

# The Cost of Waiting

Sooner vs. Later: Purchasing Guaranteed Income



Shielding Retirement Unknowns

Fixed Index Annuity



**AMERICAN EQUITY**  
INVESTMENT LIFE INSURANCE COMPANY®

# IncomeShield 10

## Fixed Index Annuity

### Retirement Unknown

#### Buy guaranteed income sooner or later?

Time is one of your most important assets in retirement. That's why it's important to consider the cost of waiting to purchase guaranteed income.



### The cost of waiting

Two individual pre-retirees, have the same goal: add \$10,000 in annual income when they retire at 65. Both individuals are interested in the IncomeShield 10 fixed index annuity,\* with a Lifetime Income Benefit Rider that provides a 7.25% simple interest growth rate to the income account value. The only difference is one purchases at 58; the other at 64.



#### Deciding Dave

**Age:** 58

**Retirement age:** 65

**Goal:** Additional \$10,000/year in retirement



#### Waiting Wally

**Age:** 64

**Retirement age:** 65

**Goal:** Additional \$10,000/year in retirement



**Income Product:** IncomeShield 10 fixed index annuity with Lifetime Income Benefit Rider providing 7.25% Simple Interest.

**Purchase Payment to Reach Goal:**  
\$125,754

**Purchase Payment to Reach Goal:**  
\$176,754

**40%** More premium required for Wally after waiting 6 years

Example shown for illustrative purposes only. Assumes no withdrawals are taken from the contract prior to income payments beginning. Excess withdrawals taken in addition to lifetime income payments will reduce future income payment amounts.

\* There is a 10-year surrender charge schedule for early withdrawals exceeding 10% annually. The Lifetime Income Benefit is an option and may carry an annual fee. The Lifetime Income Benefit Rider is used to calculate lifetime income only and is not part of the contract value or available as a lump sum.

### Cost of Six Years: 40% more premium required to generate \$10,000 additional income

The IncomeShield fixed index annuity provides the principal protection that the clients need during the critical years leading up to and into retirement. By purchasing early, Dave is able to build on that protection and secure a supplemental lifetime income stream that meets his income goals.

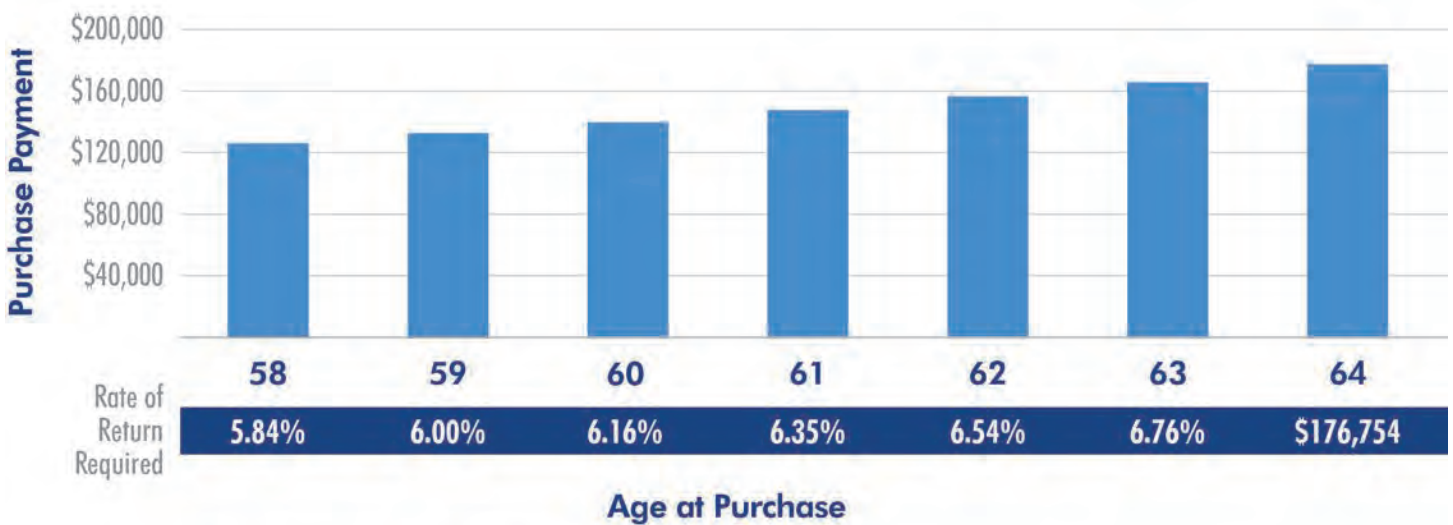
# IncomeShield 10

## Fixed Index Annuity

### The growth required

Let's take a closer look at our hypothetical demonstration to see the growth needed for that approach to generate \$10,000 in retirement income with an IncomeShield 10 fixed index annuity.

A 58-year-old individual, looking to retire at 64, would need an annual growth rate of 5.8% on their \$125,754 principal to raise enough capital for a \$176,754 purchase payment of an IncomeShield 10 with Lifetime Income Benefit Rider that would generate \$10,000 in retirement income. Each year the guaranteed income purchase is postponed, the greater the growth rate and more significant the equity risk required to catch up.






■ Capital need for additional \$10,000 at 65

This hypothetical example is for illustrative purposes only and is not representative of the past or future performance of any particular product.

### The Potential Solution: American Equity's IncomeShield 10

The IncomeShield fixed index annuity line is designed to "shield" a portion of your portfolio from retirement unknowns like market declines. It offers the crucial benefit of asset protection with no loss of principal due to market volatility, along with a powerful combination of guaranteed income and lifetime income options.

-  **7% Premium Bonus\***
-  **Competitive Guaranteed Monthly Income**
-  **Multiple Lifetime Income Benefit Rider Options**

# 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 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**

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Lifetime Income available through optional Lifetime Income Benefit Rider. Available for issue ages 50+

Annuities and Rider issued under form series ICC17 BASE-IDX, ICC17 BASE-IDX-B, ICC17 IDX-11-10, ICC19 E-MPTP, ICC19 E-PTPC, ICC19 E-PTPR, ICC16 R-MVA, ICC20 R-LIBR-FCP, ICC20 R-LIBR-FSP, ICC20 R-LIBR-W-FCP, ICC20 R-LIBR-W-FSP, and state variations thereof. Availability may vary by state.

Provisions of the Lifetime Income Benefit Rider, such as Income Account Value Accumulation Rates, may change prior to issue. IAV only used to calculate lifetime income payments. Not part of contract value or available in a lump sum. Interest grows until the earlier of payments beginning or the end of the IAV period. Certain eligibility requirements and restrictions may apply.

\*Bonus available only on IncomeShield 10. Bonus available on 1st year premiums. Each year after the 1st contract year, you become vested in a percentage of the bonus, until 100% vested at the end of the 10th contract year. Vested amounts of the bonus are the amounts not forfeited as a result of an early withdrawal or surrender. Bonus, surrender charges, and vesting schedules may vary by state. See brochure and disclosure for details.

Surrender charges may apply to excess withdrawals that exceed the annual free withdrawal available under the contract. You may be subject to a 10% federal penalty if you make withdrawals before age 59 1/2

Guarantees are based on the financial strength and claims paying ability of American Equity and are not guaranteed by any bank or insured by the FDIC.

For a comprehensive overview of all the relevant features, benefits, and limitations of the IncomeShield 10 fixed index annuity. Please read the sales brochure and disclosure for complete details.

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