

# GS Momentum Builder<sup>®</sup> Multi-Asset Class Index

SPONSORED BY GOLDMAN, SACHS & CO.

FEATURED IN

## Marquis<sup>®</sup> SP

SINGLE PREMIUM • FIXED INDEXED ANNUITY



Lafayette Life  
Insurance Company

A member of Western & Southern Financial Group

# GS Momentum Builder® Multi-Asset Class Index

## MARQUIS® SP OFFERS OPTIONS

The Lafayette Life Insurance Company's **Marquis SP** is a single premium deferred fixed indexed annuity that earns interest based on changes in a market index, which measure how markets or parts of markets perform. Marquis SP offers growth potential and income guarantees. Allocate your account value among five indexed interest crediting options, including one-, two- and three-year allocation options with no interest rate cap.

Sponsored by global investment bank **Goldman Sachs**.

A market index associated with the **Marquis SP** single premium fixed indexed annuity.

Used in allocation options with **no interest rate cap**.

## AN INDEX CUSTOM DESIGNED FOR ANNUITIES

Marquis SP's one-, two- and three-year allocation options reflect the performance of the GS Momentum Builder® Multi-Asset Class (GSMAC) Index. Goldman Sachs custom designed the index for:

- **Diversification:** Mixing a wide variety of asset classes — including international equities, international bonds and commodities — may provide return consistency over long periods.
- **Dynamic Asset Allocation:** A rules-based strategy based on momentum-investing principles allocates more to recent outperformers and less to recent underperformers based on past performance over three-, six- and nine-month periods.
- **Stability:** Volatile markets can significantly impact performance. Monthly portfolio rebalancing may dampen risk and smooth returns in both rising and falling markets. Volatility is monitored daily and, to the extent the volatility cap is exceeded, the Money Market allocation is increased.

## AN INDEX THAT PURSUES A WORLD OF OPPORTUNITY

The GSMAC Index aims to deliver returns that maximize gains for a given level of volatility. Six diverse asset classes are rebalanced monthly, offering long-term potential for more consistent returns across different market cycles, both high and low. Still, index objectives may not be met. Diversification may not protect against market risk.



Asset class maximum weights are as follows: US Equity 30%, International Equity 60%, US Bonds 100%, International Bonds 60%, Commodities 50% and Money Market 100%. For asset classes with two component indexes, neither may comprise more than half the maximum weight. The index is controlled for a 4.5% volatility target and a 5.0% volatility cap.

# Global Potential for Your Retirement Path

## GSMAC INDEX: ONE-, TWO- AND THREE-YEAR POINT-TO-POINT ALLOCATION OPTIONS

The allocation options credit positive interest, if any, by measuring the index value at two points in time (the start date and end date of the crediting period). The actual interest rate credited is the point-to-point return of the index adjusted by a participation rate, which may be less than, equal to or greater than 100% (the minimum is 10%). A new participation rate is declared each crediting period. Typically the longer the crediting period, the higher the participation rate.

Remember, you never participate in losses of the index, so the higher the participation rate, the better. And there's **no interest rate cap** imposed by Lafayette Life to limit the upside return of the allocation option.

## HYPOTHETICAL PERFORMANCE: LOOKING BACK TO 2002

The index began on July 25, 2014, but how might it have performed had it been around since 2002? The table below left shows hypothetical one-year index returns starting on the first day of each year that the index would have been published. The table below right shows actual calendar-year return information since index inception.

Hypothetical data reflects application of index methodology and selection of index components with the benefit of hindsight. No hypothetical can completely account for the impact of financial risk in actual trading. Many factors not accounted for can affect actual performance. Source: GS Securities Division, January 2016.

Hypothetical Returns (One-Year)		
Start Date	End Date	Return
1/4/02	1/6/03	6.22%
1/6/03	1/5/04	4.75%
1/5/04	1/4/05	1.19%
1/4/05	1/4/06	12.08%
1/4/06	1/4/07	1.63%
1/4/07	1/4/08	3.86%
1/4/08	1/5/09	0.90%
1/5/09	1/4/10	1.13%
1/4/10	1/4/11	3.64%
1/4/11	1/4/12	7.65%
1/4/12	1/4/13	3.66%
1/4/13	1/6/14	5.65%
1/6/14	1/5/15	5.95% <sup>1</sup>

Actual Returns (One-Year)		
Start Date	End Date	Return
1/5/15	1/4/16	-2.64%

Average Point-to-Point Returns 1/4/02 to 1/4/16 <sup>1,2</sup>	
1-year	4.43%
2-year	8.89%
3-year	13.62%

1 Performance based on hypothetical returns prior to 7/25/14 (index inception) and actual returns thereafter.

2 Returns reflect point-to-point data starting each day the index would have been published, averaged for all possible one-, two- and three-year periods. Returns reflect the performance of the index only and not the participation rates associated with the product.

**Hypothetical historical index returns do not guarantee future results.** Index weights may not be optimal. A different combination may perform better. The index is not actively managed. Component indexes are sponsored by Goldman Sachs, unless labeled otherwise. The index has a 0.50% embedded yearly expense that reflects costs associated with replicating the index. The hypothetical index returns above already reflect this expense. Issuer is contractually bound to purchase the investments related to this option from Goldman Sachs. If the index change over the crediting period is 0% or lower, account value is credited with 0%. Account value is credited at end of the chosen period. Withdrawal charges reduce account value. Allocation options and crediting periods may be changed or eliminated in the future. If an index is eliminated or substantially changed by its sponsor, we will notify you and make a reasonable substitution.

