

# An index strategy with a boost and a knockout

## Term point-to-point with participation rate, boost, and knockout

In today's unpredictable financial landscape, consumers seeking fixed indexed annuities (FIAs) prioritize protecting their principal while maximizing their growth potential. Our index strategy is designed to support this goal by offering a unique combination of features that enhance growth while managing risk. This innovative strategy is an annual point-to-point with participation rate that incorporates both a "boost" and a "knockout" feature, paired with a volatility-controlled index.

In a typical point-to-point with participation rate index strategy, the value of an index is compared at the beginning of the term to its value at the end of the term and, if the change is positive, applies a participation rate to the index return to determine the amount of interest credited.

In our point-to-point with participation rate, boost, and knockout index strategy, we do this and more. Our strategy includes a knockout barrier that enhances growth potential by reducing the cost of the option. This reduction allows us to offer higher participation rates and an additional boost to performance, ensuring your account grows more robustly when the market performs well. By incorporating a volatility-controlled index with lower volatility targets, we aim to reduce the likelihood of hitting the knockout barrier, thereby providing a more stable growth environment. This carefully crafted approach ensures that while your principal is protected, you also have the opportunity to achieve significant growth.

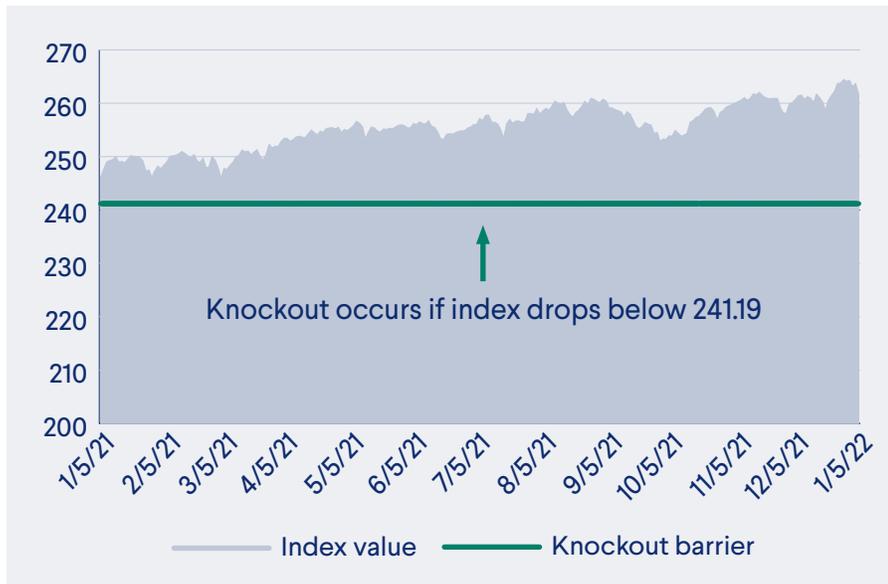
## How it works

If the daily index value during the crediting term does not fall below a preestablished threshold (known as the knockout barrier), this index strategy will add a boost of 2% to the index return at the end of the term before applying a participation rate. A knockout occurs if the index value drops by more than 2% from its value at the start of the term. For example, if the index value at the beginning of the term is 200, then the index value must stay above 196 for the length of the term in order to receive the 2% boost at the end of the term. If the index value goes below 196 at any point during the term, a knockout will be triggered, and you will not be credited any interest for that term.

A consideration for this strategy is that it can increase the frequency of zero payouts, as it introduces the possibility that you receive no interest despite the index generating a positive return for the year. However, the boost helps counteract this downside; particularly in instances where the index is close to flat, the boost provides additional returns which can then compound over time.

# Hypothetical example of 150% participation rate with boost and knockout

## Scenario 1 – Knockout does not occur with positive index return & index credit



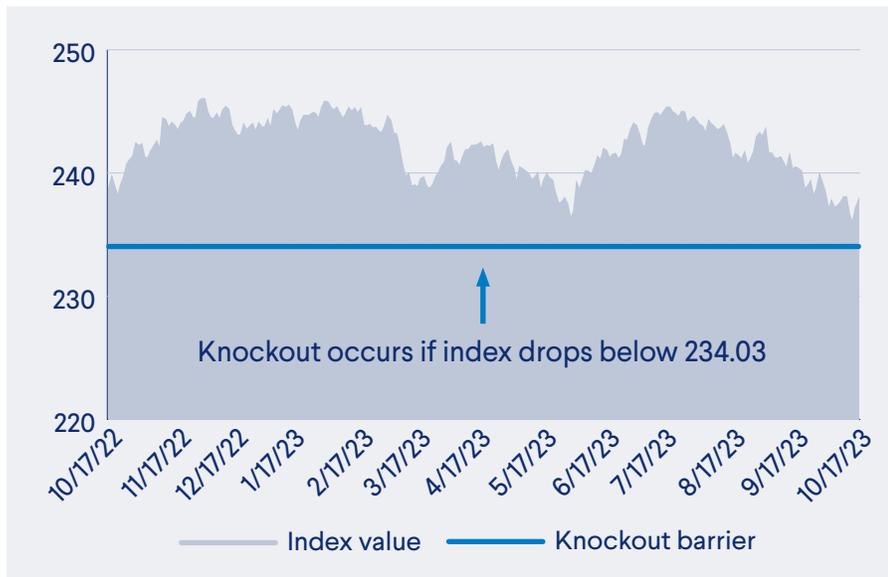
### Scenario 1 assumptions

Beginning index value	246.11
Knockout rate	98%
Knockout barrier value (246.11 X 98%)	241.19
Boost rate	2%
Index value on term end date	261.71
<b>Gross index return (261.71/246.11)-1</b>	<b>6.34%</b>
<b>Gross index return with boost (6.34% + 2%)</b>	<b>8.34%</b>
<b>Net return (8.34% X 150% participation rate)</b>	<b>12.51%</b>

