

iA Financial Announces 2023 SRIA Guaranteed Interest Rate

WESTWARD'S VIEWPOINT

iA Financial (iA) life insurance policies invested in the Smoothed Return Index Account (SRIA) will earn a guaranteed **SRIA interest rate for 2023** of 2.50%, down from 2.75% in 2022.

The historical performance table shows how the average SRIA rate of 3.96% from 2014 through 2021 slightly exceeded the average SRIA Fund return of 3.71%. Consequently, the 2022 SRIA rate of 2.75% was set below the historical average SRIA Fund return to smooth the cumulative SRIA policy rate towards the cumulative SRIA Fund return.

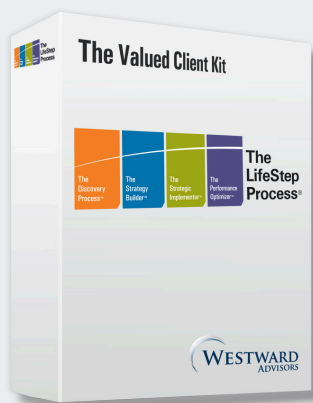
65% of the SRIA Fund is invested in private loans to policyholders earning fixed interest at 4.25% in 2022 and 4.0% in 2023.

The unprecedented 2022 market downturn in both bond and equity markets has likely resulted in a yet to be announced SRIA Fund loss for 2022 that is factored into the SRIA policy rate reduction for 2023.

The 2.5% SRIA rate in 2023 is a guaranteed tax deferred interest rate that becomes entirely tax free when paid out as a tax-free death benefit.

When the SRIA Fund recovers alongside a recovery in the bond and equity markets, the SRIA policy rate will increase accordingly.

For more information, clients can contact their Account Manager or Wayne Stone at waynes@westwardadvisors.com.



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iA FINANCIAL SRIA INVESTMENT ACCOUNT

The SRIA is an investment account option in certain iA universal life insurance policies. Policy funds invested in the SRIA are managed on a discretionary basis by iA in an underlying portfolio (the "SRIA Fund"). The investment objective is low yield volatility with a long-term focus targeting superior returns while minimizing the risk of capital loss. Actual returns in the SRIA Fund are smoothed into the SRIA policy interest rate through a guaranteed calendar year interest rate announced prior to each calendar year. For this purpose, actual returns include unrealized gains and losses.

The historical performance of the SRIA Fund and the SRIA policy rate is as follows:

YEAR	SRIA FUND RETURNS			POLICY RATE
	Gross	Fee	Net	
2014	5.82%	1.50%	4.32%	4.60%
2015	4.88%	1.50%	3.38%	4.60%
2016	6.67%	1.50%	5.17%	4.60%
2017	5.96%	1.50%	4.46%	4.60%
2018	3.85%	1.50%	2.35%	4.00%
2019	6.60%	1.50%	5.10%	3.50%
2020	7.88%	1.50%	6.38%	3.00%
2021	0.03%	1.50%	(1.47%)	2.75%
Average	5.21%	1.50%	3.71%	3.96%
2022	TBA	1.50%	TBA	2.75%
2023				2.50%

As of October 31, 2022, the SRIA Fund's market value was \$762 million allocated as follows:

