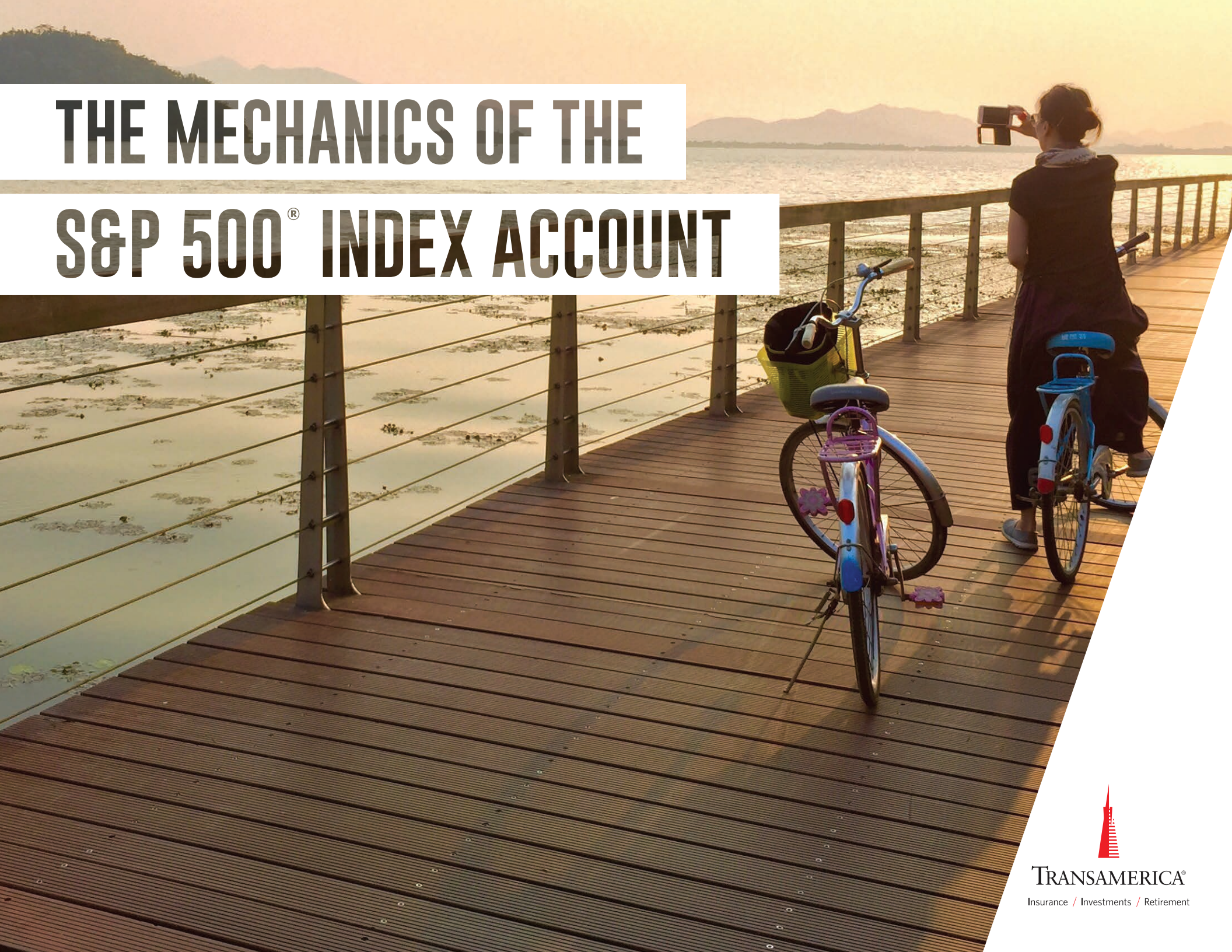


THE MECHANICS OF THE S&P 500[®] INDEX ACCOUNT



TRANSAMERICA[®]
Insurance / Investments / Retirement

HOW IS THE EXCESS INDEX INTEREST RATE CALCULATED?

Your index universal life (IUL) insurance policy from Transamerica Life Insurance Company is credited with excess index interest based, in part, on changes in the S&P 500®.¹ In order to fully understand how interest is credited, it is important to know the mechanics of the Index Account segments (the segment) and the index change calculation. The following shows how the index change percentage is calculated and a segment history example.

We begin by determining the percentage change in the index since the beginning of the segment. The actual calculation is as follows:

(**A** minus **B**) divided by **B**, where:

A is the index value on the ending date for that segment.

B is the index value on the beginning date for that segment.

The result is then adjusted, if necessary, to be no more than the cap^{2,3} or no less than zero.

UNDERSTANDING THE INDEX ACCOUNT

Net premiums and transfers allocated to the Index Account are placed into a segment corresponding to the policy month in which they were received. At the end of each Segment Period (one year), the company calculates the index change which is used to determine how much excess index interest, if any, will be credited to that particular segment. Excess index interest represents interest credited above the minimum interest rate guaranteed* by your policy and is limited by the current cap for each segment.

* For the purpose of this brochure, the terms "guaranteed minimum interest rate" and "floor" are used interchangeably and are intended to express the same idea. Guarantees are based on the claims-paying ability of the company.

FLOORS AND

CAPS BY PRODUCT

The following pages provide an example of the S&P 500® and how the cap and the floor are applied to individual segments of the Index Account. The example only reflects the *Transamerica Financial Foundation IUL* product. For your reference, below is a complete list of the Transamerica IUL products that include the S&P 500® Index Account, along with their corresponding caps and floors.

CURRENTLY SOLD PRODUCT	FLOOR	CAP†
<i>Transamerica Financial Foundation IUL</i> ® (IUL09) Inception Date: 05/19/2017	0.75%	12.00%
PRODUCTS NO LONGER SOLD	FLOOR	CAP†
<i>Transamerica Financial Foundation IUL</i> ® (IUL06)‡ Inception Date: 11/2/2012	0.75%	9.50%
Freedom Index Universal Life II ^{SM‡} Inception Date: 7/29/2011	1.00%	9.75%
WRL Freedom Index Universal Life ^{SM‡} Inception Date: 10/3/2008	1.00%	7.00%
WRL Freedom Equity Index Universal Life ^{SM‡} Inception Date: 6/1/2005	1.00%	7.00%

INDEX UNIVERSAL LIFE INSURANCE IS NOT A SECURITY and index universal life insurance policies are not an investment in the stock market or in financial market indexes. Index Account interest is based, in part, on index performance.

Past performance of an index is not an indication of future index performance. There is no guarantee that any excess index interest will be credited above the guaranteed minimum interest rate for the Index Account(s). Additionally, there is no guarantee that the company will declare an interest rate greater than the guaranteed minimum interest rate for the Basic Interest Account.

This is a brief overview of how the S&P 500® Index Account works. For further details, including fees and charges associated with this product, please refer to the consumer brochure.

† The caps shown are in effect as of December 2023. Caps are subject to change and the cap for any segment may increase or decrease, but will never be less than the current interest rate for the Basic Interest Account.

‡ No longer available for new sales

Inception dates may vary based on individual state approvals.

SEGMENT

HISTORY EXAMPLE

This example is based on an Index Account that uses the S&P 500®, assumes the respective dates the policies first became available for sale, with consistent monthly premium payments received on the second of each month.^{2,3} This chart is intended only to provide a brief overview of how interest may be calculated for a segment. Because the cap and guaranteed minimum interest rate, or floor, are different for each product, your results will vary.

Factors like withdrawals and policy loans taken from the Index Account will affect the amount of excess index interest that is credited to a segment. This example does not take into consideration any costs and charges deducted from the policy. Additionally, this example is based on changes in the index values between specific dates. Changes measured on different dates would yield different results.

EXAMPLE KEY

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
11/2/12	1,414.20	N/A	N/A	N/A	N/A	N/A

Closing price of the S&P 500® Index on the monthly date

The adjusted index change percentages after the cap and floor have been applied

The adjusted index change percentages after the cap and floor have been applied

Segment beginning and ending date

Percentage change in the value of the Index from segment beginning date to segment ending date using the calculation shown on page 2

Cap Rate for the segment

Cap Rate for the segment

SEGMENT

HISTORY EXAMPLE

CONTINUED

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
11/2/12	1,414.20	N/A	N/A	12.25%	N/A	N/A
12/2/12	1,409.46	N/A	N/A	12.25%	N/A	N/A
1/2/13	1,462.42	N/A	N/A	12.25%	N/A	N/A
2/2/13	1,495.71	N/A	N/A	12.25%	N/A	N/A
3/2/13	1,525.20	N/A	N/A	12.25%	N/A	N/A
4/2/13	1,570.25	N/A	N/A	12.25%	N/A	N/A
5/2/13	1,597.59	N/A	N/A	12.25%	N/A	N/A
6/2/13	1,640.42	N/A	N/A	12.25%	N/A	N/A
7/2/13	1,614.08	N/A	N/A	12.25%	N/A	N/A
8/2/13	1,709.67	N/A	N/A	12.25%	N/A	N/A
9/2/13	1,639.77	N/A	N/A	12.25%	N/A	N/A
10/2/13	1,693.87	N/A	N/A	12.25%	N/A	N/A
11/2/13	1,767.93	25.01%	12.25%	12.25%	N/A	N/A
12/2/13	1,800.90	27.77%	12.25%	12.25%	N/A	N/A
1/2/14	1,831.98	25.27%	12.25%	12.25%	N/A	N/A
2/2/14	1,741.89	16.46%	12.25%	12.25%	N/A	N/A
3/2/14	1,845.73	21.02%	12.25%	12.25%	N/A	N/A
4/2/14	1,890.90	20.42%	12.25%	12.25%	N/A	N/A
5/2/14	1,881.14	17.75%	12.25%	12.25%	N/A	N/A
6/2/14	1,924.97	17.35%	12.25%	12.25%	N/A	N/A
7/2/14	1,974.62	22.34%	12.25%	12.25%	N/A	N/A
8/2/14	1,938.99	13.41%	12.25%	12.25%	N/A	N/A
9/2/14	2,002.28	22.11%	12.25%	12.25%	N/A	N/A
10/2/14	1,946.17	14.89%	12.25%	12.25%	N/A	N/A
11/2/14	2,017.81	14.13%	12.25%	12.25%	N/A	N/A
12/2/14	2,066.55	14.75%	12.25%	12.25%	N/A	N/A
1/2/15	2,058.20	12.35%	12.25%	12.25%	N/A	N/A
2/2/15	2,020.85	16.01%	12.25%	12.25%	N/A	N/A
3/2/15	2,117.39	14.72%	12.25%	12.25%	N/A	N/A
4/2/15	2,066.96	9.31%	9.31%	12.25%	N/A	N/A
5/2/15	2,114.49	12.40%	12.25%	12.25%	N/A	N/A
6/2/15	2,109.60	9.59%	9.59%	12.25%	N/A	N/A
7/2/15	2,076.78	5.17%	5.17%	12.25%	N/A	N/A
8/2/15	2,098.04	8.20%	8.20%	13.75%	N/A	N/A
9/2/15	1,948.86	-2.67%	0.75%	13.75%	N/A	N/A
10/2/15	1,951.36	0.27%	0.75%	13.75%	N/A	N/A
11/2/15	2,104.05	4.27%	4.27%	13.75%	N/A	N/A
12/2/15	2,079.51	0.63%	0.75%	13.75%	N/A	N/A

