



# Is A Fixed Annuity Right For Me?



Uncomplicate Retirement®

*Our member companies include: Great American Life Insurance Company®  
and Annuity Investors Life Insurance Company®*

# Simplify Your Path To Financial Security

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Whether you're preparing for retirement or already enjoying it, a fixed annuity can help simplify your path to financial security. Fixed annuities offer several key advantages:

## **Safety of principal**



**Guaranteed growth**



**Tax deferral**



**Access to your money**



**Guaranteed retirement income**



**Leave a legacy**

# What Is An Annuity?

## **Annuity basics**

Simply put, an annuity is a contract between you and an insurance company. It is designed to protect and grow your money, and then provide a stream of income during your retirement. In fact, other than pensions, annuities are the only products that provide guaranteed lifetime income.

A fixed annuity has two phases – an accumulation phase and an income phase. During the accumulation phase, the money you contribute to your annuity will earn interest at a fixed interest rate. During the income phase, the money you've accumulated in your annuity can be turned into a stream of income payments.

## **Is a fixed annuity right for me?**

A fixed annuity may be the right choice to protect your principal while safely growing your money at a fixed interest rate. In addition to these benefits, you will also enjoy the opportunity to receive retirement income.



Photo submitted by **Jenna** from **Florida**, Great American customer since 2005.



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## How Is My Money Protected?

When it comes to planning for a secure financial future, you need to know your money will be there when you need it. A fixed annuity provides principal protection. This means, regardless of market conditions, you won't lose the money you contribute to your annuity unless you take a withdrawal or surrender your contract during the early withdrawal charge period.

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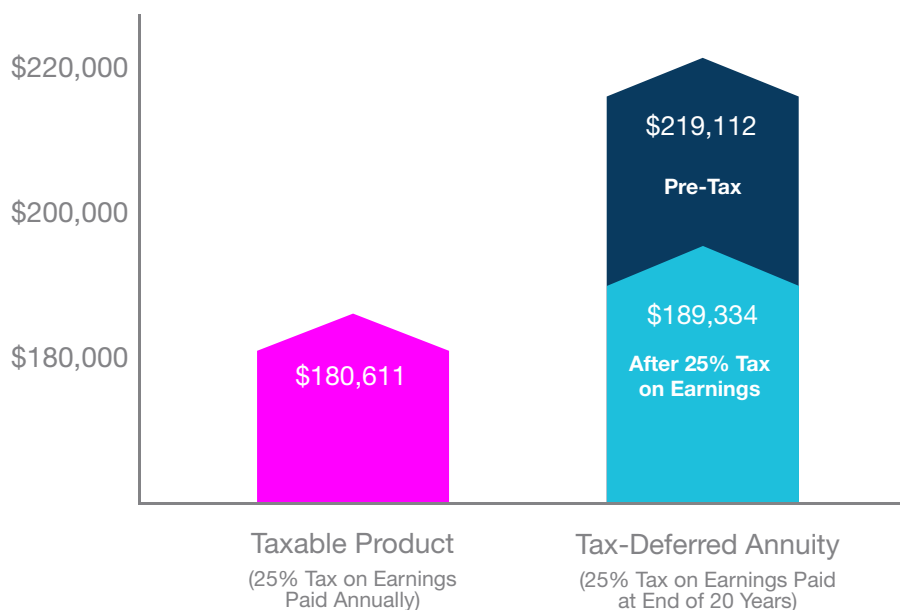
## How Does My Money Earn Interest?

Fixed annuities will grow in value at a fixed interest rate. The initial interest rate is guaranteed for one or more years. After that, we will declare interest rates, which will never be lower than the guaranteed minimum interest rate stated in your contract.

# What Is The Benefit Of Tax-Deferred Growth?

One of the benefits of an annuity is the opportunity for your money to grow tax deferred. This means no taxes are paid until you take a withdrawal, so your money can grow at a faster rate than it would in a taxable product.

The following chart shows how a purchase payment of \$100,000 grows in a tax-deferred annuity compared to a taxable product over the course of 20 years.



**After paying a 25% tax on its earnings, the tax-deferred annuity outgrew the taxable product by more than \$8,000.**

This graph assumes the taxable product and the tax-deferred annuity grow at an annual rate of 4%. This is a hypothetical scenario for illustration purposes only, and does not reflect interest rates of any specific fixed annuity offered by Great American Life or Annuity Investors Life.

For the taxable product, the graph also assumes the amount needed to pay taxes is deducted annually and no other withdrawals are taken during the 20-year period. For the tax-deferred annuity, it assumes no withdrawals are taken during the 20-year period.

Lower capital gains and dividend tax rates would make the taxable investment more favorable than the rate illustrated and reduce the difference in performance between these accounts. Consider your current and anticipated tax brackets in making your decision, as they may also impact comparison results.

This information is not intended or written to be used as legal or tax advice. It was written solely to provide general information and support the sale of annuity products. You should seek advice on legal or tax questions based on your particular circumstances from an attorney or tax advisor.

The graph compares a \$100,000 taxable investment to a \$100,000 tax-deferred investment, such as a non-qualified annuity. Certain qualified investments, such as a traditional IRA, offer an upfront tax deduction or exclusion for contributions. Other qualified investments, such as a Roth IRA, offer a tax exclusion for earnings. The value of these additional benefits is not illustrated.

For contracts that offer an upfront tax deduction or exclusion, the full amount withdrawn is generally subject to income tax. For a non-qualified annuity, only the gains are subject to income tax. If you are under age 59½, the taxable amount withdrawn from a qualified or non-qualified annuity is generally subject to a 10% federal penalty tax.

