

Strategy Overview:

annual point-to-point

An annual point-to-point strategy measures the change of the index by comparing the closing S&P 500® value at the end of the term to the closing S&P 500¹ value on the first day of that term. Annual point-to-point may be particularly beneficial when the index is rising, but may reduce the amount of interest you would receive if the S&P 500 declines just before the end of a term.

The power of 100% protection through:

- ★ The security of a life insurance company rated "A (Excellent)" by A.M. Best. This is the third highest of 16 ratings.
- ★ The ability to receive a stream of payments you cannot outlive.
- ★ A guaranteed minimum surrender value.
- ★ Extended care and terminal illness waivers² to provide flexibility in case of unforeseen events.

Annual point-to-point illustration



Strategy concept

By assigning money to this strategy, your annuity can be protected from market volatility because, no matter how the S&P 500 performs, your indexed interest rate *will never be negative*.

With this strategy, the measured change of the index is reduced by a 0% index spread and has a 100% participation rate.³ Therefore, **your money is credited 100% of the measured index change, up to the cap**. Please see your contract for the maximum (cap) interest rate that will be applied.

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

www.GAIG.com

Copyright © 2013 by Great American Life Insurance Company. All rights reserved.

Understanding this strategy

$$\left(\frac{\text{End value} - \text{Beginning value}}{\text{Beginning value}} - 0\% \text{ index spread} \right) \times 100\% \text{ participation rate} = \text{Point-to-point indexed interest rate}$$

Cap
↓
Floor⁴ = 0%

Hypothetical example

The example below shows the account value for a scenario with a \$10,000 purchase payment in the annual point-to-point strategy.

Term: 1 year

Index spread: 0%

Participation rate: 100%

Cap: 7%

Hypothetical index values

Beginning value: 1,150.50

Ending value: 1,203.03

| Account value calculation | | Annual point-to-point |
|---------------------------|---|-----------------------|
| | | Indexed |
| Purchase payment | | \$10,000 |
| Index change | Annual point-to-point index change = (end value - beg. value) / beg. value = (1,203.03 - 1,150.50) / 1,150.50 | 4.57% |
| | | |
| Indexed interest rate | Index spread | 0.00% |
| | Participation rate | 100% |
| | Indexed interest rate | 4.57% |
| | Interest credited | \$457 |
| Account value | | \$10,457 |

The annual point-to-point indexed strategy credited an indexed interest rate of 4.57%, which falls between the cap and zero. This is one strategy that may be available on your fixed-indexed annuity. Ask your financial professional for details on the strategies offered.

This example assumes that the purchase payment is submitted on a day when money is moved into interest strategies, and the effects of any applicable bonus are not illustrated.

¹ "Standard & Poor's®", "S&P®", "S&P 500®" and "Standard & Poor's 500™" are trademarks of Standard & Poor's Financial Services LLC ("Standard & Poor's") and have been licensed for use by Annuity Investors Life Insurance Company and Great American Life Insurance Company. Annuity Investors Life and Great American Life's annuity products are not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of purchasing said products.

² Waivers not available in all states.

³ Not applicable on all products.

⁴ Referred to as base interest rate in some contracts.

When you buy a fixed-indexed annuity, you own an insurance contract. You are not buying shares of any stock or index. You cannot invest directly in an index.

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