Morgan Stanley Global Opportunities Index (MSGO)

The MSGO Index, maintained by Morgan Stanley & Co. LLC, is one of the market indexes you can select as a benchmark for crediting interest to the cash value of your Delaware Life fixed index annuity (FIA).[1]

What the MSGO index represents

This index represents the performance of a portfolio that offers **diversified access to global opportunities** by tracking multiple asset classes of equities, fixed-income rates, and commodity futures.

The MSGO Index may be appropriate if you want an index option that:

- Includes **markets outside of the U.S.**
- Uses a **trend-following strategy**
- Applies a **daily risk control mechanism**

More details about how Morgan Stanley manages this index are included on p. 2.

Your FIA can earn interest credits based on how this index performs

- Your Delaware Life FIA is not directly invested in financial markets and it does not own shares in any index, index fund, or equity or bond investment. Instead it earns interest credits based on the performance of the indexes you select.[2]
- It's important to remember that a FIA index is not an investment that you can purchase. It tracks the actual index but is not invested directly in the index.
- So, while you cannot actually invest in an index, you can use it as a benchmark—or point of reference—to track the performance of the market it represents and compare that to the returns of similar instruments or groups of instruments.

[1] Index Annuities issued by Delaware Life Insurance Company.

[2] Index strategies used in Delaware Life Fixed Index Annuities are subject to factors such as caps, spreads, and participation rates, which will reduce crediting rates relative to the underlying index performance. See the applicable disclosure statement for more information.

TI10MSPP

How we calculate the FIA interest credit for this index[2]

The Morgan Stanley Global Opportunities Index (MSGO) is available with two choices of crediting method strategies: **1-year point-to-point with participation rate** or **5-year point-to-point with participation rate net contingent interest.**

The **1-year point-to-point strategy with participation rate** calculates the amount of interest to be credited to your FIA each year by measuring the change in the index value between a starting "point" date and a finishing "point" date to determine the gross return. Then,

- If the percentage change in the index is positive, you will receive interest based on a "participation rate" or percentage of the gains.
- If the index's percentage change is flat or negative, you won't receive indexed interest, but **your contract's value will be protected** and will not decrease due to the negative return.

The **5-year point-to-point with participation rate net contingent interest** strategy works like this:

- On each contract anniversary if the index is up (from year start to year end) you get a fixed amount (as set in your contract), this is called your contingent interest credit.
- At the end of the 5-year term, the index values for the start and end of the full 5-year term are compared. If that interest totals more than the annual contingent interest credit you've received each contract year, then you get the difference credited to your contract.

This strategy offers benefits similar to an annual rate reset and a locked-in participation rate in one. If the market goes up during your 5-year term, this strategy positions you to maximize your FIA's potential to take advantage of higher index performance.

The cap and/or participation rate used to calculate the interest credit will vary, based on your FIA contract. Please check with your financial representative for more information about the crediting method used for your contract.

[2] Index strategies used in Delaware Life Fixed Index Annuities are subject to factors such as caps, spreads, and participation rates, which will reduce crediting rates relative to the underlying index performance. See the applicable disclosure statement for more information.

How MSGO “invests”

The MSGO Index is maintained by Morgan Stanley & Co. LLC, exclusively for Delaware Life. The index uses a **proprietary multi-asset and trend-following strategy** to determine allocations and track the performance of underlying instruments in three main asset classes/categories.

Asset class/category	What indexes are tracked	Represents performance of
Equity	S&P 500® (U.S.) DAX 30 (Germany) NIKKEI 225 (Japan)	Equity (stock) investments in the U.S., Germany, and Japan
Rates	5-year U.S. Treasury Note 5-year German Euro bond 10-year Japanese bond	Rate-driven fixed-income instruments in Japan, Germany, and the U.S.
Commodities	Crude oil futures Soybeans futures Gold futures	Future contracts underlying Energy, Agriculture, and Precious Metals sectors

The annual return of the MSGO Index is based on the aggregated performance of the underlying instruments in each of these asset classes/categories.

