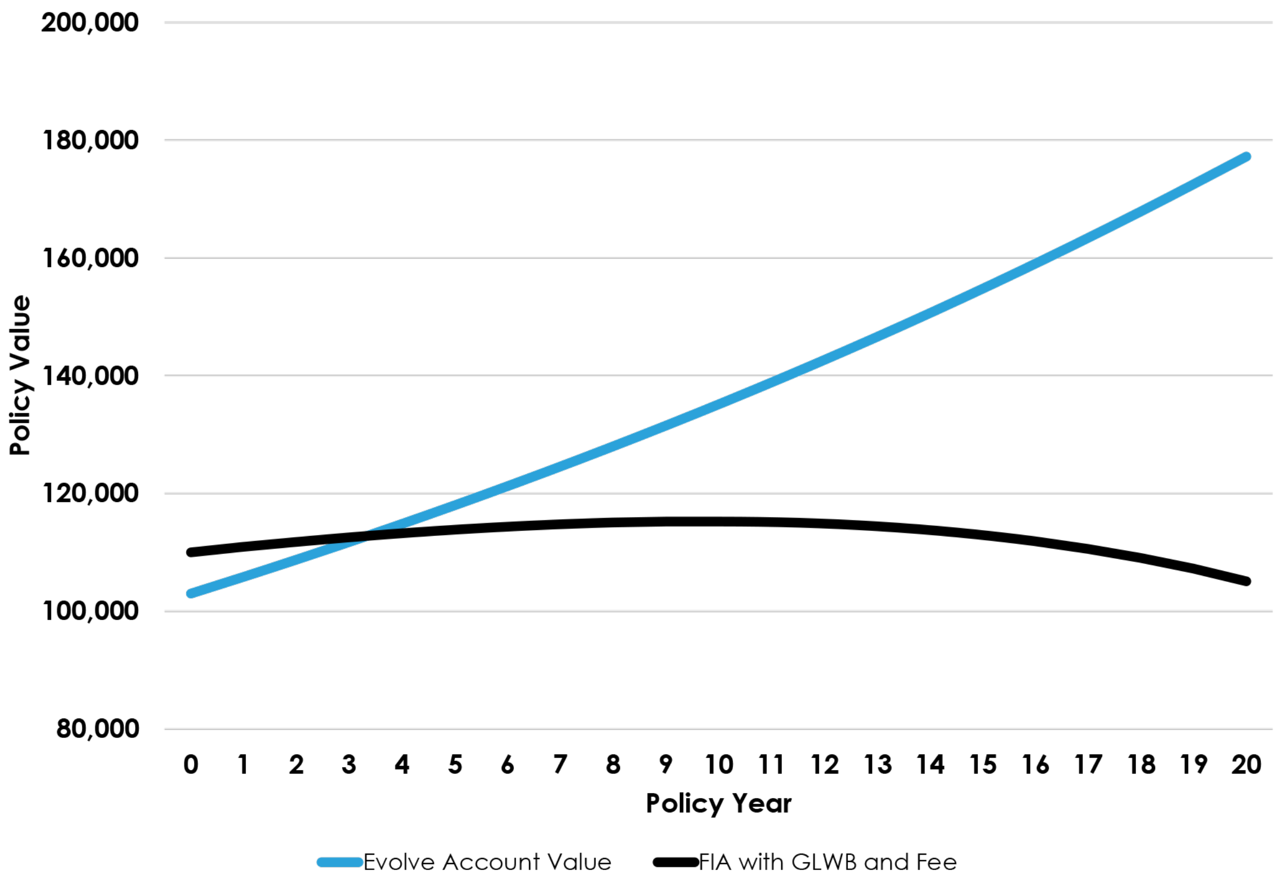
# IMPORTANT CONSIDERATIONS:
# POLICY VALUES

**Chart 1** compares the account value of an Evolve 7 policy to a traditional indexed annuity that does not recover interest credits and offers a guaranteed lifetime withdrawal benefit for a fee.

