

PROCEDURE

02 CALCULATION

CA-001

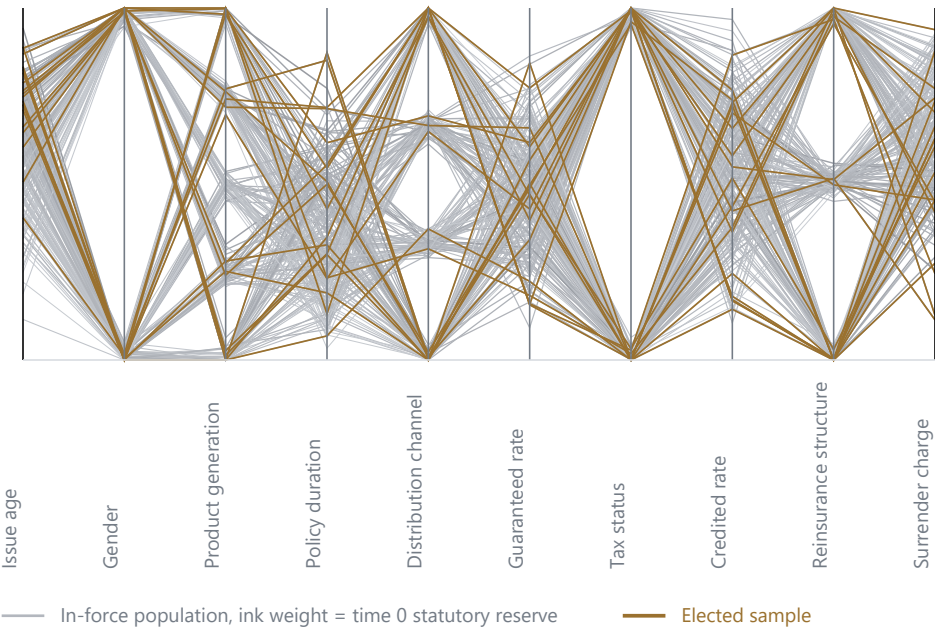
Determination of optimal sample

Which contracts the recalculation runs on, and why that set is optimal for its size.

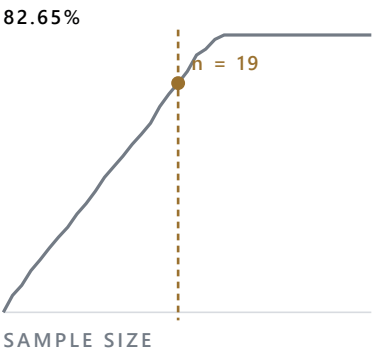
PRODUCT	BASIS	MODEL	VALUED AT
Single premium deferred annuity	US statutory	AXIS	30 June 2025

MULTIVARIATE SELECTION FIELD

10 selection variables 29,301 contracts n = 19



WHAT n BUYS



Representativeness by time 0 reserve. Past n the curve flattens: each further contract buys materially less.

Each line is one contract, traced across the ten variables the selection varies on. Ink weight carries the time 0 reserve, so materiality is visible rather than assumed, and the gold lines are the elected sample. Account value, cash value, reserve and single premium are not on these axes: they are the output metrics that measure how material each combination is, not dimensions of the selection. n is the point at which representativeness relative to sample size is optimised, not the point at which the whole in-force is represented.

Anonymized client sample. In-force population of 29,301 contracts across the 10 selection variables shown, resolving to 50 candidate combinations, of which 19 were elected. n is not the point at which the whole in-force is represented: it is the point at which representativeness relative to sample size is optimised, reaching 82.65% by time 0 reserve value, beyond which each further contract buys materially less coverage. Account value, cash value, reserve and single premium are not selection variables; they are the output metrics that measure how material each combination is. A random component sits on top of the selection, and the sample is fixed and evidenced before any recalculation runs.