SECURITY BENEFIT SECURE INCOME ANNUITY

The Morgan Stanley Dynamic Allocation Index

HOW IT COMPARES

Security Benefit®

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If you're considering allocating a portion of your Purchase Payment to the Morgan Stanley Dynamic Allocation (MSDA) Index as one of the interest crediting options available inside the Security Benefit Secure Income Annuity, you probably have questions about how it compares to something like the S&P 500® Index.

The MSDA Index is made up of four separate asset classes that cover a wide range, from Equities to Short-Term Treasuries to Bonds to Alternatives. This diversification helps to limit the impact any single asset class can have on the overall index, and in turn, provides the potential opportunity for positive returns even when one of the asset classes may experience a downturn.

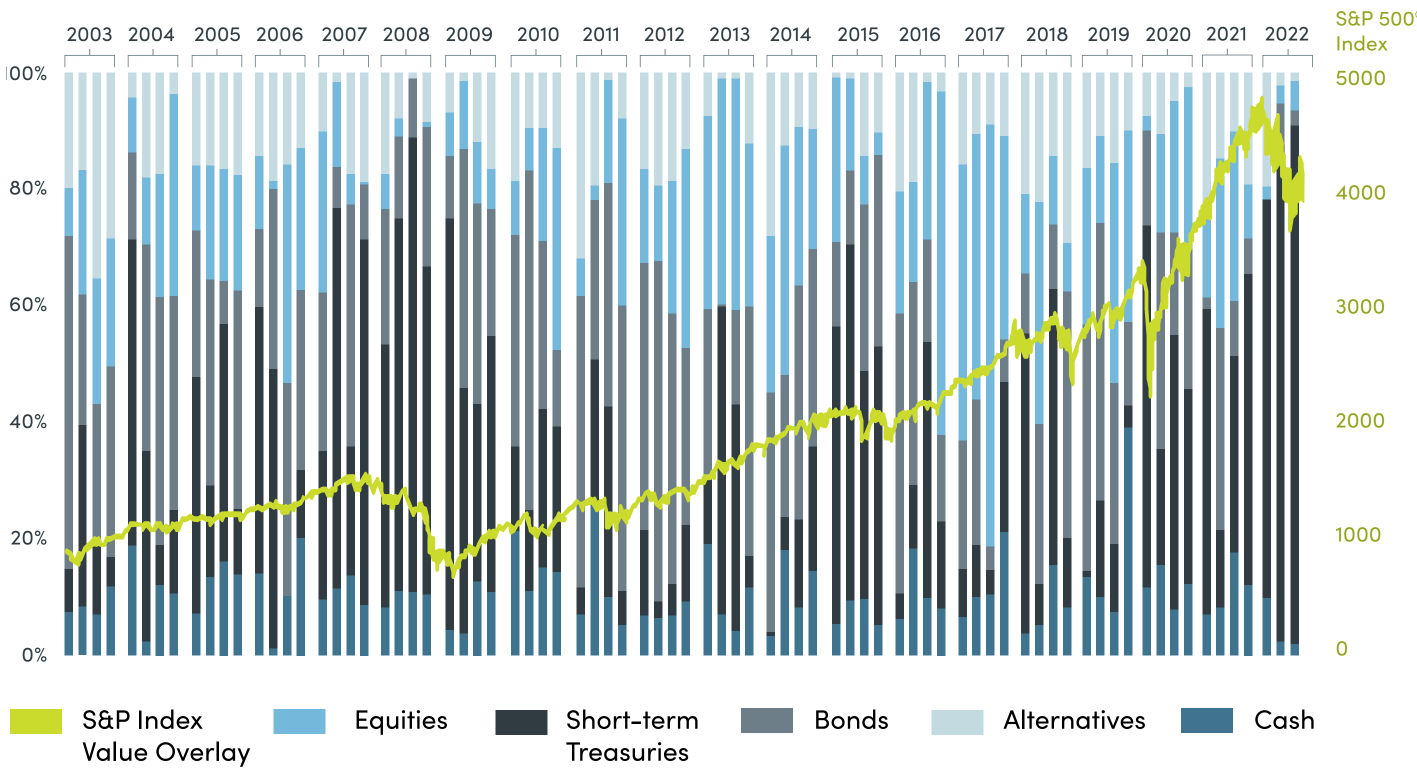
Asset Class with Maximum Allocation	Sub-Asset Class		Maximum Sub-Asset Class Allocation
Equities 100%	Developed Market Equities	Foreign Equities Maximum Weight Is 70%	50%
	Emerging Market Equities		50%
	Equties U.S. Equities		50%
Short-Term Treasuries 100%	Short-Term Treasury		100%
Bonds 75%	20+ Year Treasuries		35%
	High-Yield Bonds		20%
	Investment Grade Corporate Bonds		15%
	Emerging Markets Bonds		5%
	Investment Grade Bonds		5%
	7- to 10-Year Treasuries		5%
Alternatives 50%	Gold		25%
	Real Estate		25%

The goal of the MSDA Index is to attempt to deliver the highest return by determining the optimal weightings of each of the 12 sub-asset classes that make up the Index.

