

A LOOK AT EQUITY RETURNS

Many of your clients believe exposure to the stock market offers the best chance for long-term growth. But they may also worry about the possibility of significant loss that can come from investing in equities.

Your clients are right to be cautious. A month-by-month look at rolling annual returns for major stock indexes shows losses in almost one out of every three or four years. Of those losses, a majority were greater than -10%. Roughly one out of every five losses saw the annual return plunge below -20%.

Fortunately, risk control accounts offer a way for you to help protect your clients against dramatic drops while participating in the upside potential of equities.

Risk control accounts link performance to a major domestic or international stock index like the S&P 500 or MSCI EAFE. Your clients can then choose the upside potential and downside protection (anywhere from 0% to -10%) that works for their personal situation. The upside potential — or cap — is determined by the amount of downside protection your clients choose. Essentially, they pay for the protection through the cap on their earnings and any applicable contract fees.

Risk control accounts offer a way for you to help protect your clients against dramatic drops while participating in the upside potential of equities

HISTORICAL INDEX RETURNS

January 1980 – December 2015	S&P 500	MSCI EAFE
Average annual return	9.9%	8.9%
Total number of rolling years (observations)	420	420
Number of rolling years with gains	324	280
Number of rolling years with losses	96	140
Percent of years with gains	77.1%	66.7%
Percent of years with losses	22.9%	33.3%
For the years with losses, percent of time loss was:		
• -10% or less	42.7%	45.0%
• -10% to -20%	33.3%	36.4%
• -20% to -30%	15.6%	11.4%
• -30% or more	8.3%	7.1%

SOURCE | Data derived from the S&P 500 Index and MSCI EAFE Index, 2016

The last 35 years for the S&P 500 and MSCI EAFE tell the story of market cycles — strong gains punctuated by dramatic losses.

Allocating a portion of an investment portfolio to accounts that offer market risk control allows your clients to participate in the growth potential of equities while helping to eliminate the worry of unexpected volatility and substantial loss.

By linking to equity returns with a guaranteed limit on loss, your clients have the potential to outperform both fixed rate products and investments that offer no protection from market volatility.

[Get appointed today](#) to add CUNA Mutual Group risk control annuities to your product lineup.

IMPORTANT DISCLOSURES

Annuities are long-term insurance products designed for retirement purposes. Many registered annuities offer four main features: (1) a selection of investment options, (2) tax-deferred earnings accumulation, (3) guaranteed lifetime payout options, and (4) deathbenefit options. Before investing, your client should consider the annuity's investment objectives, risks, charges and expenses. The prospectus contains this and other information. Please encourage your clients read it carefully.

All guarantees are backed by the claims-paying ability of the issuer and do not extend to the performance of the underlying accounts which can fluctuate with changes in market conditions. Past performance is no guarantee of future results. Annuity contract values, death benefits and other values fluctuate based on the performance of the investment options and may be worth more or less than your total purchase payment when surrendered. Withdrawals may be subject to surrender charges, and may also be subject to a market value adjustment (MVA). Withdrawals of taxable amounts are subject to ordinary income tax, and if taken before age 59 may be subject to a 10% federal tax penalty. The company does not provide tax or legal advice.

The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by CMFG Life. MEMBERS Life is a wholly-owned indirect subsidiary of CMFG Life. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by CMFG Life. Annuities are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in this product nor do they have any liability for any errors, omissions or interruptions of the S&P 500 Index. The S&P 500 Index does not include dividends paid by the underlying companies.

Annuities are not sponsored, endorsed, issued, sold or promoted by MSCI, and MSCI bears no liability with respect to this product or any index on which it is based. The prospectus contains a more detailed description of the limited relationship MSCI has with CMFG Life and any related products.

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. Annuities are issued by CMFG Life Insurance Company (CMFG Life) and MEMBERS Life Insurance Company (MEMBERS Life) and distributed by their affiliate, CUNA Brokerage Services, Inc., member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, IA, 50677. CMFG Life and MEMBERS Life are stock insurance companies. MEMBERS® is a registered trademark of CMFG Life Insurance Company. **Investment and insurance products are not federally insured, may involve investment risk, may lose value and are not obligations of or guaranteed by any depository or lending institution.** All contracts and forms may vary by state, and may not be available in all states or through all broker/dealers.

CUNA MUTUAL GROUP

CONTACT INFO

PHONE: **877.345.4769 (GROW)**