SEGMENT

HISTORY EXAMPLE

CONTINUED

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
1/2/16	2,012.66	-2.21%	0.75%	13.75%	N/A	N/A
2/2/16	1,903.03	-5.83%	0.75%	13.75%	N/A	N/A
3/2/16	1,986.45	-6.18%	0.75%	13.75%	N/A	N/A
4/2/16	2,066.13	-0.04%	0.75%	13.75%	N/A	N/A
5/2/16	2,081.43	-1.56%	0.75%	13.75%	N/A	N/A
6/2/16	2,105.26	-0.21%	0.75%	13.75%	N/A	N/A
7/2/16	2,088.55	0.57%	0.75%	13.75%	N/A	N/A
8/2/16	2,157.03	2.81%	2.81%	13.75%	N/A	N/A
9/2/16	2,179.98	11.86%	11.86%	13.75%	N/A	N/A
10/2/16	2,161.20	10.75%	10.75%	13.75%	N/A	N/A
11/2/16	2,097.94	-0.29%	0.75%	13.75%	N/A	N/A
12/2/16	2,191.95	5.41%	5.41%	13.75%	N/A	N/A
1/2/17	2,257.83	12.18%	12.18%	13.75%	N/A	N/A
2/2/17	2,280.85	19.85%	13.75%	13.75%	N/A	N/A
3/2/17	2,381.92	19.91%	13.75%	13.75%	N/A	N/A
4/2/17	2,358.84	14.17%	13.75%	13.75%	N/A	N/A
5/2/17	2,391.17	14.88%	13.75%	13.75%	N/A	N/A
6/2/17	2,439.07	15.86%	13.75%	13.75%	N/A	13.75%
7/2/17	2,429.01	16.30%	13.75%	13.75%	N/A	13.75%
8/2/17	2,477.57	14.86%	13.75%	13.75%	N/A	13.75%
9/2/17	2,457.85	12.75%	12.75%	13.75%	N/A	13.75%
10/2/17	2,529.12	17.02%	13.75%	13.75%	N/A	13.75%
11/2/17	2,579.85	22.97%	13.75%	13.75%	N/A	13.75%
12/2/17	2,639.44	20.42%	13.75%	13.75%	N/A	13.75%

SEGMENT

HISTORY EXAMPLE

CONTINUED

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
1/2/18	2,695.81	19.40%	13.75%	13.75%	N/A	13.75%
2/2/18	2,762.13	21.10%	13.75%	13.75%	N/A	13.75%
3/2/18	2,691.25	12.99%	12.99%	13.75%	N/A	13.75%
4/2/18	2,581.88	9.46%	9.46%	13.75%	N/A	13.75%
5/2/18	2,635.67	10.23%	10.23%	13.75%	N/A	13.75%
6/2/18	2,746.87	12.62%	12.62%	13.75%	12.62%	13.75%
7/2/18	2,726.71	12.26%	12.26%	13.75%	12.26%	13.75%
8/2/18	2,827.22	14.11%	13.75%	13.75%	13.75%	13.75%
9/2/18	2,896.72	17.86%	13.75%	13.75%	13.75%	13.75%
10/2/18	2,923.43	15.59%	13.75%	13.75%	13.75%	13.75%
11/2/18	2,723.06	5.55%	5.55%	13.75%	5.55%	13.75%
12/2/18	2,790.37	5.72%	5.72%	13.75%	5.72%	13.75%
1/2/19	2,510.03	-6.89%	0.75%	13.75%	0.75%	13.75%
2/2/19	2,724.87	-1.35%	0.75%	13.75%	0.75%	13.75%
3/2/19	2,792.81	3.77%	3.77%	13.75%	3.77%	13.75%
4/2/19	2,867.24	11.05%	11.05%	13.75%	11.05%	13.75%
5/2/19	2,917.52	10.69%	10.69%	13.75%	10.69%	13.75%
6/2/19	2,744.45	-0.09%	0.75%	13.75%	0.75%	13.75%
7/2/19	2,973.01	9.03%	9.03%	13.75%	9.03%	13.75%
8/2/19	2,932.05	3.71%	3.71%	13.75%	3.71%	13.75%
9/2/19	2,906.27	0.33%	0.75%	13.75%	0.75%	13.75%
10/2/19	2,887.61	-1.23%	0.75%	13.75%	0.75%	13.75%
11/2/19	3,078.27	13.04%	13.04%	13.75%	13.04%	13.75%
12/2/19	3,113.87	11.59%	11.59%	13.75%	11.59%	13.75%

