

Guarantee Series

Guarantee 5 | Guarantee 6 | Guarantee 7



Single Premium Deferred Annuity
With Market Value Adjustment (MVA)



AMERICAN EQUITY
INVESTMENT LIFE INSURANCE COMPANY®

Guarantee Series

Fixed Annuity

Every retirement is different, each with its own financial goals and unique needs. But, many of today's retirement objectives are the same — a reliable income source and asset protection.

That is why many Americans are turning to fixed annuities. These products have helped millions of people reach their retirement goals with benefits like tax-deferred growth, guaranteed income and principal protection.



Understanding Fixed Annuities

What is a fixed annuity?

A fixed annuity is a contract backed by the financial strength and claims-paying ability of the issuing company. This guarantees contract owners a retirement vehicle designed to protect assets while allowing for growth opportunities. It does this through a combination of powerful benefits:

- **Principal Protection**
- **Guaranteed Income**
- **Tax-Deferred Growth**
- **Liquidity**
- **May Avoid Probate**

How a fixed annuity works

This long-term retirement product is purchased with an insurance provider that, in turn, guarantees principal protection, tax-deferred growth on assets and a reliable income stream. Throughout the course of the contract, the fixed annuity earns additional interest credits based on an established rate.

Why American Equity?

For over 20 years, American Equity has been committed to quality annuity products backed by superior service. We remain focused on the business principles that have served our contract owners from the beginning. Through our financial strength and ongoing stability, we help fund more than half-a-million contract owners' retirements across the country.

\$53.71 Billion in Assets²

24,000 Active Agents

500,000 Active Contract Owners

A- (Excellent) rating from A.M. Best³

A- (Strong) rating from Standard & Poor's⁴

American-owned and operated





Key Terms

Here is a list of key terms and definitions that may be useful while learning about our products.

Annuitization	Conversion of the Cash Surrender Value of the annuity into regular guaranteed income payments.	Minimum Guaranteed Surrender Value (MGSV)	At no time will the Cash Surrender Value of the contract be less than 90% of premium received, less any withdrawals, accumulated at the minimum guaranteed interest rate.
Cash Surrender Value	The amount paid to the contract owner by American Equity when the contract is surrendered.	Partial Withdrawal	Available at any time, for partial distribution over the Penalty-Free Withdrawal amount. Surrender Charges and minimum values will apply.
Contract Value	The total of the values in the annuity contract.	Penalty-Free Withdrawal	Opportunity once a year, after the first contract year, to take a withdrawal of up to the interest credited that contract year of the Contract Value, without expense.
Death Benefit	The greater of the Contract Value or the Minimum Guaranteed Surrender Value. Available Death Benefit payment options are listed in the annuity contract.	Surrender	Termination of the contract in exchange for Cash Surrender Value.
Interest Crediting	The Guaranteed Interest Rate is set at issue and guaranteed for the remainder of the guarantee period selected.	Surrender Charge	Fee charged, when applicable, for full or partial distribution over the Penalty-Free Withdrawal amount.





The Power of a Tax-Deferred Annuity

A tax-deferred annuity offers a powerful combination of benefits that help protect against many of today's common retirement concerns.

Single Premium Deferred Annuity Benefits	Common Retirement Concerns			
	Outliving Income	Tax Exposure	Access to Funds	Taking Care of Loved Ones
Principal Protection	X	X		X
Guaranteed Income	X		X	X
Tax-Deferred Growth		X		X
Liquidity	X		X	X
May Avoid Probate			X	X

Principal Protection: Fixed annuities are a safe-money alternative, with guaranteed interest and guaranteed income backed by the financial strength of American Equity.

Guaranteed Income: Flexible payout options available, including lifelong paychecks.

Tax-Deferred Growth: Earn interest on money without paying taxes on it until any distribution occurs. It enables faster growth by allowing credited interest to compound over time.*

Liquidity: Each contract defines various opportunities to withdraw funds, such as Penalty-Free Withdrawals, Partial Withdrawals, qualified care⁵ and lifetime income options. (Subject to applicable Surrender Charges.)

May Avoid Probate: If applicable, beneficiaries receive any remaining value in the contract while avoiding the expense and time spent in probate.

*Assumes contract is individually owned.



Guaranteed Series

With the Guarantee Series there is always access to money in the annuity. American Equity provides withdrawal flexibility and a variety of liquidity options.

Guarantee Period Continuation Options

Within 30 calendar days after the end of the guarantee period chosen, you can choose one of these options:

- Apply your Contract Value to a settlement option, Surrender Charges will not apply;
- Take a Partial Withdrawal, Surrender Charges will not apply, and apply the remaining Contract Value to another guarantee period;
- Surrender the Contract without Surrender Charges; or
- Renew your Contract for another guarantee period.