For additional information about how the MSDA Index is constructed and its components, please read the available brochure, *A Closer Look at the Morgan Stanley Dynamic Allocation Index*.

In the chart below, the asset class allocations, and the daily volatility cash allocation, are shown over the time period from January 2003 to December 2022. Overlaying the MSDA Index allocation mix is a line representing the S&P 500® values for the same time period. This shows how the allocation mix between the MSDA components varies based on the goal of maximizing returns for the MSDA Index.

Average Asset Allocations for Each Quarter

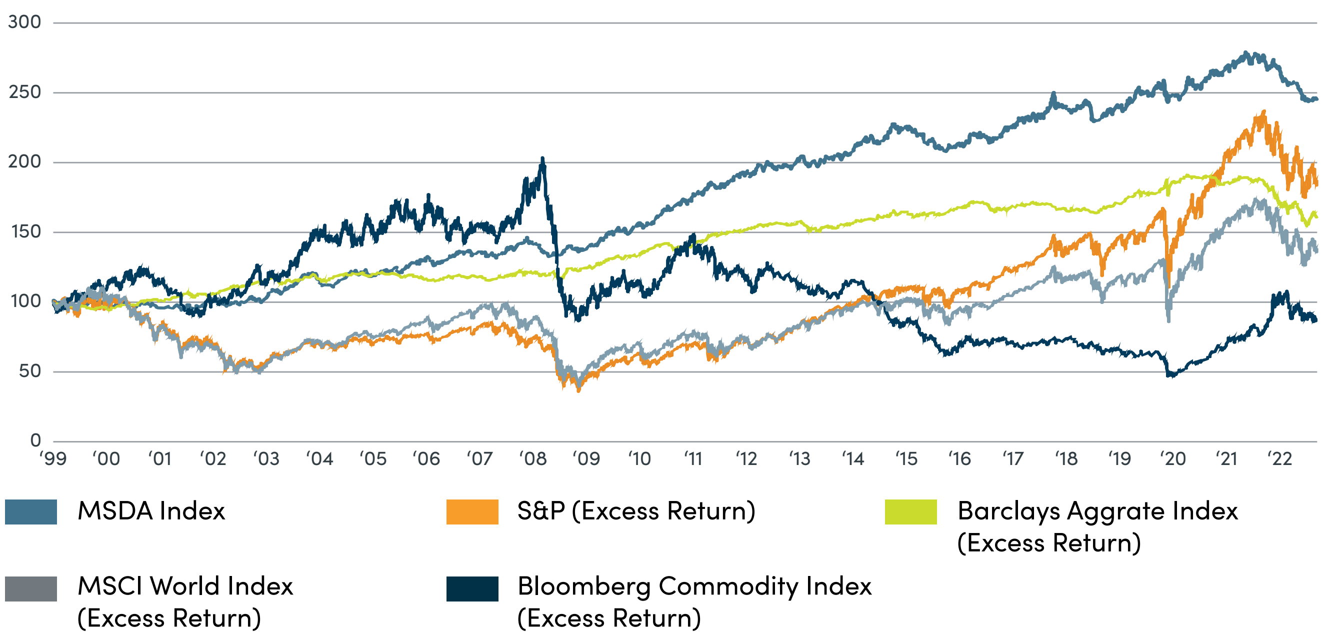


Over the time period shown, the average allocation among the asset classes was:

Equities — 19.2% **Short-term Treasuries** — 30.6% **Bonds** — 26.7% **Alternatives** — 13.3% **Cash** — 10.0%

Going back to May of 1999 and using backcasted results of the index components, the MSDA Index would have produced a net annualized return of 5.0% while experiencing a volatility of 5.0%.

As the chart below shows, this represented a greater return than the S&P 500® with less volatility over the period.