For more information on the GSMAC Index, visit [www.solactive.com/downloads/GSMBMAC.pdf](http://www.solactive.com/downloads/GSMBMAC.pdf)

Talk to your financial professional to see if this unique strategy may suit you.

## ABOUT MARQUIS SP

Marquis SP is not a security. It does not participate in the stock market or any index. It is an insurance contract designed to help you address your long-term retirement income needs. The GS Momentum Builder® Multi-Asset Class Index allocation option is just one of the paths available to you in Marquis SP.



## ABOUT GOLDMAN, SACHS & CO.

Goldman, Sachs & Co. created the GS Momentum Builder® Multi-Asset Class Index for the Marquis SP fixed indexed annuity. Goldman Sachs is a recognized global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world.

This fixed indexed annuity is not sponsored, endorsed, sold, guaranteed, underwritten, distributed or promoted by Goldman, Sachs & Co. or any of its affiliates with the exception of any endorsement, sales, distribution or promotion of this product that may occur through its affiliates that are licensed insurance agencies (excluding such affiliates, individually and collectively referred to as "Goldman Sachs"). Goldman Sachs makes no representation or warranty, express or implied, regarding the advisability of investing in annuities generally or in fixed indexed annuities or the investment strategy underlying this fixed indexed annuity, particularly, the ability of the GS Momentum Builder® Multi-Asset Class Index to perform as intended, the merit (if any) of obtaining exposure to the GS Momentum Builder® Multi-Asset Class Index, or the suitability of purchasing or holding interests in this fixed indexed annuity. Goldman Sachs does not have any obligation to take the needs of the holders of this fixed indexed annuity into consideration in determining, composing or calculating the GS Momentum Builder® Multi-Asset Class Index. GOLDMAN SACHS DOES NOT GUARANTEE THE ACCURACY AND/OR COMPLETENESS OF GS MOMENTUM BUILDER® MULTI-ASSET CLASS INDEX OR OF THE METHODOLOGY UNDERLYING THE INDEX, THE CALCULATION OF THE INDEX OR ANY DATA SUPPLIED BY IT FOR USE IN CONNECTION WITH THIS FIXED INDEXED ANNUITY. GOLDMAN SACHS EXPRESSLY DISCLAIMS ALL LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGE EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

"Goldman Sachs," "Goldman," "GS Momentum Builder®" and "GS Momentum Builder® Multi-Asset Class Index" are trademarks or service marks of Goldman, Sachs & Co. and have been licensed for use by the insurance company issuing this annuity for use in connection with certain fixed indexed annuities.

"Bloomberg®," "Bloomberg WTI Crude Oil Subindex Total Return<sup>SM</sup>" and "Bloomberg Gold Subindex Total Return<sup>SM</sup>" are service marks of Bloomberg Finance L.P. and its affiliates (collectively, "Bloomberg") and have been licensed for use for certain purposes by Goldman Sachs. Neither Bloomberg nor UBS Securities LLC and its affiliates (collectively, "UBS") are affiliated with Goldman Sachs, and Bloomberg and UBS do not approve, endorse, review, or recommend the GS Momentum Builder® Multi-Asset Class Index. Neither Bloomberg nor UBS guarantees the timeliness, accurateness, or completeness of any data or information relating to the GS Momentum Builder® Multi-Asset Class Index.

Marquis SP is issued by The Lafayette Life Insurance Company, Cincinnati, Ohio. The Lafayette Life Insurance Company operates in D.C. and all states except NY, and is a member of Western & Southern Financial Group, Inc. Single Premium Deferred Annuity Contract with Indexed Interest Options series ICC14 ENT-03 1406, ICC14 EE.21 GMAV-7 1406, ICC14 EE.22 GMAV-10 1406, ICC14 EE.23 SI-MY-PTP 1406, ICC14 EE.23 SI-PTP 1406, ICC14 EE.23 SI-MA 1406, ICC15 EE.23 SI-OY-PTP 1511, ICC14 EE.25 WWV 1406, and Guaranteed Lifetime Withdrawal Benefit Rider series ICC14 ER.03 GLWB-I 1406 and ICC14 ER.04 GLWB-S 1406.

Payment of benefits under the annuity contract is the obligation of, and is guaranteed by, The Lafayette Life Insurance Company. Guarantees are based on the claims-paying ability of the insurer. Products are backed by the full financial strength of Lafayette Life. Marquis SP is not a security. It does not participate in the stock market or any index. It is an insurance contract designed to help you address your long-term retirement income needs.

The Indexed Interest Options will never credit less than 0% even if the index goes down. The interest rate for the Fixed Interest Option is declared in advance, guaranteed for one Index Year and will never be less than 1%.

Earnings and pre-tax payments are subject to ordinary income tax at withdrawal. Withdrawals may be subject to charges. Withdrawals of taxable amounts from an annuity are subject to ordinary income tax, and, if taken before age 59½, may be subject to a 10% IRS penalty. Neither Western & Southern member companies, nor their agents, offer tax advice. For specific tax information, consult your attorney or tax advisor. Interest rates are declared by the insurance company at annual effective rates, taking into account daily compounding of interest. Product and feature availability, as well as benefit provisions, vary by state. See your financial professional for product details and limitations.

**No bank guarantee. Not a deposit. May lose value. Not FDIC/NCUA insured. Not insured by any federal government agency.**

© 2017 The Lafayette Life Insurance Company. All rights reserved.



Lafayette Life  
Insurance Company

A member of Western & Southern Financial Group

The Lafayette Life Insurance Company  
400 Broadway  
Cincinnati, OH 45202-3341  
[www.LLIC.com](http://www.LLIC.com)