# Can I Access My Money Before Starting The Income Phase?

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## **Penalty-free withdrawals**

Our fixed annuities allow annual penalty-free withdrawals starting in the first contract year. The amount is typically a percentage of your account value.

Amounts withdrawn in excess of the penalty-free withdrawal allowance may be subject to **early withdrawal charges**. Additionally, withdrawals prior to age 59½ may be subject to IRS restrictions and a 10% federal penalty tax.

## **It's a simple fact: life is unpredictable**

Our annuities include waiver riders that provide access to your money under certain circumstances.

### ***Extended care waiver rider***

After the first contract year, if you are confined to a nursing home or long-term care facility for at least 90 consecutive days, you have the option to withdraw up to 100% of the account value without incurring an early withdrawal charge.

### ***Terminal illness waiver rider***

After the first contract year, if you are diagnosed by a physician as having a terminal illness, you have the option to withdraw up to 100% of the account value without incurring an early withdrawal charge. A terminal illness is defined as having a prognosis of survival of 12 months or less, or a longer period as required by state law.

Extended care and terminal illness waiver riders are not available in Massachusetts. In California, the Extended Care Waiver Rider has been replaced with the Waiver of Early Withdrawal Charges for Facility Care or Home Care or Community-Based Services Rider, which provides for a waiver of early withdrawal charges under an expanded variety of circumstances.



Photo submitted by **Edward** from **Ohio**, Great American customer since 2018.



# How Do I Receive Retirement Income?

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A fixed annuity provides the opportunity to turn the money you've accumulated into a steady stream of retirement income that lasts for a specific number of years or for life.

## **Income payout options**

### ***Fixed period***

You receive income benefit payments for a fixed period of time that you select.

### ***Life or life with a minimum fixed period***

You receive income benefit payments for life. If you select a minimum fixed period of time and pass away before the end of the period, the remaining income benefit payments are paid to the person you designate.

### ***Joint and one-half survivor***

Income benefit payments are guaranteed for your life and the life of a designated joint annuitant. If you are survived by the joint annuitant, he or she will receive 50% of the income benefit payment for life.



# How Are My Loved Ones Protected?

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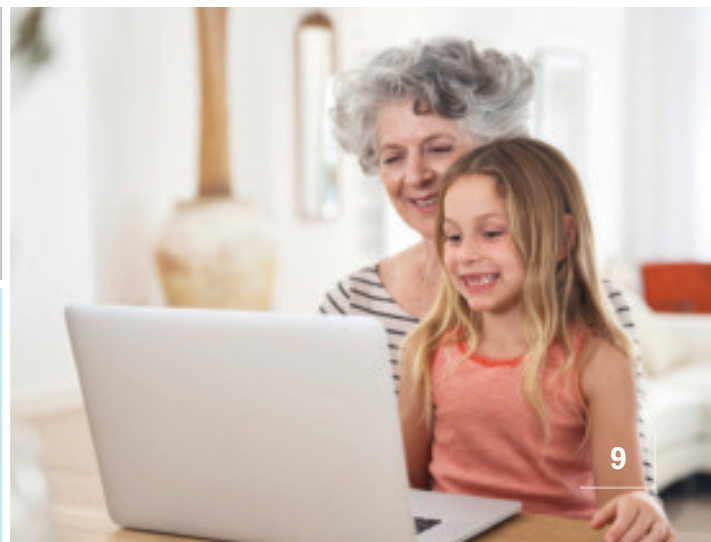
No one likes to think about it, but part of achieving peace of mind is knowing what would happen to your money if you pass away unexpectedly. An annuity can help leave a financial legacy for your loved ones.

## **Before income benefit payments begin**

If you pass away before income benefit payments begin, your beneficiaries are guaranteed to receive the account value (minus taxes and loan balances). Money is paid directly to your beneficiaries, which allows them to receive your financial legacy without the cost and delays of probate.

## **After income benefit payments begin**

Depending on which payout option you select, the person you designated can continue receiving income benefit payments for a specific number of years or for life.



# Great American. It Pays To Keep Things Simple.®

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## **Our financial strength**

Preparing for your future with a financially strong company should be a high priority. Our annuity companies, Great American Life Insurance Company® and Annuity Investors Life Insurance Company® are proud to be rated “A” (Excellent) by A.M. Best and “A+” by Standard & Poor’s.

## **Serving with great pride for more than a century**

With a heritage dating back to 1872, we have a long history of helping people achieve their financial goals. Our annuity companies are members of Great American Insurance Group and subsidiaries of American Financial Group, Inc. (AFG), which is publicly traded on the New York Stock Exchange (NYSE: AFG). Headquartered in Cincinnati, Ohio, AFG has assets of more than \$60 billion.

**Our simple promise to you: superior service and annuities that are easier to understand.**

A.M. Best rating affirmed August 17, 2018. “A” (Excellent) is third highest of 16 categories. S&P rating affirmed March 14, 2019. “A+” is fifth highest of 21 categories.



Great American Insurance Group Tower overlooks Great American Ball Park, home of Cincinnati baseball.





Uncomplicate Retirement®



Products, riders and features may vary by state, and may not be available in all states. See specific product disclosure document for details.

Products issued by Annuity Investors Life Insurance Company® and Great American Life Insurance Company®, members of Great American Insurance Group (Cincinnati, Ohio).

All guarantees subject to the claims-paying ability of the issuing company.

Not FDIC or NCUSIF Insured	No Bank or Credit Union Guarantee	May Lose Value
Not Insured by any Federal Government Agency		Not a Deposit

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