If no option is chosen, the Contract will be continued automatically for a new guarantee period the same

length as the original guarantee period with a new Guaranteed Interest Rate. If your Contract is continued for another guarantee period, the MVA, applicable Surrender Charges, and surrender period apply to the new guarantee period.

Surrender Values and Charges

The annuity's Surrender Value will never be less than 90% of the premium received, less any withdrawals, accumulated at the minimum guaranteed interest rate. If a partial withdrawal or Surrender is taken during the Surrender Charge period, a deduction will be taken out according to the Surrender Charge schedule.

Guarantee Period: 5 Years (Age 18-85)					
Contract Year	1	2	3	4	5
Surrender Charge Percent	9	8	7	6	5

Guarantee Period: 6 Years (Age 18-85)						
Contract Year	1	2	3	4	5	6
Surrender Charge Percent	9	8	7	6	5	4

Guarantee Period: 7 Years (Age 18-85)							
Contract Year	1	2	3	4	5	6	7
Surrender Charge Percent	9	8	7	6	5	4	3



In the event of death, the beneficiary receives the entire Contract Value.



Money Access Options

Penalty-Free Withdrawals

This is a once a year opportunity (after the first contract year) to take a Penalty-Free Withdrawal of any amount up to the interest credited during that Contract Year. We also allow Systematic Withdrawals of interest only or amounts sufficient to satisfy IRS minimum distribution rules.

Market Value Adjustment (MVA)

This product offers an optional Market Value Adjustment (MVA) Rider. An MVA may increase or decrease the amount of a withdrawal in excess of the Penalty-Free Withdrawal amount or the Surrender Value. The MVA does not apply to Penalty-Free Withdrawals, any death benefit, the MGSV, or any distributions occurring after the Surrender Charge Period has ended. In general, as the MVA Index⁶ increases, Cash Surrender Values decrease. As the MVA Index decreases, Cash Surrender Values increase. Interest Rates may be higher for contracts with an MVA Rider.

Qualified Care Needs

Available to annuitants under age 75 at issue.

Nursing Care Rider (NCR-100)⁵

If, after the third contract anniversary, the annuitant is confined to a qualified nursing care center for 90-plus consecutive days, a 100% Penalty-Free Withdrawal is available. A 20% Penalty-Free Withdrawal is available if the confinement occurs in the second or third contract year.

Terminal Illness Rider (TIR-100)⁵

If, after the first contract year, the annuitant is diagnosed with a terminal illness, a 100% Penalty-Free Withdrawal of the Contract Value is available.

Death Benefit

Death Benefit proceeds are paid to the named beneficiary(ies) with no Surrender Charges. Generally paid in a lump-sum, other income options are also available.

Tax Treatment

Generally, all distributions from deferred annuities are deemed to be interest first, and thus are subject to income tax. Furthermore, distributions prior to age 59½ may be subject to additional IRS penalties.*

*A cost basis established prior to August 14, 1982 (pre-TEFRA) will be withdrawn from an annuity before any taxable gain is withdrawn.

American Equity

Commitment to Values

Service

Our contract owners are why we are here, and we do our best to provide service, second to none, every day.

Integrity

Our values of honesty, fairness and truthfulness have been central to our past success and will continue to be for generations to come.

Excellence

Our dedication to going above and beyond in every facet of our business has established us as a top-tier fixed index annuity provider.

Safety

Our products provide Sleep Insurance[®] for contract owners that can trust their principal is protected and their income is guaranteed for life.

For additional resources and blogs, visit www.american-equity.com



American Equity Investment Life Insurance Company[®]
6000 Westown Pkwy, West Des Moines, IA 50266

www.american-equity.com • Call us at 888-221-1234

Annuity Contract issued under form series ICC13 BC-MYGA, ICC13 MYGA-5, ICC13 MYCA-6, ICC13 MYGC-7 and state variations thereof. Availability may vary by state.

¹ Source: <https://www.looktowink.com/2018/03/total-overall-indexed-annuity-sales-2017/>. If you cannot access this article online, you may call 888-647-1371 to request a copy.

² As of 12/31/18 Assets \$53.71 billion, Liabilities \$50.45 billion.

³ A.M. Best has assigned American Equity an "A-" (Excellent) rating, reflecting their current opinion of American Equity's financial strength and its ability to meet its ongoing contractual obligations relative to the norms of the life/health insurance industry. A.M. Best utilizes 15 rating categories ranging from A++ to F. An "A-" rating from A.M. Best is its fourth highest rating. For the latest rating, access www.ambest.com. Rating effective 8/2/2006, affirmed 6/27/2018.

⁴ Standard & Poor's rating service has recognized American Equity Investment Life Insurance Company with an "A-" rating. An insurer rated "A" has strong financial security characteristics, but is somewhat more likely to be affected by adverse effects of changing circumstances or economic conditions than are insurers with higher ratings. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. Rating effective 8/5/15, affirmed 8/31/17.

⁵ Rider Benefits and form numbers may vary by state. NCR and TIR not available in MA.

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