

Preserve Plus Deferred Annuity



GUGGENHEIM LIFE AND ANNUITY



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It's never too early to start planning for retirement. Selecting a strategy that works best involves assessing your goals, time horizon, and risk tolerance.

Preserve Plus is a single-premium, deferred annuity product that credits a guaranteed interest rate combined with credits earned, based on the performance of the S&P 500 Index. You are able to enjoy the upside of increases in a stock market index, while being protected against the downside risk. Preserve Plus does not directly participate in any stock or equity investment.

If your time horizon to retirement is not long enough to recover from declining markets or you don't want to risk principal loss through investing directly in the market, Preserve Plus is a great alternative.

Preserve Plus allows you to receive the guaranteed interest rate of a fixed annuity combined with the potential for growth through index credits linked to the S&P 500 Index. This product offers free withdrawals, tax-deferred growth, and the option for a guaranteed lifetime income, while providing protection against stock market declines. The Preserve Plus will provide you with the safety and opportunity you need when planning for retirement.

Your account value will be credited with a guaranteed interest rate for the term you choose PLUS a percentage of the growth in the S&P 500 over that same term. The guaranteed interest rate will be at least 1% and could be higher. The amount credited for the index is based on the performance of the index and the participation rate declared by the company and is applied to your account balance at the end of the term. Amounts withdrawn before the end of the term due to death, withdrawal, surrender or annuitization will not be credited with the performance of the index.

Preserve Plus Annuity Details

Annuities have two phases: the Accumulation Phase and the Payout Phase.

The Accumulation Phase.

The period when the annuity's interest grows on a tax-deferred basis. This is the period when tax deferral is most valuable; growing as time passes and compounding interest becomes a powerful ally.

The Payout Phase.

The period during which money is regularly dispersed from the annuity, usually in the form of monthly, quarterly, semi-annual, or annual payments.



Benefits of Tax-Deferred Growth.

Tax-deferred growth allows your money to grow faster because you earn interest on funds that would otherwise be immediately taxable. Your premium earns interest, the interest compounds within the annuity and the money you would have paid in taxes earns interest. Income taxes are deferred until funds are withdrawn from the contract.

Death Benefit.

If an owner dies prior to annuitization, the named beneficiary (ies) may elect to be paid a death benefit equal to the account value. The death benefit would receive interest at a rate required by the state in which the beneficiary resides between the date of death and the date of payment. Alternatively, if the contract is continued by a surviving spouse who is named as the primary sole beneficiary of the contract, the account value will continue according to the terms of the contract. Non-spousal beneficiaries must receive the death benefit within 5 years of the date of death. It may be advantageous to continue the contract in order to receive a possible index credit at the end of the term.

Free Withdrawals.

The Preserve Plus deferred annuity product provides a single, free withdrawal each year beginning in the second year of the contract. The maximum free withdrawal amount will be 10% of your account value on the previous contract anniversary (or the required minimum distribution for IRA plans, if greater). A free withdrawal waives any surrender charges or market value adjustment on the withdrawn amount.

Nursing Home Care Rider.

Should the need arise, Preserve Plus will provide full liquidity to assist with nursing home care expenses subject to the rider provisions which are: contract purchased prior to age 76 and confinement to a nursing home for 90 continuous days. The Nursing Home Care Rider is not available in Massachusetts.*

Terminal Illness Rider.

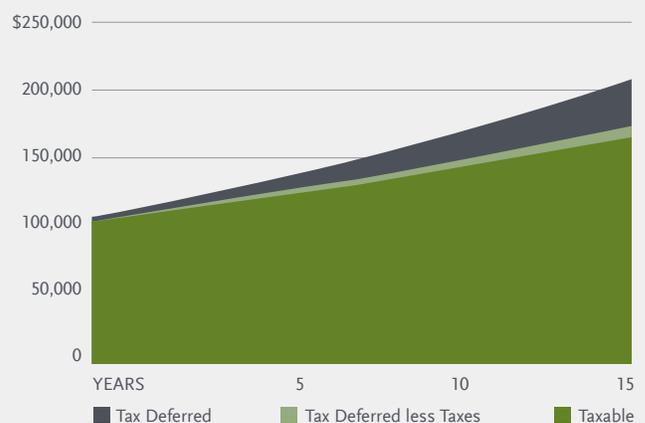
If the owner of the contract is diagnosed with a critical illness (heart attack, stroke or life threatening cancer) or is deemed terminally ill by a physician, Preserve Plus will provide full liquidity to assist with the additional expenses that may arise. Eligibility is subject to rider provisions which are: terminal illness; physician must certify that the owner's life expectancy is nine months or less; for one of the critical illness conditions to take effect, the contract must have been purchased prior to the owner's age 70. The Terminal Illness Rider is not available in Texas, but is replaced by a Waiver of Surrender Charge Rider.*

*To meet the criteria for either the Nursing Home Care Rider or the Terminal Illness Rider, the contract must have been in force for a minimum of one year. There is no charge or fee associated with either rider. Availability and benefits may vary by state of issue. If any of these situations occur, a partial or full withdrawal will be available with no surrender charge or market value adjustment.