- By taking a **multi-asset approach**, the index can diversify risk and reduce volatility by rebalancing its exposure to various market risk factors within each asset class or category.

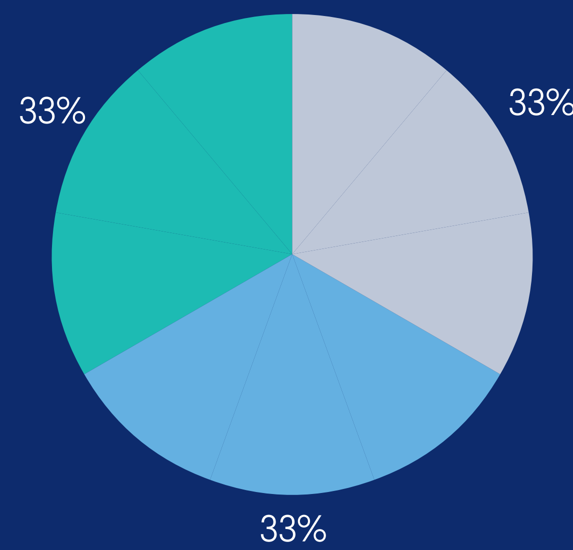
  To do this, the index starts with the Base Risk Allocations shown in the chart below—33% for each asset class. Within each asset class the baseline allocation for each category is calculated to equalize the “risk budget” at 11%. For example, within the 33% Commodities asset class allocation, each category—crude oil, soybeans and gold—would have a “risk budget” of 11%. Assets with higher volatility would have smaller allocations than those with lower volatility, but all within the 11% risk allocation for each category.

Morgan Stanley Global Opportunities Index – Base Risk Allocations

Base Risk Allocations help to create a portfolio that balances volatility contributions to diversify risk across regions and asset classes.

Equal-risk Base Allocations are a function of the realized volatility of each underlying; underlyings with a higher realized volatility get a proportionally reduced notional base allocation vs. underlyings with a lower realized volatility.

- 33%–Commodities
  Crude Oil, Soybeans, Gold
- 33%–Equity
  S&P 500®, DAX 30, NIKKEI 225
- 33%–Rates
  10-Year Japanese Bond, 5-Year German Euro Bond, 5-Year U.S. Treasury Note



- By using a **trend-following strategy**, the index seeks to add value by identifying and responding to investment trends in different market environments. The index objective is to increase its allocation to assets that exhibit strong upward trends and pares back investments during market downturns. It also tries to take advantage of long-and short-term price moves that play out in various markets.

Why we use a trend-following strategy

The use of "trend-following" strategies dates back to the 1700s when David Ricardo, an English political economist, proposed his golden rule: "Cut short your losses [and] let your profits run on." Because this popular approach has historically performed well in a variety of market environments, Morgan Stanley chose to use it for the MSGO Index.

For the rate/fixed-income portion of the portfolio, the index also uses a dynamic rebalancing method called a "dynamic duration overlay." This approach seeks to:

- Dynamically adjust its interest rate risk exposure by adjusting the allocations to different bond durations,
- Reduce the effects of interest rates in volatile rate environments, and
- Potentially provide positive returns when rates are rising.

How the index manages volatility

The index tries to limit long-term realized volatility to 5% or less dynamically adjusting the allocation between the underlying traded instruments and cash. While these volatility controls may result in less fluctuation in rates of return when compared to indexes that don't use them, they also may reduce the overall rate of return compared to those other indexes.

What are the potential benefits of selecting the MSGO Index?

