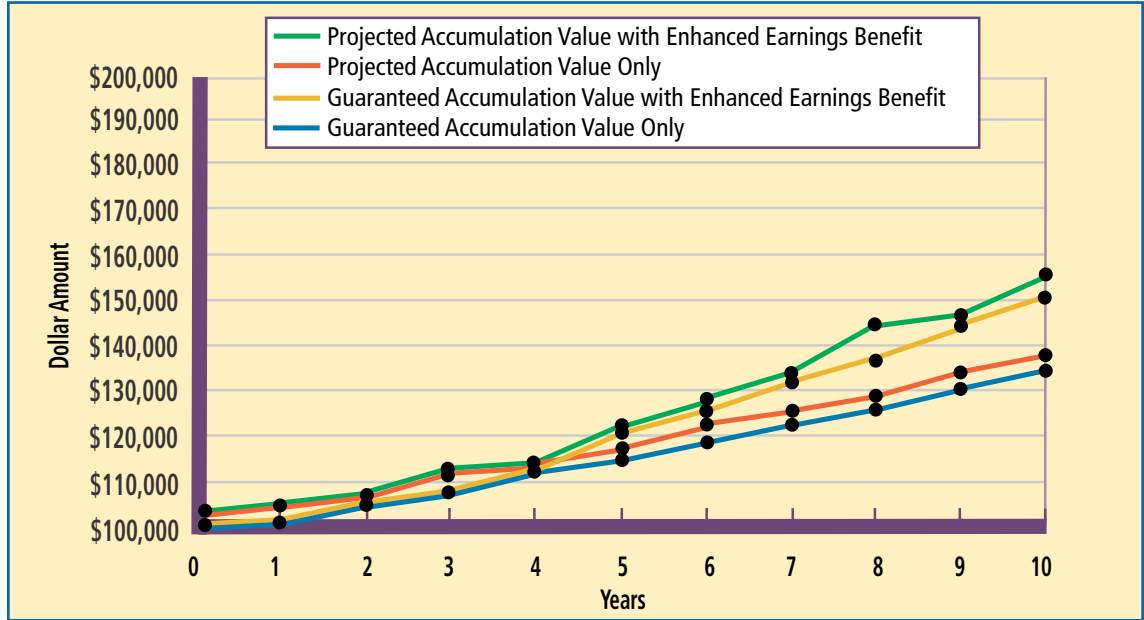


# How the Enhanced Earnings Benefit and Living Benefit Work

## Chart Assumptions:

- \$100,000 initial premium
- Annuity owner age 60 at the time of issue
- Projected interest rate: 3.50% in year 1 and 3.25% in years 2-10
- Guaranteed Interest rate: 3% years 1-10
- 30% gain in 1st 5 years; 60% gain in 2nd 5 years
- No withdrawals
- No additional premium deposits



**5th Contract Anniversary Projected Values**  
 Accumulation Value Only = \$117,625  
 Accumulation Value with Enhanced Earnings Benefit = \$122,913

**5th Contract Anniversary Guaranteed Values**  
 Accumulation Value Only = \$115,927  
 Accumulation Value with Enhanced Earnings Benefit = \$120,706

**10th Contract Anniversary Projected Values**  
 Accumulation Value Only = \$138,023  
 Accumulation Value with Enhanced Earnings Benefit = \$155,549

**10th Contract Anniversary Guaranteed Values**  
 Accumulation Value Only = \$134,392  
 Accumulation Value with Enhanced Earnings Benefit = \$150,248

## A comparison between a traditional Single Premium Deferred Annuity (SPDA) and the Master Builder SPDA after 10th Year

	SPDA*	Master Builder
Projected Accumulation Value after 10 Years	\$138,023	\$138,023
Enhanced Death Benefit Earnings after 10 years	+ \$0	+ \$17,526
<b>Total A</b> (Projected Accumulation Value + Enhanced Earnings Benefit)	<b>\$138,023</b>	<b>\$155,549</b>
Gain Since Initial Premium Deposit of \$100,000	\$38,023	\$55,549
Assumed Tax Rate of 31%	x31%	x31%
Tax Dollars For Uncle Sam	\$11,787	\$17,220
<b>Total Net to Beneficiary</b> (Total A – Tax Dollars For Uncle Sam)	<b>\$126,236</b>	<b>\$138,329</b>
<b>Master Builder's Gain for Beneficiary Over Traditional SPDA</b> (\$138,329 – \$126,236 = Gain)		<b>\$12,093</b>

**Enhanced Earnings Benefit Equals Additional 46% Gain**

**Equals 4.50% Annual Interest Per Year**

**Amount Still Greater than Traditional SPDA Before Taxes**

\*Traditional SPDA with same interest rate but no Enhanced Earnings Benefit or Living Benefit.

**Living Benefits for the Annuity Owner:** Paid at the end of 10 years. Benefit is equal to 1/2 of the \$17,526 OR \$8,763. Owner can annuitize for income (\$138,023 + \$8,763 = \$146,786).

Interest rate is subject to change at each contract anniversary date. 3% minimum interest rate applies. Charts for illustrative purposes only. The Enhanced Earnings Benefit is not payable if owner dies before 5th contract anniversary. Under the Enhanced Earnings Benefit, partial withdrawals may reduce the benefit amount. When calculating the Enhanced Earnings Benefit after a partial withdrawal has been taken, the most recent interest credited will be withdrawn first. Change of ownership can affect the benefit paid at death. The Enhanced Earnings Benefit will be calculated at the time the benefit is payable and be based on the current owner's age at time of issue. This piece should be used with the S7055 Agent Spec Sheet.



RBC Insurance is a brand name used by the U.S. insurance operations of Royal Bank of Canada, including Business Men's Assurance Company of America (BMA). The Master Builder SPDA is issued by BMA, which is solely responsible for its financial obligations. <sup>TM</sup>Trademark of Royal Bank of Canada. Used under license.

1-888-262-8131 • www.rbcinsurance.com/us  
 S7051 (R2-04)

**For Producer Use Only. Not For Use With The Public.**