THE BENEFITS OF TAX DEFERRAL*

Paying taxes on investments each year will reduce the amount of funds available for growth and compounding. With a tax-deferred investment, your earnings will accumulate on both your principal and interest which results in greater accumulation over time.

*Chart is a hypothetical illustration of tax deferral and assumes an initial premium of \$100,000 earning 5.00% compounded annual interest for each guarantee period on an annuity that is renewed for 3 consecutive 5-year guarantee periods, totaling 15 years. For other guarantee period combinations, surrender charges may apply using this same hypothetical 15-year period. Not intended to predict or project performance. Tax-deferred value less taxes represents the increase in value due to tax deferral, less taxes at an assumed rate of 33%, with no surrender charge or market value adjustment applied. Precise measurement of tax benefit will depend upon each owner's individual circumstances.





May Avoid Probate.

By naming a beneficiary (other than your estate), the proceeds from your contract will be paid directly to the beneficiary, thereby avoiding inclusion in a probated estate. This benefit may minimize the delays, expenses and publicity often associated with probate. Your designated beneficiary will receive death proceeds in either a lump-sum or a series of income payments.

Surrender Charges.

Surrender charges are applied to withdrawals greater than the free withdrawal or upon surrender of the contract prior to the end of the term. Each guarantee period has its own surrender charge schedule. The amount of the surrender charge is a percentage of your withdrawal, which decreases over time as shown in the chart below. If you renew into a new guarantee period, surrender charges will reset. (All periods shown in the chart may not be offered at all times.)

YEAR	1	2	3	4	5	6	7
3-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%				
5-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%		
7-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%	2%	1%

Market Value Adjustment (“MVA”).

Any amounts that are assessed a surrender charge will also be subject to an MVA, which may increase or decrease the account value. The MVA generally increases the contract withdrawal value when interest rates fall, and decreases the contract withdrawal value when interest rates rise. The MVA is not applied a) at the end of a guarantee period; b) to free withdrawals; c) to the death benefit for death of the owner; or d) to any settlement option after the 5th contract year with the payments being made over at least 5 years. If you renew into a new guarantee period, the MVA will reset. The MVA is not applicable in Minnesota, Missouri, Oregon, Pennsylvania, or Washington.

Renewal Feature.

At the end of each guarantee period, you will have the option to renew your contract for another guaranteed interest rate term. This convenient option assures you of a competitive, current interest rate and an easy transition to a new guarantee period. Renewal rates for subsequent guarantee periods will be based on competitive current interest rates and financial market circumstances, and may differ from the initial guaranteed interest rate. The renewal feature is not available in Delaware, Florida, Minnesota, Missouri, Oregon, Pennsylvania, or Washington. In these states the contract may be continued at an annual interest rate, surrendered or annuitized at the end of the term with no MVA or surrender charges.

Make the most of your retirement assets – with the guarantee of a lifetime income

Income that's guaranteed and not subject to stock market fluctuations is an integral component to a successful retirement income plan. An important feature of the Preserve Plus is the ability to receive an income that you cannot outlive. With the Preserve Plus, Guggenheim Life can provide you with a guaranteed income stream, which is achieved by annuitization. You will have the ability to choose from several different annuitization options to meet your future income needs.

Increased Impact During Retirement – Income Bonus

The income bonus percentage, which is based on the number of guaranteed period terms you have completed, will be applied to your payout at the time of annuitization. (Multiple terms are not allowed in Delaware, Florida, Minnesota, Missouri, Oregon, or Pennsylvania). Minimum annuitization periods are required.

INCOME BONUS PERCENTAGES	MOST STATES	DE, FL, MN, MO, OR, PA
END OF 1ST TERM	2%	2%
END OF 2ND TERM	4%	NA
END OF 3RD TERM	6%	NA
END OF 4TH TERM	8%	NA
THEREAFTER	8%	2%

The longer you continue the deferral period of your contract, the higher your potential income will be. The Income Bonus Rider is not available in WA.

Annuitization Liquidity

Preserve Plus offers flexibility in starting income payments when you need to, while also providing a liquidity option. After you begin receiving income, you may request that we commute (distribute in a lump-sum) up to 50% of your annuitization option benefits, providing emergency cash should you need it. This option may be elected only one time and there is a brief waiting period when this request is made. A lump-sum distribution will reduce further income payments proportionally. The Annuitization Liquidity Rider is not available in Oregon or Washington.

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