## Understanding Guaranteed Minimum Surrender Value



## for fixed-indexed annuities from Great American Life

Fixed-indexed annuities from Great American Life® help provide financial security with protection from loss. Unless clients take money out of their contract, the account value (AV) will not go down. Additionally, fixed-indexed annuities offer a Guaranteed Minimum Surrender Value (GMSV) that is beneficial when a strategy earns 0% interest due to a flat or declining market. Clients will never receive less than the GMSV for surrenders, annuitizations and death benefit payments.

Here's how we calculate the AV, surrender value (SV) and GMSV:

100% of purchase payments + Interest credited at declared and/or indexed interest rate - Any withdrawals and early withdrawal charges	; =	AV
AV - Early withdrawal charge	=	SV
100% of purchase payments  Interest credited daily at a guaranteed minimum rate stated in the contract  Interest credited daily at a guaranteed minimum rate stated in the contract  Any withdrawals and early charge rate multiplied by the Avenue of the contract of the con	=	GMSV

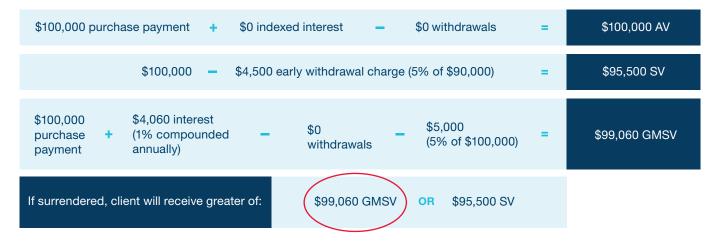
**Note**: The amount payable upon surrender, applied upon annuitization, or payable as the death benefit is reduced by any loan balance, applicable rider charges and applicable premium taxes.

## Hypothetical example

The following hypothetical example illustrates how we determine the amount payable upon surrender by comparing the GMSV and SV.

- Your client purchases a fixed-indexed annuity with a \$100,000 purchase payment, and allocates 100% of the purchase payment to the annual point-to-point indexed strategy.
- The indexed strategy earns zero interest in contract years one through four.
- Your client does not take any withdrawals during this period. No loans are outstanding and no rider charges or premium taxes apply.
- A 5% early withdrawal charge applies. The free withdrawal allowance is 10%.

Assuming a 1% guaranteed minimum rate, the annuity would have the following values at the start of contract year five:



Not all products feature a GMSV that uses 100% of purchase payments. Refer to the Product Reference Guide for details. Products issued by Great American Life Insurance Company® member of Great American Insurance Group, Cincinnati OH. All guarantees subject to the claims-paying ability of issuing insurance company. Copyright © 2017 by Great American Insurance Company, All rights reserved.