

# 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**
- **A Level of 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 25 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.

**\$60.42 Billion in Assets<sup>1</sup>**

**24,000 Active Agents**

**500,000 Active Contract Owners**

**American-owned and operated**

**A- (Excellent) rating from A.M. Best<sup>2</sup>**

**A- rating from Standard & Poor's<sup>3</sup>**

**A- rating from Fitch<sup>4</sup>**





# 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.

## Cash Surrender Value

The amount paid to the contract owner by American Equity when the contract is surrendered.

## Contract Value

The total of the values in the annuity contract.

## 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.

## Interest Crediting

The Guaranteed Interest Rate is set at issue and guaranteed for the remainder of the guarantee period selected.

## 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.

## Partial Withdrawal

Available at any time, for partial distribution over the Penalty-Free Withdrawal amount. Surrender Charges and minimum values will apply.

## 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, without expense.

## Surrender

Termination of the contract in exchange for Cash Surrender Value.

## 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
A Level of 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.\*

**A Level of Liquidity:** Each contract defines various opportunities to withdraw funds, such as Penalty-Free Withdrawals, Partial Withdrawals 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 Index 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.

## Waiver of Surrender Charge Riders

### Nursing Care Rider

Included automatically for owners under age 75 at issue. After the first contract year, a one-time withdrawal of up to 100% of the contract value is allowed if the owner is confined to a qualified nursing care facility for a minimum of 90 days. Confinement must begin after the contract issue date and written proof is required from both the qualified nursing care facility and recommending physician. Any payment made under this rider will not be subject to withdrawal charges, surrender charges, or MVAs.

### Terminal Illness Rider

Included automatically for owners under age 75 at issue. After the first contract year, a one-time withdrawal of up to 100% of the contract value is allowed if the owner is diagnosed with a terminal illness. Diagnosis must occur after the contract issue date and written proof with supporting documentation is required from a qualified physician. Any payment made under this rider will not be subject to withdrawal charges, surrender charges, or MVAs.

### 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.

### Protection

Our products provide assurance for contract owners so that they can trust their principal is protected and their income is guaranteed for life.

For additional resources and blogs, visit [www.american-equity.com](http://www.american-equity.com)



American Equity Investment Life Insurance Company<sup>®</sup>

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Annuity Contract issued under form series ICC13 BC-MYGA, ICC13 MYGA-5, ICC13 MYGA-6, ICC13 MYGA-7, ICC13 R-MVA, ICC19 R-NCR, ICC19 R-TIR and state variations thereof. Availability may vary by state.

<sup>1</sup> As of 12/31/21- Assets \$60.42 billion, Liabilities \$56.34 billion.

<sup>2</sup> 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](http://www.ambest.com). Rating effective 8/2/2006, affirmed 7/29/2021

<sup>3</sup> 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 08/20/21.

<sup>4</sup> Fitch Ratings assigned American Equity Investment Life Insurance Company an Insurer Financial Strength rating of "A-". Fitch Ratings utilizes 19 rating categories ranging from "AAA" to "C." An "A-" rating is the seventh highest rating. An insurer with an "A" rating is considered to have a strong capacity for payment of financial commitments, but may be more vulnerable to adverse business or economic conditions than insurers with higher ratings. Outlooks indicate the direction a rating is likely to move over a one- to two-year period if current financial or other trends continue. For more information, please visit [www.fitchratings.com](http://www.fitchratings.com). Rating effective 04/24/2020, affirmed 05/05/21.

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