

Palladium Single Premium Immediate Annuity
Palladium Single Premium Immediate Annuity - NY





Choosing Your Income

Palladium SPIA will provide a guaranteed income based on a number of choices you make: the amount of the premium you pay, how long and how often you choose to receive the income, additional options available in the annuity, such as a cost of living adjustment, and the rate that is in effect at the time you purchase the annuity.

You could choose to purchase an immediate annuity as a way to receive regularly scheduled income payments from a retirement package, investment proceeds, court-awarded benefits, or other lump-sum funds. You also choose how often you want to receive income payments, whether monthly, quarterly, semiannually or annually, and whether you want to receive them for a specific period of time or for life. You can also choose to share the income payments with a spouse, or perhaps provide income payments to a spouse after you die. There are many income options—the choice is yours.

Tax Advantage Income

Spreading taxable income over a number of years through an immediate annuity may also help you manage your tax liability. If you purchase an annuity with non-qualified funds, meaning that no part of the funds have enjoyed any tax deferred status and on which you have already paid taxes, a part of the income you would receive from the immediate annuity would be excluded from taxation since it is considered a return of your previously taxed funds.¹

Cost Of Living Adjustment (COLA)

You may want to add a Cost of Living Adjustment to the income payment option you choose. However, the COLA is not available on the Life with Cash Refund or Life with Installment Refund income options.

There are two types of Cost of Living Adjustments—Simple and Compound.

A Simple Cost of Living Adjustment

Allows you to choose an interest adjustment of 1-5%, and the income payment from the payment option you choose would then be adjusted by that specific percentage of the initial payment each year.

A Compound Cost of Living Adjustment

Allows you to choose an interest adjustment of 1-5%, and the income payment from the payment option you choose would then be adjusted buy that percentage, compounded annually, each year.

The amount of initial income received under a payment option with a Cost of Living Adjustment would be less than a payment option without the adjustment. However, you should consider the value of the income received over the time expected to receive the payments, and you may find that the guaranteed increase in the annual income payments is worth the smaller initial payout.

¹Neither American National nor its agents give tax or legal advice. Clients should contact their attorney or tax advisor on their specific situation.

Income Options

Period Certain

Receive income payments for a specific number of years, ranging from 5 to 30 years. If you should die before you receive income for the full period you selected, income payments would continue to be paid to your beneficiary for the remainder of the period. However, your beneficiary may elect, in lieu of continuing to receive income payments, a lump sum death benefit. The lump sum death benefit would be equal to the commuted value of the remaining income payments.

Single Life Options

Life Only Income:

This income option guarantees that you will receive income for your life. No minimum number of years is guaranteed. The income payments cease upon your death.

Life with a Period Certain

This option gives you a guaranteed income for your life, with a further guarantee that the income will at least be paid a certain number of years that you choose, ranging from 5 to 20 years. If you die before the end of the guarantee period you have chosen, the guaranteed income would be paid to the beneficiary of your choice for the number of years remaining in the guarantee period, or the beneficiary can elect to receive the commuted value.

Joint Life Options

Joint to Survivor

This income option would provide guaranteed income while both annuitants are alive, but upon either annuitant's death, the survivor would continue to receive a portion of those income payments in the percentage you've chosen, such as 50%, 60%, 66.67%, 75%, or even 100%, for the remainder of their life.

Joint to Survivor with Period Certain

This is similar to Joint and Last Survivor except you also choose a period between 5-20 years as the guarantee period (period certain) for the income payments to be made to either survivor. Upon the death of either annuitant and after the guarantee period, the income payment would then continue to the surviving annuitant for the specific percentage you chose. Payments would cease upon the death of the surviving annuitant if the guarantee period has expired.

Joint to Spouse Annuity

With this income option, you would receive a guaranteed income during your life, and upon your death, your spouse would then receive guaranteed income payments for the specific percentage you chose at the time the annuity was issued. You could choose 50%, 60%, 66.67%, 75%, or 100% of the income payment to be paid to your spouse upon your death. Income payments would cease upon the death of your spouse.

Joint to Spouse with Period Certain

This is similar to the Joint and Spouse option except that you would also choose a guarantee period (period certain) between 5-20 years as the time you wish income payments to be made to you or your spouse. Upon your death, and after the guarantee period, the income payments, in the specific percentage you chose, would be paid to your spouse. Payments would cease upon the death of your spouse if the guarantee period has expired.

Refund Options

Installment Refund

Under this option, guaranteed income would be paid during your lifetime, but if you should die before the income paid to you equals the initial premium you paid, income payments would continue to your beneficiary until the amount of the income payments equals the initial premium paid.

Cash Refund

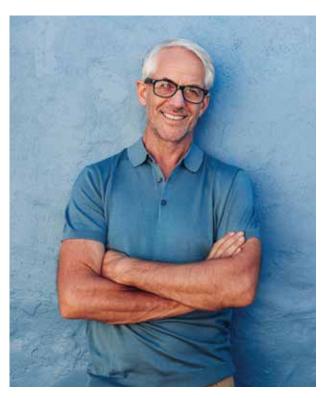
This option is similar to the Installment Refund option, except that if you should die before the income paid to you equals the initial premium you paid, the balance would be paid to your beneficiary in a lump sum.