SEGMENT

HISTORY EXAMPLE

CONTINUED

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
1/2/20	3,257.85	29.79%	13.75%	13.75%	13.75%	13.75%
2/2/20	3,248.92	19.23%	13.75%	13.75%	13.75%	13.75%
3/2/20	3,090.23	10.65%	10.65%	13.75%	10.65%	13.75%
4/2/20	2,526.90	-11.87%	0.75%	13.75%	0.75%	13.75%
5/2/20	2,842.74	-2.56%	0.75%	13.75%	0.75%	13.75%
6/2/20	3,080.82	12.26%	12.26%	13.75%	12.26%	13.75%
7/2/20	3,130.01	5.28%	5.28%	13.75%	5.28%	13.75%
8/2/20	3,294.61	12.37%	12.37%	13.75%	12.37%	13.75%
9/2/20	3,580.84	23.21%	13.75%	13.75%	13.75%	13.75%
10/2/20	3,348.44	15.96%	13.75%	13.75%	13.75%	13.75%
11/2/20	3,310.24	7.54%	7.54%	13.75%	7.54%	13.75%
12/2/20	3,669.01	17.83%	13.75%	13.75%	13.75%	13.75%
1/2/21	3,700.65	13.59%	13.59%	13.75%	13.59%	13.75%
2/2/21	3,826.31	17.77%	13.75%	13.75%	13.75%	13.75%
3/2/21	3,870.29	25.24%	13.75%	13.75%	13.75%	13.75%
4/2/21	4,077.91	61.38%	13.75%	13.75%	13.75%	13.75%
5/2/21	4,192.66	47.49%	13.75%	13.75%	13.75%	13.75%
6/2/21	4,208.12	36.59%	13.75%	13.75%	13.75%	13.75%
7/2/21	4,352.34	39.05%	11.75%	11.75%	13.75%	13.75%
8/2/21	4,387.16	33.16%	11.75%	11.75%	13.75%	13.75%
9/2/21	4,536.95	26.70%	11.75%	11.75%	13.75%	13.75%
10/4/21	4,300.46	28.43%	11.75%	11.75%	13.75%	13.75%
11/2/21	4,630.65	39.89%	11.75%	11.75%	13.75%	13.75%
12/2/21	4,577.10	24.75%	11.75%	11.75%	13.75%	13.75%

SEGMENT

HISTORY EXAMPLE

CONTINUED

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
1/2/22	4,796.56	29.61%	11.75%	11.75%	13.75%	13.75%
2/2/22	4,589.38	19.94%	11.75%	11.75%	13.75%	13.75%
3/2/22	4,386.54	13.34%	11.75%	11.75%	13.34%	13.75%
4/2/22	4,582.64	12.38%	11.75%	11.75%	12.38%	13.75%
5/2/22	4,155.38	-0.89%	0.75%	11.75%	0.75%	13.75%
6/2/22	4,176.82	-0.74%	0.75%	11.75%	0.75%	13.75%
7/2/22	3,831.39	-11.97%	0.75%	11.75%	0.75%	13.75%
8/2/22	4,091.19	-6.75%	0.75%	11.75%	0.75%	13.75%
9/2/22	3,924.26	-13.50%	0.75%	11.75%	0.75%	13.75%
10/2/22	3,678.43	-14.46%	0.75%	11.75%	0.75%	13.75%
11/2/22	3,759.69	-18.81%	0.75%	11.75%	0.75%	13.75%
12/2/22	4,071.70	-11.04%	0.75%	11.75%	0.75%	13.75%
1/2/23	3,824.14	-20.27%	0.75%	11.75%	0.75%	13.75%
2/2/23	4,179.76	-8.93%	0.75%	11.75%	0.75%	13.75%
3/2/23	3,981.35	-9.24%	0.75%	11.75%	0.75%	13.75%
4/2/23	4,124.51	-10.00%	0.75%	11.75%	0.75%	13.75%
5/2/23	4,119.58	-0.86%	0.75%	11.75%	0.75%	13.75%
6/2/23	4,282.37	2.53%	2.53%	11.75%	2.53%	13.75%
7/2/23	4,455.59	16.29%	11.75%	11.75%	13.75%	13.75%
8/2/23	4,513.39	10.32%	10.32%	11.75%	10.32%	13.75%
9/2/23	4,496.83	14.59%	11.75%	11.75%	13.75%	13.75%
10/2/23	4,288.39	16.58%	10.00%	10.00%	12.00%	12.00%
11/2/23	4,317.78	14.84%	10.00%	10.00%	12.00%	12.00%
12/2/23	4,569.78	12.23%	10.00%	10.00%	12.00%	12.00%