The **account value** is the policy value that interest credits, death benefits, free withdrawals, RMDs, nursing home withdrawals, terminal illness withdrawals and home health care withdrawals are tied to. It also provides the cash value after the withdrawal charge period has ended. A few key points:

- FIA with GLWB and Fee has a higher account value at 1st because it offers a higher initial premium bonus.
- Evolve 7's account value outpaces FIA with GLWB and Fee after a few years because it offers higher interest credits and has a spread that doesn't exceed the interest credit for the policy year.

**Chart 1: Account Value Comparison**




It is important to remember that annuities are intended to be

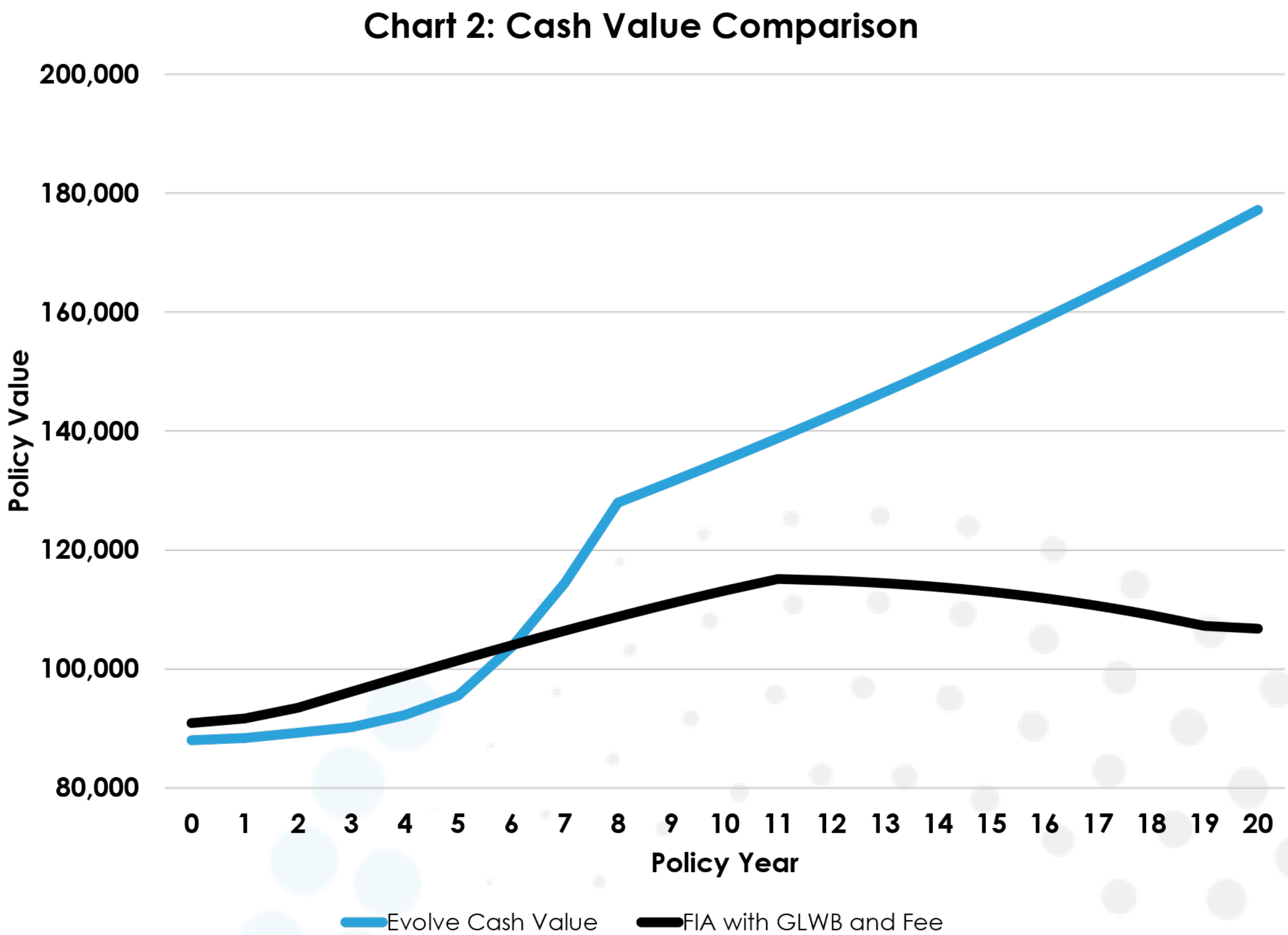
**LONG-TERM RETIREMENT SAVINGS VEHICLES**

Consider the information in this brochure before deciding to purchase one.

