
American Life Fee-Based MYGA Information

This MYGA contract is a single premium deferred annuity with fixed interest rate guaranteed periods and matching surrender charge schedules. It offers a 30-day window after the conclusion of the guarantee period for contract owners to determine, without cost, whether they will renew their contract, complete a full or partial surrender, or transition to a full or partial contract annuitization.

QUALIFICATION & OWNERSHIP TYPES

Non-Qualified; Traditional IRA, Roth IRA, SEP IRA; Individual, Joint Owner, Trust, Corporate, Non-Corporate Entity

ISSUE AGES

0 – 90, based on Annuitant's issue age; Annuitant must be a natural person.

Issue Age Limits apply to all Owners and Annuitants; i.e. the oldest owner/annuitant cannot be older than the maximum issue age and the youngest owner/annuitant cannot be younger than the minimum issue age.

OWNERSHIP

Single Owner: If Traditional, Roth or SEP IRA, owner and annuitant must be the same.

Joint Owners:

- Owners and annuitants must be the same unless the contract is owned by a non-natural person;
 - Joint owners must be listed as each other's sole primary beneficiary;
 - Joint owners/annuitants must be spouses.
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SPOUSAL CONTINUATION

Spousal continuance is available one time per contract.

MATURITY DATE

First Contract Anniversary after oldest Annuitant's 100th birthday.

END OF GUARANTEE PERIOD ELECTIONS

American Life will notify Contract Owners 30 days prior to the end of the Interest Rate Guaranteed Period regarding the following renewal choices:

- Continue contract for the same guarantee period at the declared renewal rate; or
 - Continue contract for another guarantee period made available at the time of renewal, but not to extend beyond the maturity date indicated on the Contract Schedule page; or
 - Continue contract with a one-year rate period at the one-year interest rate made available at the time, but not lower than the Contract Minimum Guaranteed Rate indicated on the Contract Schedule page with no MVA; or
 - Take a partial withdrawal incurring no surrender charges or MVA, then apply the remaining contract value to any guarantee period that is made available (that can be different than the preceding guarantee period); or
 - Apply the full or partial contract cash value toward a lifetime or shorter duration of at least 5 years, with a settlement (income) option as indicated in the Settlement Options, without incurring surrender charges or MVA; or
 - Completely withdraw the cash value and surrender Contract without incurring surrender charges or MVA.
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SINGLE PREMIUMS

Minimum Initial - \$10,000 Premiums larger than \$1,000,000 may receive additional review by American Life. Subsequent Premiums are not allowed; if multiple transfers are expected, notify American Life to hold for last-to-issue.

INTEREST CREDITING – FIXED ACCOUNT

Contract customerservice@american-life.com for current interest crediting rates.

GUARANTEED MINIMUM INTEREST RATE

1.00%

ENHANCED INTEREST CREDIT

At the end of the current guarantee period, if the contract hasn't terminated and no withdrawals have taken place other than RMDs, an interest bonus percent will be credited based on the ending cash value and added to the contract cash value. The interest bonus is declared at the issue date and shown on the Contract Schedule page. If the contract terminates (including death) prior to end of the guarantee period, no interest bonus is added. This rate is currently 0%.

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AMERICAN LIFE FEE-BASED MYGA INFORMATION CONTINUED

CONTRACT VALUE

Equal to Premium plus Interest Credits less Withdrawals.

SURRENDER VALUE

Amount available on Full Surrender of the Contract, which is equal to Contract Value less Surrender Charge less MVA (if applicable). Surrender Charge is calculated by multiplying the applicable Surrender Charge Percentage, times the Contract Value less any Free Withdrawal Amount.

GUARANTEED MINIMUM SURRENDER VALUE

The Surrender Value will never be less than the Minimum Surrender Value. It is equal to 87.5% of premiums, less withdrawals, accumulated at a rate between 1-3%, guaranteed for the life of the contract. See contract for current rate.

SURRENDER CHARGE SCHEDULE

Initial 5-year Contract Term

9, 8, 7, 6, 5, 0% for 30-day window prior to end of Guarantee Period

Renewal Years, 5-year Contract Term

5, 5, 5, 5, 5, 0% for 30-day window prior to end of Guarantee Period

Initial 3-year Contract Term

9, 8, 7, 0% for 30-day window prior do end of Guarantee Period

Renewal Years, 3-year Contract Term

5, 5, 5, 0% for 30-day window prior to end of Guarantee Period

PENALTY FREE WITHDRAWALS

Year 1: not available

Years 2+: up to 10% of the Contract Value as of the last contract anniversary.

Starting in the 2nd year of the contract, the Owner may withdraw up to 10% of the contract value as of the prior anniversary, or take Required Minimum Distributions (for qualified contracts), whichever is greater, without incurring fees. To activate this, however, there can be no withdrawals other than RMDs during the first contract year.

RMDs: any RMD taken in Year 1 will be assessed a surrender penalty.

INTEREST ONLY WITHDRAWALS

Interest-only withdrawals are available only after the first year. The client may choose: 1) the first check to include all Year 1 interest; or 2) elect only to take interest earned going forward and keep Year 1 interest accruing in the account.

REQUIRED MINIMUM DISTRIBUTIONS

(RMDs) For Owners who are taking Required Minimum Distributions from IRAs, the annual RMD for the current year should be taken prior to qualified funds transfer to American Life. Any RMD in Year 1 is subject to surrender charge, MVA, and commission chargeback.

MARKET VALUE ADJUSTMENT (MVA)

Where applicable, MVA is applied on any withdrawals / full surrender in excess of the penalty free or RMD amount during the surrender period. In general, if interest rates (as measured by the index) have increased or have decreased by less than 0.25% (0% in states with no offset), an additional amount is deducted from the withdrawal. Conversely, if rates have fallen by 0.25% or more, an amount will be added to the withdrawal. See the contract for the MVA calculation.

DEATH BENEFIT

With the included Enhanced Death Benefit Rider, **ICC18-MYGADBR 001**, the death benefit is full Contract Value paid to the Beneficiary(ies) upon the Owner's death. Spousal Beneficiaries may elect to continue the contract.

Death benefit paid on "first to die" for Joint Owned contracts. Surviving spouse has option to continue policy or have death benefit paid.

VARIABLE PRODUCT REPLACEMENT

If a variable product is being replaced in the state of Arkansas, Iowa, Tennessee, Utah, or Vermont, the agent must attach a copy of the Variable Product Replacement **1038 VARRPL** form.

ANNUITY PURCHASE SUITABILITY

All Agents are expected to follow annuity sales best practices and submit our deferred annuity suitability form **1029 ANNSUIT 001**. Annuity applications must be accompanied by a fully completed deferred annuity suitability form.

EARLY ANNUITIZATION

No Surrender Charge will be applied to a withdrawal or surrender that is applied to an Annuitization with a payout of at least 5 years. MVA will still apply.

Not guaranteed by any bank or credit union - may lose value - not a deposit - not insured by any federal government agency

This 2-page document is intended to provide an overview of American Life's available Fee-Only MYGA products features and benefits. For full details refer to the annuity contract. Guarantees are based on the claims paying ability of American Life & Security Corp. Contact American Life for the most current rates, product features and processing timelines. Insurance products are issued by American Life & Security Corp. and are not offered in all states. All information is current as of March 16, 2022, unless otherwise noted.