In this scenario:

- A knockout does not occur because the index value stays above the knockout barrier for the length of the term.
- Because a knockout has not occurred, we compare the index value on the term end date to the beginning index value and add a 2% boost rate.
- Since the boosted index return is positive, we apply the participation rate to determine the index credit.

## Scenario 2 – Knockout does not occur with negative index return & positive index credit



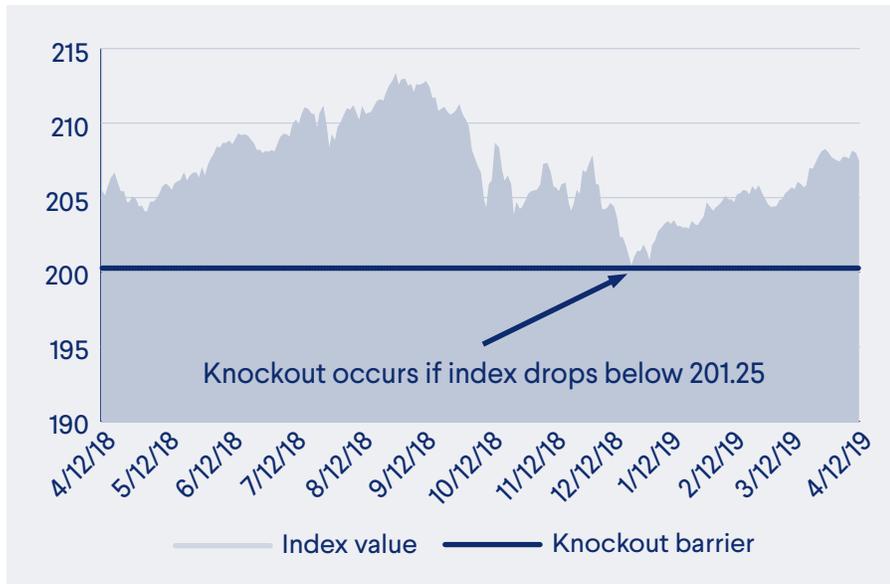
### Scenario 2 assumptions

Beginning index value	238.81
Knockout rate	98%
Knockout barrier value (238.81 X 98%)	234.03
Boost rate	2%
Index value on term end date	237.81
<b>Gross index return (237.81/238.81)-1</b>	<b>-0.42%</b>
<b>Gross index return with boost (-0.42% + 2%)</b>	<b>1.58%</b>
<b>Net return (1.58% X 150% participation rate)</b>	<b>2.37%</b>

In this scenario:

- A knockout does not occur because the index value stays above the knockout barrier for the length of the term.
- Because a knockout has not occurred, we compare the index value on the term end date to the beginning index value and add a 2% boost rate.
- Since the boosted index return is positive, we apply the participation rate to determine the index credit.

### Scenario 3 – Knockout occurs with positive index return & no index credit



Scenario 3 assumptions	
Beginning index value	205.36
Knockout rate	98%
Knockout barrier value (205.36 X 98%)	201.25
Boost rate	2%
Index value at term end date	207.49
<b>Gross index return (207.49/205.36)-1</b>	<b>1.04%</b>
<b>Net return</b>	<b>0%</b>

In this scenario:

- A knockout occurs because the index value drops below the knockout barrier during the term.
- Because a knockout occurred, the 2% boost rate does not apply.
- We do not apply a participation rate and no interest is credited, even though the index experienced growth at the end of the term.

## Fixed index annuity—at a glance

A fixed index annuity (FIA) is a contract between you and an insurance company that is designed to help you meet your long-term retirement needs. It is a product that offers you:

- Protection for your money against loss—with the opportunity for it to grow.
- The ability to earn interest based on the performance of a specific market index or a combination of indexes.
- A practical, no-nonsense, tax-advantaged way for consumers to save today and know they'll have guaranteed income in the future.

Since your money isn't invested directly in an index, your annuity's value will never decrease because of negative index performance. And the combination of compounded growth and a potentially lower tax bracket after you retire may help make your retirement savings go farther.

Gross total return index – An equity index that tracks both the capital gains as well as any cash distributions, such as dividends or interest, attributed to the components of the index.

### Delaware Life

This brochure is a general description of the product. Please read your contract and disclosure statement for definition and complete terms and conditions, as this is a summary of the annuity's features.

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Fixed index annuities are not securities and do not participate directly in the stock market or any index and are not investments. It is not possible to invest directly in an index.

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