Global growth potential

- Reflects multi-asset, global exposure to equities and bond rates in the U.S., Germany, and Japan, plus a variety of commodity futures to take advantage of performance differences across multiple regions and asset classes
- Daily rebalancing between equities, rates, and commodities to tap into trends across asset classes

Less volatility

- “Dynamic rebalancing” of interest rate risk exposure in the index’s fixed-income/bond component to mitigate the risk of downtrends in volatile interest-rate environments
- 5% annual volatility target

Consistent, positive performance in a variety of market environments

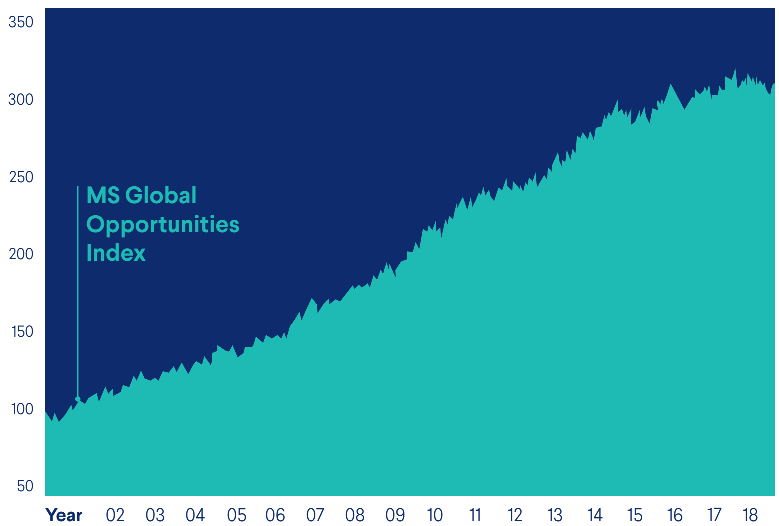
- Positive return in each of the past 10 calendar years (based on simulated returns)

A strategy that complements other Delaware Life FIA options that track

- Global Momentum (Stocks, Bonds & Commodities) (MSGO)
- Global Value (Stocks) (CROCI)
- Income (Fixed Account)

Performance (based on hypothetical, simulated returns)

Because the MSGO Index was introduced in 2017, it has limited performance history. For this reason, Morgan Stanley has used statistical analysis and hypothetical circumstances to create estimates of how the Index might have performed in prior years. In addition, when certain index components existed for only a portion of the back-tested period, substitute data was used for portions of the simulation. These hypothetical results are shown in the chart below and should be considered illustrative only.



MSGO Index	Return	Annualized Weekly Volatility	Sharpe	Maximum Drawdown
2002	11.36%	4.70%	2.42	3.01%
2003	10.26%	5.19%	1.98	3.58%
2004	7.33%	4.04%	1.82	4.95%
2005	7.62%	5.28%	1.44	3.54%
2006	4.94%	5.15%	0.96	5.04%
2007	11.09%	5.19%	2.14	2.59%
2008	9.71%	5.02%	1.94	4.41%
2009	6.84%	4.16%	1.64	2.18%
2010	14.45%	4.38%	3.30	1.91%
2011	6.53%	5.25%	1.24	3.06%
2012	3.96%	4.16%	0.95	3.10%
2013	6.76%	4.55%	1.49	2.93%
2014	9.84%	3.82%	2.57	1.81%
2015	0.91%	4.40%	0.21	4.71%
2016	3.90%	4.47%	0.87	4.68%
2017	4.29%	3.83%	1.12	3.64%
2018	-0.85%	4.25%	-0.20	4.95%
2002–2018*	6.92%	4.94%	1.40	5.04%
7-Year Trailing	5.58%	4.38%	1.27	4.95%
5-Year Trailing	3.55%	4.20%	0.85	4.95%
3-Year Trailing	2.42%	4.21%	0.57	4.95%
1-Year Trailing	-0.85%	4.25%	-0.20	4.95%

*Annualized return—simulated analysis used to estimate how the index may have performed prior to July 21, 2017.

Actual future performance of the Index may vary significantly from the results of this hypothetical analysis and Morgan Stanley cannot guarantee that any product linked to the Index will achieve results that are consistent with these values. In addition, as with any index or investment, past performance does not indicate future performance.

About Morgan Stanley

Founded in 1935, Morgan Stanley & Co. LLC, is one of the world's largest diversified global financial services firms with offices in New York City, London, Tokyo, Hong Kong, and other financial centers. For decades, Morgan Stanley has been a leader in providing advisory services for companies, governments, and institutional investors around the globe. The firm, through its subsidiaries and affiliates, provides its products and services to a large and diversified group of clients and customers.

This product is not sponsored, endorsed, sold or promoted by Morgan Stanley or any of its affiliates. Neither Morgan Stanley nor any other party (including, without limitation, any calculation agents or data providers) makes any representation or warranty, express or implied, regarding the advisability of purchasing this product. The Morgan Stanley Global Opportunities Index (the "Index") is the exclusive property of Morgan Stanley. Morgan Stanley and the Index are service marks of Morgan Stanley and have been licensed for use by Delaware Life Insurance Company for certain purposes. Morgan Stanley will not have any obligation or liability to owners of this product in connection with the administration or marketing of this product, and neither Morgan Stanley nor any other party guarantees the accuracy and/or the completeness of the Index or any data included therein. Morgan Stanley and its affiliates may engage in transactions involving components of the Index for their proprietary accounts and/or for accounts of their clients, which may affect the value of such components and the level of the Index.

No purchaser, seller or holder of this instrument, or any other person or entity, should use or refer to any Morgan Stanley trade name, trademark or service mark to sponsor, endorse, market or promote this product without first contacting Morgan Stanley to determine whether Morgan Stanley's permission is required. Under no circumstances may any person or entity claim any affiliation with Morgan Stanley without the prior written permission of Morgan Stanley.

There are risks associated with any product linked to this Index:

- Allocation to a crediting method using the Index provides the potential for interest to be credited based in part on the performance of the Index.
- The Index may not increase in value due to a number of factors and as a result there may be no interest credited to the annuity contract.
- Because the Index has a consistent volatility target, the Index performance will not match the performance of the underlying Index components and may dampen the performance of the Index in rising markets
- The Index has a limited performance history and past performance is no indication of future performance.
- The Index may be composed of a small number of index components at any given time and the performance of the index involves risk associated with international and US equities and bonds, commodities and precious metals, which may impact the Index value and the interest credited to the annuity contract.

Premium allocated to a crediting method using the Index is not a direct investment in the stock markets, bond markets, commodities, precious metals or in the index. Purchasers of products linked to the index will have no access to the components underlying the Index. The Index is calculated on an excess return basis.

Guarantees are backed by the financial strength and claims-paying ability of Delaware Life Insurance Company (Waltham, MA). Policies and contracts are issued by Delaware Life Insurance Company. For use with policy forms ICC17-DLIC-FIA-17, ICC17-GLWB-03, ICC15-DLIC-TIW-01 and ICC15-DLIC-NHW-01. Policy and rider form numbers may vary by state. Products, riders, and features may vary by state, and may not be available in all states. This material should be accompanied by the corresponding Product Brochure and may not be approved in all states. Ask your financial professional for more information.

Delaware Life Insurance Company (Waltham, MA) is authorized to transact business in all states (except New York), the District of Columbia, Puerto Rico and the U.S. Virgin Islands and is a member of Group One Thousand One, LLC (Group1001).

This communication is for informational purposes only. It is not intended to provide, and should not be interpreted as individualized investment, legal or tax advice. To obtain such advice, please consult with your investment, legal or tax professional.

delawarelife.com

Service Center: PO Box 758581, Topeka, KS 66675-8581
Sales Support: 844.DEL.SALE (844.335.7253)
Customer Service: 877.253.2323

TI10MSPP (Revised 01/20)

2020010016 EXP 01/21