**Chart 2** compares the cash value of the sample Evolve 7 policy to a traditional indexed annuity that does not recover interest credits and to an indexed annuity that offers a guaranteed lifetime withdrawal for a fee.

A few comments:

- The FIA with GLWB and Fee has a higher initial cash value
- Evolve 7's cash value outpaces FIA with GLWB and Fee due to its higher interest credits and due to having an annual spread that doesn't exceed the interest credit for the policy year.




*Key assumptions include: issue age 60 and $100,000 initial premium. Evolve 7 assumes a premium bonus of 3%, fixed interest rate of 4.25% and an annual spread of 1.50%. FIA with GLWB and Fee assumes a premium bonus of 10%, fixed interest rate of 2.00% and an annual fee of 1.10%.*

*When Lifetime withdrawals or Wellness withdrawals are taken, these withdrawals will reduce the Account Value and the Cash Surrender Value proportionately.*

# THE BASICS

| | 7-YEAR | 10-YEAR | 14-YEAR |
|---|---|---|---|
| Minimum Issue Age | 0 | 0 | 0 |
| Maximum Issue Age | 90 | 85 | 80* |
| Minimum Premium | $10,000 | | |
| Additional Premiums | Allowed first 12 months | | |
| Maximum Total Premium** | $1,000,000 | | |

**Maximum issue age is 64 in Florida.*
***Without home office approval.*

# PUTTING IT ALL TOGETHER

| | EVOLVE |
|---|---|
| Premium Bonus | ✓ |
| Fixed Interest | ✓ |
| Indexed Interest | ✓ |
| Annual Floor Protection | ✓ |
| Annual Lock-in of Interest | ✓ |
| Lifetime Withdrawals | ***Based on income value*** |
| Wellness Withdrawals | ✓ |
| Free Withdrawals Years 2+ | ***5%*** |
| Required Minimum Distributions Years 1+ | ✓ |
| Nursing Home Benefit* | ✓ |
| Terminal Illness Benefit | ✓ |
| Home Health Care Benefit* | ✓ |
| Income Options | ✓ |
| Full Account Value Death Benefit | ✓ |
| Spousal Continuation at Death | ✓ |
| Annual Spread | ***1.50% Account Value*** |

**Not available in South Dakota.*


# ABOUT US

## SILAC INSURANCE COMPANY®
## A COMMITMENT TO CARING SINCE 1935.

**CUSTOMER SERVICE IS ALWAYS OUR #1 PRIORITY**

**PROVIDE SAFETY & SECURITY FOR OUR POLICY HOLDERS**

**CONTINUOUSLY EXPANDING OUR PRODUCT PLATFORM**

**PROUDLY SERVING CUSTOMERS FOR OVER 80 YEARS**

The character of the SILAC family sets us apart. Over the past 85 years, we've earned ***a national reputation for caring.*** Its value cannot be measured in dollars; and we passionately guard and preserve it. The heritage of SILAC Insurance Company and our commitment to caring dates back to the Great Depression.

SILAC Insurance Company is licensed to conduct business in 48 states and the District of Columbia.

***EXPERIENCE, INNOVATION & EXCELLENCE TO HELP RAISE YOUR RETIREMENT EXPECTATIONS.***

*We know that our policy holders all have options, and we are focused on SILAC being your #1 choice.*

This brochure is for informational purposes only. Review the Evolve Certificate of Disclosure document for product details and benefits. Restrictions apply. Neither SILAC Insurance Company nor its representatives provide legal or tax advice. Consult with your attorney or tax advisor for additional information. Product is NOT: 1) a deposit; 2) FDIC or NCUA insured; 3) insured by any federal government agency; or 4) guaranteed by a bank, savings association or credit union. Guarantees are based on the financial strength and claims-paying ability of SILAC Insurance Company. Policy form numbers and product availability vary by state.

SILAC® is licensed as SILAC Life Insurance Company is the state of California, license #6244-8. Policy form numbers and product availability vary by state. In Idaho, policy form is ELCFIA-ID.


SILAC
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