

GuaranteeShield Series

GuaranteeShield 3 | GuaranteeShield 5



Single Premium Deferred Annuity
With Market Value Adjustment (MVA)



AMERICAN EQUITY
INVESTMENT LIFE INSURANCE COMPANY®

GuaranteeShield Series

Fixed Annuity

Everyone's path to financial security is different. That doesn't mean getting there needs to be complicated.

Our straightforward fixed annuity products are designed to help you maintain and grow assets through principal protection, a guaranteed interest rate, and tax-deferral advantages.



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 and tax-deferred growth on assets. 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 Assets¹
24,000 Active Agents
500,000 Active Contract Owners
American-owned and operated

A- (Excellent) rating from A.M. Best²
A- rating from Standard & Poor's³
A- rating from Fitch⁴





Key Terms

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

Annuitization	Conversion of the Surrender Value of the annuity into regular guaranteed income payments.	Minimum Guaranteed Surrender Value (MGSV)	At no time will the Surrender Value of the contract be less than 90% of premium received, less any withdrawals, accumulated at the minimum guaranteed surrender value - minimum guaranteed interest rate.
Contract Value	The total of the values in the annuity contract.	Partial Withdrawal	Available at any time, for partial distribution over the Free Withdrawal amount. Surrender Charges and minimum values will apply.
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 Surrender Value.
Free Withdrawal	Opportunity each year, after the first contract year to take withdrawals up to 10% of the Contract Value, without expense.	Surrender Charge	An amount subtracted from the contract value if surrendered at a time when the surrender charges apply.
Interest Crediting	The Guaranteed initial Interest Rate is set at issue and guaranteed for the remainder of the guarantee period selected.	Surrender Value	The amount paid to the contract owner by American Equity when the contract is surrendered.
		Withdrawal Charge	An amount subtracted from the contract value if requested at a time when the withdrawal charges apply.





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 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 owned by an individual.



GuaranteeShield Series

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

Guarantee Period Continuation Options⁵

Within 30 calendar days after the end of the guarantee period, one of the following options can be chosen:

- Renew the contract for another guarantee period;
- Take a free withdrawal and apply the remaining contract value to a new guarantee period;
- Annuitize the contract and begin receiving annuity payments;
- Surrender the contract without surrender charges or market value adjustment; or
- Continue the contract without surrender charges.

If no option is chosen, the contract will automatically continue without surrender charges. Interest rates may vary each contract year, but will never be less than the Minimum Guaranteed Interest Rate of 1%.

If the contract is continued for another guarantee period, the market value adjustment, 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.

Surrender Charge Schedule (Age 18-85 for GS3, GS5)

Contract Year	1	2	3	4	5
GuaranteeShield 3	9%	8%	7%		
GuaranteeShield 3 CA	8.30%	8.25%	7.25%		
GuaranteeShield 5	9%	8%	7%	6%	5%
GuaranteeShield 5 CA	8.30%	8.25%	7.25%	6.25%	5.20%



In the event of the contract owner's death, the Death Benefit paid is the entire Contract Value.



Money Access Options

Free Withdrawals

This is an opportunity each year (after the first contract year) to take Free Withdrawals up to 10% of the Contract Value.

Market Value Adjustment (MVA)

This product includes a Market Value Adjustment (MVA) Rider. An MVA may increase or decrease the amount of a withdrawal in excess of the Free Withdrawal amount or the Surrender Value. The MVA does not apply to 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, Surrender Values decrease. As the MVA Index decreases, Surrender Values increase.

Enhanced Benefit Rider (Not available in CA)

The no-fee rider is added to the annuity contract by the Company and may provide additional withdrawal or surrender options.

Qualifying Nursing Care Benefit

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 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 care facility and recommending physician.

Terminal Illness Benefit

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.

Death Benefit

Death Benefit proceeds are paid to the surviving joint owner. If there is no surviving joint owner, the death benefit is paid to the named beneficiary(ies) with no surrender charges. Generally paid in a lump-sum, other payment options are also available.

Tax Treatment

All income payments are considered a withdrawal from the Contract Value, and any part of the withdrawal that is deferred interest is taxable as income. If the contract is in a qualified plan, the entire amount of the withdrawal may be taxable. The taxation of income payments is calculated as outlined in the Internal Revenue Code.

In addition, the taxable portion of any withdrawal taken before age 59½ may be subject to an additional penalty of 10% by the Internal Revenue Service.

Please contact a tax professional for additional information.

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



**AMERICAN
EQUITY™**

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Annuity Contract issued under form series ICC20 BASE-SPDA, ICC20 SPDA-3, ICC20 SPDA-5, ICC20 R-EBR and state variations thereof.
Availability may vary by state.

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

² 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 08/02/2006, affirmed 07/29/21.

³ 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 08/05/15, affirmed 08/20/21.

⁴ 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. Rating effecting 04/24/2020, affirmed 05/05/21.

⁵ Renewal options may vary by state. See product disclosure for details.

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