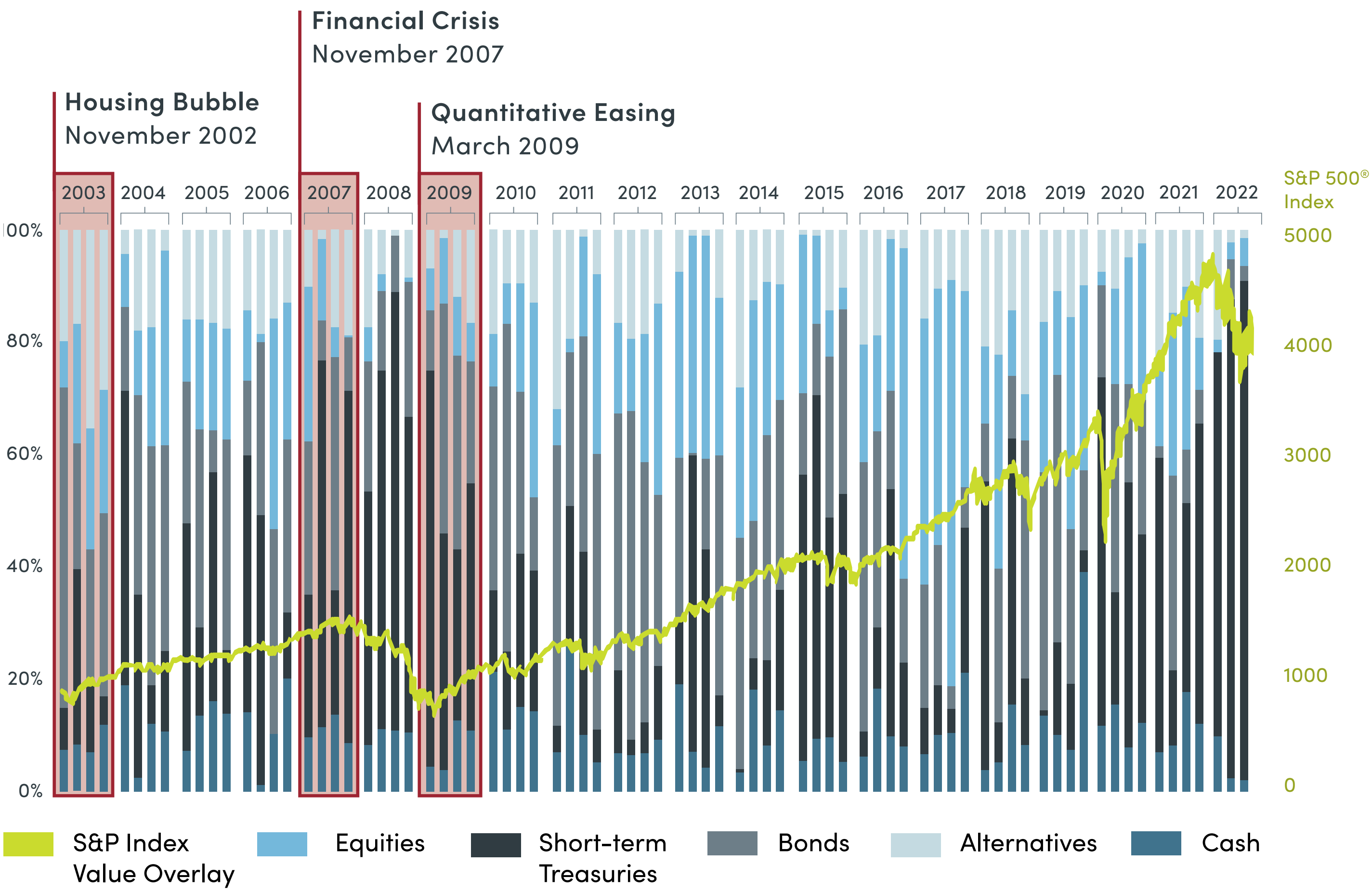
Description	MSDA Index (Excess Return)	S&P 500® Index (Excess Return)	Barclays US Aggregate Index (Excess Return)	MSCI World Index (Excess Return)	Bloomberg Commodity Index (Excess Return)
2022 Return (Annualized)[1]	-11.63%	-20.85%	-14.51%	-20.87%	11.87%
3 Year Return (Annualized)[2]	-1.16%	5.16%	-3.41%	2.60%	10.92%
5 Year Return (Annualized)[3]	0.51%	6.17%	-1.21%	3.06%	3.75%
Full Period Return (Annualized)[4]	3.86%	2.67%	2.02%	1.36%	-0.53%
Full Period Volatility (Annualized)	5.01%	19.82%	3.98%	16.67%	16.33%
Full Period Sharpe Ratio	0.77	0.13	0.51	0.08	-0.03
Max Drawdown over any 1 Year window	-12.4%	-53.0%	-18.2%	-56.3%	-57.4%

[1] 2022 Return — 12/31/21 to 12/30/22
[2] 3 Year Return — 12/31/19 to 12/30/22
[3] 5 Year Return — 12/29/17 to 12/30/22
[4] Full Period Return and Volatility — 05/03/99 to 12/30/22
Excess Returns indicate a return net of the Federal Funds effective rate

But how did the MSDA Index do compared to specific periods of market upheaval in the past several years?

