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| **PHBDG (July 2023)** | **Academy (July 2023)** | **Revised PHBDG (June 2024)** |
| Total Lapse = (Base Lapse + Rate Factor) \* ITM Factor | Total Lapse = (Base Lapse + Rate Factor) \* ITM Factor | Total Lapse = (Base Lapse\*GMIR Factor + Rate Factor\*MVA Factor) \* ITM Factor |
| ITM = PVGMWB/AV | ITM = PVGMWB/AV | ITM = PVGMWB/AV |
| ITM Factor = 1 if ITM=<1.25  = (1.25/ITM)2 if ITM>1.25 | ITM Factor = 1 if ITM=<1.25  = (1.25/ITM)2 if ITM>1.25  = 0 if AV = 0 | ITM Factor = 1 if ITM=<1.25 and AV<>0  = (1.25/ITM)2 if ITM>1.25 and AV<>0  = 0 if AV = 0 |
| Rate Factor =  Market Factor × 𝑀𝑎𝑥 [0, 1–5\*(SC percentage - MVA)]/100 | Rate Factor =  Market Factor × 𝑀𝑎𝑥 [0,1–10\*(1-CSV/AV)]\*GMIR/SNFL Era Factor | Rate Factor =  Market Factor × 𝑀𝑎𝑥 [0,1–5\*(1-CSV/AV)]~~\*GMIR/SNFL Era Factor~~ |
| Market Factor = -1.25 \* (CR-MR)2.5 if CR>=MR  = 0 if MR>CR>=(MR-BF)  = 1.25 \* (MR-BF-CR)2.5 if CR< (MR-BF) | Market Factor = X \* (CR-MR) if CR>=MR  = 0 if MR>CR>=(MR-BF)  = Y \* (MR-BF-CR) if CR< (MR-BF)  X = 1 during the SC period; 5 at shock; 3 thereafter  Y = 3 during the SC period; 5 at shock; 6 thereafter | Market Factor = -1.25 \* (CR-MR)X if CR>=MR  = 0 if MR>CR>=(MR-BF)  = 1.25 \* (MR-BF-CR)X if CR< (MR-BF)  X = 2.0 during the SC period; 2.5 at shock and thereafter |
| MVA = [(A/B)t-1] A = [1 + the closing effective yield of the “MVA Index” on the issue date] B = [1 + the closing effective yield of the “MVA Index” two days before the withdrawal, *surrender*, or annuitization]  t = the number of days from the date of withdrawal, *surrender*, or annuitization to the next contract anniversary divided by 365, plus the number of whole years from the next anniversary to the end of the surrender charge period. | MVA = None | MVA Factor = 0 when MVA is in effect  = 1 when MVA is not in effect |
| CR = crediting rate at the time of projection | CR = crediting rate, or the option budget, at the time of projection | **For FA**: CR = crediting rate, at the time of projection  **For FIA**: CR = option budget, at the time of projection |
| MR = market rate at the time of projection | MR = 10 Year UST + 60%BBB/40% A spread - pricing spread | IGP = Interest Guarantee Period  **For FIA and FA with IGP < 2 yrs**:  MR = Max (3mth UST, 5yr UST + 50%A/50%AA spread) – pricing spread  Pricing spread = 0% (already reflected in credit spread)  **For FA with IGP >= 2 yrs:**  MR = N Year UST + 50%A/50%AA spread – pricing spread  Pricing spread = 0% (already reflected in credit spread)  N = 5 Year UST for 2 yrs <= IGP < 5 yrs  = 7 Year UST for 5 yrs <= IGP < 7 yrs  = 10 Year UST for IG >= 7 yrs IGP |
| Min Total Lapse = 1% | Min Rate Factor = -2%; -4% at shock | Min Total Lapse = 0.5% |
| Max Total Lapse = 60% | Max Rate Factor = 10% during SC period, 60% at shock; 35% thereafter | Max Total Lapse = 90% |
| GMIR/SNFL Era Factor = None; N/A | GMIR/SNFL Era Factor = TBD | **For FIA:**  GMIR Factor = None; N/A  **For FA:**  GMIR Factor = 1.25 if GMIR <= 1.0%  = 1 if 1.0% < GMIR <= 2.5%  = 0.70 if GMIR > 2.5% |
| Buffer (BF) = 0.50% | Buffer (BF) = 0.25% | Buffer (BF) = 0.50% |