



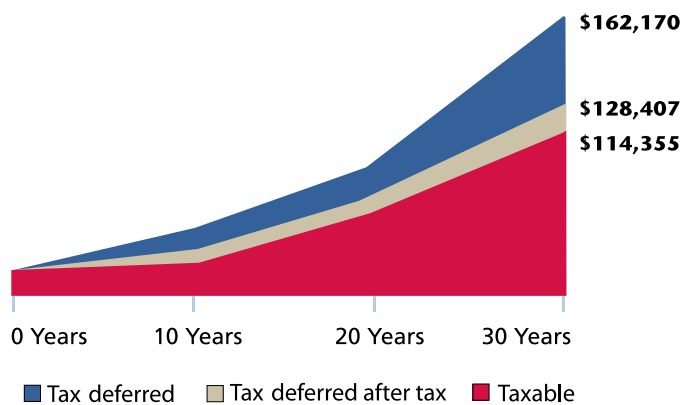
# Why Purchase an Annuity?

During this time in your life, you may be thinking about your future and your retirement dreams. Purchasing a fixed annuity may help to make your future years more financially secure, and we at Great American Financial Resources<sup>®</sup>, Inc. understand how important long-term security is to your retirement. Below are a few reasons why a fixed annuity may be the right choice for you.

## Power of Tax-Deferred Growth

One of the greatest benefits of an annuity is that the interest credited to your annuity is completely untouched by current federal income tax during the accumulation period. As a result of tax deferral, interest is compounded and your investment grows at a faster rate. You pay no taxes until you begin to receive income payments or make a withdrawal.

The chart below illustrates the dramatic power of tax-deferred growth:



Graph illustrates the difference tax-deferred compounding can make over the long-term growth of an assumed \$50,000 non-qualified contribution in a taxable and tax-deferred savings vehicle, assuming a 4% interest rate and a combined state and federal tax rate of 30.1%. Distributions (including withdrawals) are subject to taxation, and those prior to age 59½ may be subject to a 10% tax penalty and other restrictions. This example does not describe a specific insurance or financial product. A lower interest rate would reduce the favorable effects of deferring taxes, and a higher interest rate would increase them.

## Guaranteed Income Stream

Whether you need short-term, fixed period or lifetime payments, your annuity settlement options can provide a guaranteed retirement income. Our annuities offer a variety of settlement options, including options that can provide you a stream of income for a fixed period or for as long as you live.

## Guaranteed Rate of Interest

Fixed annuities can give you the peace of mind of a product that will safely grow in value, while protecting your initial investment. For your protection, you'll earn a minimum guaranteed interest rate throughout the life of your contract. The interest rate your money earns will never fall below the minimum guaranteed interest rate, even if economic conditions cause interest rates to drop dramatically. Your contract, as a whole, will be credited with interest at an effective annual rate equal to or greater than that required by state law.

## An Effective Retirement Planning Tool

An annuity can serve as an effective estate planning tool, since it distributes remaining contract values to your beneficiaries without going through probate. This can provide your heirs the legacy that you wish.

Annuities are a powerful savings vehicle, but please remember you should have liquid assets available as early withdrawal charges are often applied to withdrawals taken prematurely from an annuity.

## If you have more questions, please contact:

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