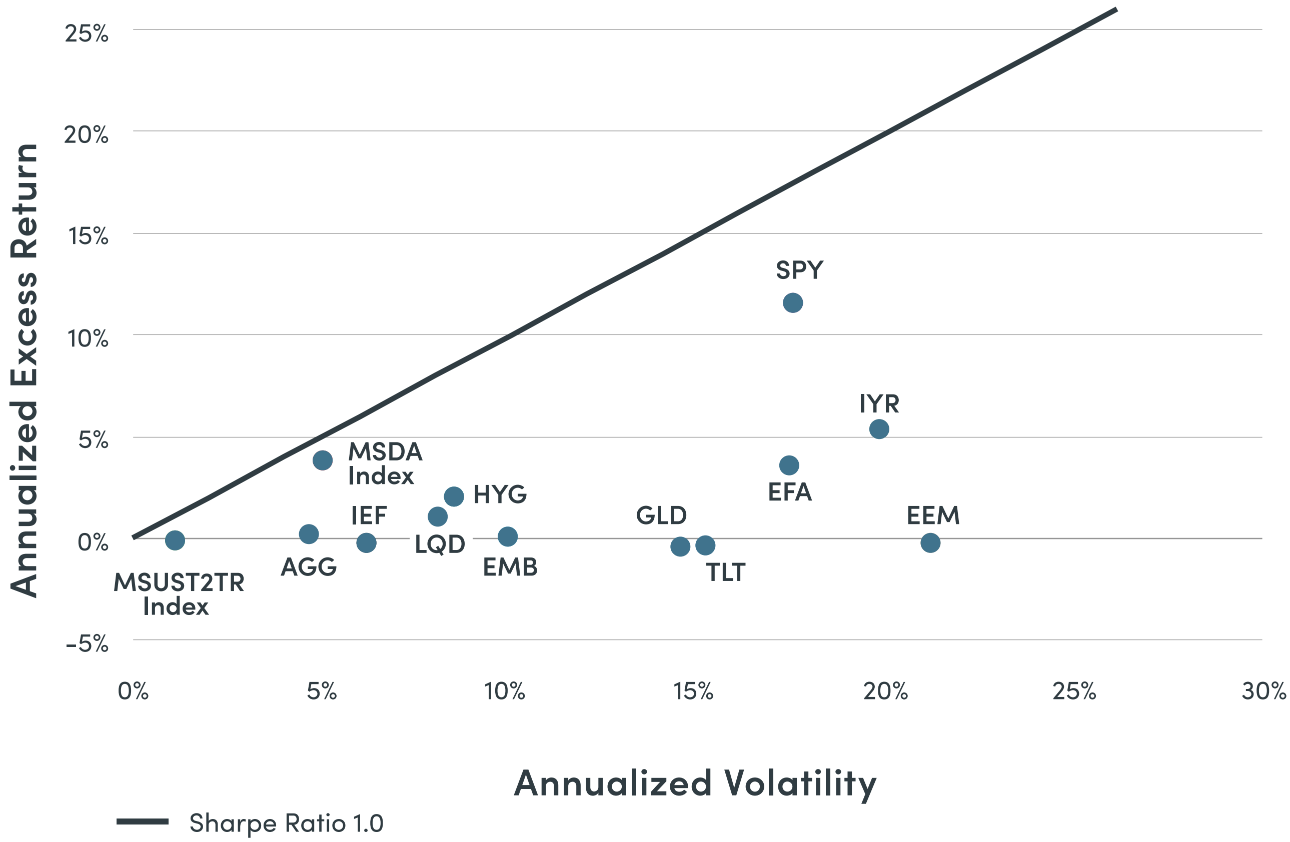
The chart below shows the allocation mix for the MSDA Index from January, 2003 through December, 2022 with the corresponding S&P 500® historical values line as an overlay, with several recent financial market upheavals highlighted. As you can see, during each period highlighted, the equity market experienced a downturn and the MSDA Index would have dynamically allocated less toward Equities and more toward Short-Term Treasuries, Bonds, Alternatives and Cash. As the equity market rebounded, the MSDA would have allocated more to Equities and less to the other asset classes and cash.