SEGMENT

HISTORY EXAMPLE

CONTINUED

MONTHLY DATE	S&P 500® CLOSE ^{1,4,5}	INDEX CHANGE PERCENTAGE	IUL06 INDEX ACCOUNT INTEREST RATE ⁶	IUL06 CAP RATE ²	IUL09 INDEX ACCOUNT INTEREST RATE ⁶	IUL09 CAP RATE ³
1/2/24	4,742.83	24.02%	10.00%	10.00%	12.00%	12.00%
2/2/24	4,958.61	18.63%	10.00%	10.00%	12.00%	12.00%
3/2/24	5,130.95	28.87%	10.00%	10.00%	12.00%	12.00%
4/2/24	5,205.81	26.22%	10.00%	10.00%	12.00%	12.00%
5/2/24	5,064.20	22.93%	10.00%	10.00%	12.00%	12.00%
6/2/24	5,283.40	23.38%	10.00%	10.00%	12.00%	12.00%
7/2/24	N/A	N/A	N/A	N/A	N/A	N/A
8/2/24	N/A	N/A	N/A	N/A	N/A	N/A
9/2/24	N/A	N/A	N/A	N/A	N/A	N/A
10/2/24	N/A	N/A	N/A	N/A	N/A	N/A
11/2/24	N/A	N/A	N/A	N/A	N/A	N/A
12/2/24	N/A	N/A	N/A	N/A	N/A	N/A
1/2/25	N/A	N/A	N/A	N/A	N/A	N/A
2/2/25	N/A	N/A	N/A	N/A	N/A	N/A
3/2/25	N/A	N/A	N/A	N/A	N/A	N/A
4/2/25	N/A	N/A	N/A	N/A	N/A	N/A
5/2/25	N/A	N/A	N/A	N/A	N/A	N/A
6/2/25	N/A	N/A	N/A	N/A	N/A	N/A
7/2/25	N/A	N/A	N/A	N/A	N/A	N/A
8/2/25	N/A	N/A	N/A	N/A	N/A	N/A
9/2/25	N/A	N/A	N/A	N/A	N/A	N/A
10/2/25	N/A	N/A	N/A	N/A	N/A	N/A
11/2/25	N/A	N/A	N/A	N/A	N/A	N/A
12/2/25	N/A	N/A	N/A	N/A	N/A	N/A

 **Visit:** transamerica.com/insurance/index-universal-life-insurance

¹ S&P 500[®] Source: <https://finance.yahoo.com/quote/%5EGSPC?ltr=1>

² The Cap is the maximum percentage of Index Change the Index Account may be credited. The initial Cap Rate declared by the Company, for IUL06, was 12.25%. The Cap Rate was changed to 13.75% for Segment Periods beginning on or after July 15, 2014. The Cap Rate was changed to 11.75% for Segment Periods beginning on or after June 6, 2020. The Cap Rate was changed to 10.00% for Segment Periods beginning on or after September 24, 2022. The Cap Rate was changed to 9.50% for Segment Periods beginning on or after December 16, 2023.

³ The initial Cap Rate declared by the Company, for IUL09, was 13.75% for Segment Periods beginning on or after May 19, 2017. The Cap Rate was changed to 12.00% for Segment Periods beginning on or after September 24, 2022. On 12/16/2023, the Cap rate was changed to 12.25% for IUL09 policies issued between 5/19/2017 and 6/16/2023 (until September 2023 in South Carolina). The Cap rate remains 12.00% for IUL09 policies issued on or after 6/17/2023.

⁴ If the Monthly Date falls on a date when the S&P 500[®] is not published, then we will use the S&P 500[®] value from the next business day after the Monthly Date.

⁵ A policy earns Excess Index Interest (if any) based in part on changes in the S&P 500[®]. Although the S&P 500[®] may affect policy value, the policy is not an investment in the stock market or the index and does not participate in any stock or investments. A policy owner is not buying any shares of stock or shares of the S&P 500[®]. The S&P 500[®] figures in the table do not reflect the dividends paid on the stocks underlying the index. The Excess Index Interest (if any) we credit to a policy also does not include any such dividends.

⁶ The Index Account Interest Rate is the Index Change percentage after the Cap and floor have been applied. It is calculated for a Segment Period ending on the Monthly Date. The Index Change does not take into consideration any costs and charges deducted from the policy. The Index Account Interest Rate includes the Index Account 0.75% minimum guaranteed interest previously credited to the Segment during the Segment Period.

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