Average Asset Allocations for Each Quarter



The Morgan Stanley Dynamic Allocation Index is designed to attempt to provide an optimal asset mix for a targeted level of risk.

As the graph below shows, the MSDA annualized returns when plotted on a graph against the annualized volatility shows better returns with less volatility nearly all other, single asset classes.



Annualized returns are for the 10 year period from 12/30/2012 to 12/31/2022. Cash and ETF returns are total returns as of 12/31/2022. Includes simulated returns from December 31, 2003 to September 18, 2013 and actual returns thereafter.

- **Cash**
- **MSUS2TR Index** — Morgan Stanley 2 Year Treasury Index
- **MSDA Index** — Morgan Stanley Dynamic Allocation Index
- **AGG** — iShares Core Total U.S. Bond Market ETF
- **IEF** — iShares Barclays 7-10 Year Treasury Bond Fund
- **LQD** — iSHares iBOXX Investment Grade Corporate Bond Fund
- **EMB** — iShares JP Morgan USD Emerging Markets Bond Fund
- **HYG** — iShares iBOXX High Yield Corporate Bond Fund
- **TLT** — iShares Barclays 20+ Year Treasury Bond Fund
- **GLD** — SPDR Gold Trust
- **SPY** — SPDR S&P 500 ETF Trust
- **EFA** — iShare MSCI EAFE Index Fund
- **IYR** — iShares Dow Jones U.S. Real Estate Index Fund
- **EEM** — iShares MSCI Emerging Markets Index Fund

Your path *To and Through Retirement®* begins here.

Talk to your financial professional to see whether a Secure Income Annuity can complement your retirement portfolio or contact us at 800.888.2461.

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Guarantees provided by annuities are subject to the financial strength of the issuing insurance company. Annuities are not FDIC or NCUA/NCUSIF insured; are not obligations or deposits of, and are not guaranteed or underwritten by any bank, savings and loan or credit union or its affiliates; are unrelated to and not a condition of the provision or term of any banking service or activity.

Risk Factors

There are risks associated with this Index:

- The Index may not increase in value due to a number of factors.
- The volatility of the Index could be greater than the target volatility.
- The volatility target may also dampen the performance of the Index in rising markets.
- It is possible that the Index may be composed of a very small number of ETFs at any time.
- The Index involves risks associated with emerging markets equities currency exchange rates and precious metals.
- The Index has a limited performance history and past performance is no indication of future performance.
- The Index is calculated on an excess return basis and has embedded costs.

Note on Simulated Data

Back-testing and other statistical analyses provided herein use simulated analysis and hypothetical circumstances to estimate how the Index may have performed between January 1, 2002 and September 18, 2013, prior to its actual existence. The results obtained from such "back-testing" should not be considered indicative of the actual results that might be obtained from an investment in the Index. The actual performance of the Index may vary significantly from the results obtained from back-testing. Unlike an actual performance record, simulated results are achieved by means of the retroactive application of a back-tested model itself designed with the benefit of hindsight and knowledge of factors that may have possibly affected its performance. Morgan Stanley provides no assurance or guarantee that any product linked to the Index will operate or would have operated in the past in a manner consistent with these materials. Alternative simulations, techniques, modeling or assumptions might produce significantly different results and prove to be more appropriate. Actual results will vary, perhaps materially, from the simulated returns presented in this document. Because certain ETFs included in the sub-asset classes existed for only a portion of the back-tested period, substitute data has been used for portions of the simulation. Wherever data for one or more ETFs did not exist, the simulation has included the value of each ETF's benchmark index less the relevant current expense ratio.

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In calculating the performance of the Index, Morgan Stanley deducts on a daily basis a servicing cost of 0.50% per annum. This reduces the potential positive change in the Index and thus the amount of interest that will be credited to a fixed index annuity that is allocated to the Index. The volatility control calculation applied by Morgan Stanley may reduce the potential positive change in the Index and thus the amount of interest that will be credited to a fixed index annuity that is allocated to the Index. In addition, because the volatility control calculation is expected to reduce the overall volatility of the Index, it will also reduce the cost to Security Benefit Life Insurance Company of hedging its interest crediting risk for fixed index annuities with the Index as a crediting option.

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TO AND THROUGH RETIREMENT

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