The Cost of Living Adjustment (COLA) is not available with either of the above Refund income options.

Hypothetical Example:

What Could a \$250,000 SPIA Pay?

The amount you can expect to receive each month will depend on prevailing interest rates and the options you choose.



Single Life

65-year-old man

Life Only:

Payment Guaranteed Until Death

\$1,336 monthly

Life with 10 Year Period Certain:

Payment Until Death, with 10-Year Minimum Guarantee

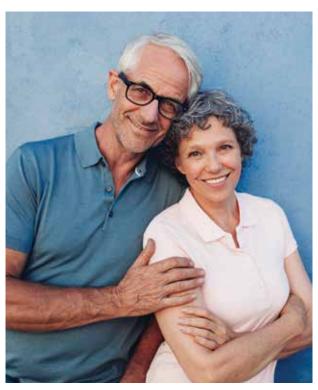
\$1,303 monthly

Cash Refund: Payment guaranteed for life with any remaining initial premium paid to beneficiary at death

\$1,209 monthly

Life Only with Cost of Living Adjustment: Payment Adjusted Annually For Inflation*, Until Death

\$951 (Initial) monthly



Joint Life

65-Year -Old Man 63-Year Old Woman

Joint to Spouse: Payment Until Both Deaths

\$1,060 monthly

Joint to Spouse with 10 Year Period Certain: Payment Until Both Deaths, With 10-Year Minimum Guarantee

\$1,059 monthly

Joint to Spouse with Cost of Living Adjustment: Payment Adjusted Annually For Inflation, As Long As Either Is Alive

\$721 (Initial) monthly

^{*}Inflation assumed: 3% simple American National's SPIA Express as of 08/03/2016. This is a hypothetical example for illustrative purposes only. Changing any of the assumptions, premiums, inflation, interest, age, etc. could significantly alter the results.

Unexpected Changes

Although you may purchase the Palladium SPIA for the security of receiving guaranteed income payments, you may find after a period of time that you need a lump sum instead of regular income payments. If this unexpected cash need arises, the Palladium® SPIA has options that may help.

Partial Withdrawal

If only a portion of your annuity funds is needed, you may request a partial withdrawal after your annuity has been in force for three full contract years. This partial withdrawal is available on all options. You can request the partial withdrawal, beginning in the fourth contract year, up to 10% of the commuted value without underwriting. You must withdraw at least \$2,000 and a commutation charge will be assessed on the commuted value withdrawn. Partial withdrawal may not be available in all states.

If you request more than 10% of the commuted value of your annuity, underwriting may be required at the time the withdrawal is requested. This may affect the calculation of the commuted value.

After you withdraw the funds, the future income payments will be adjusted based on your age at the time of the withdrawal. You will have to surrender your old annuity contract, and American National will issue a new contract with a new income payment schedule.

New York: If you elected a life contingent annuity benefit plan, you may request one partial withdrawal over the lifetime of your contract for an amount up to 10% of the contract's commuted value, reduced by any applicable commutation charge. Subsequent requests for partial withdrawals are not allowed.

Partial withdrawal is not available in MN, NE, NJ, OR, and WA.

Full Surrender

If you require a large sum, you may need to consider a full surrender of the remaining balance in your annuity. This option is available to you after your annuity has been in force for three full contract years. As with a partial withdrawal, a commutation charge will be assessed on the commuted value of your contract, and if your annuity has a Life option, underwriting may be required at the time you request surrender. This may affect our calculation of the commuted value.

Full surrender is not available in MN, NE, NJ, OR, and WA.

Commuted Value

Commuted Value refers to the present day value of an annuity after annuity payouts have begun. All withdrawal and surrender amounts are determined as the present value of future Annuity Payments using our current SPIA pricing rates plus .50%. Remaining life expectancy and period certain is also considered if underwriting is required at the time the partial withdrawal or full surrender is requested. A commutation charge is then assessed on the commuted value withdrawn. Commutation is not available in all states.

Commutation Charge

If you request either a partial withdrawal or full surrender of your annuity, a commutation charge will be assessed as follows:

Year	1	2	3	4	5	6	7	8	9	10	11+
	Not Permitted		10%	9%	7%	5%	4%	3%	2%	0%	

New York Commutation Charge Schedule:

Year	1	2	3	4	5	6	7	8	9	10	11+
	Not Permitted		8%	7%	6%	5%	4%	3%	2%	0%	

Partial withdrawal or full surrender is not allowed in the first three contract years.

Before considering either a partial withdrawal or full surrender of your contract, you may wish to consider other sources for needed funds because of the charges associated with these options, the decrease or loss of future income, and the negative effect on the possible death benefit payable on period certain income options.



Overview

Issue Ages Minimum Single Premium:	 0-90 (Period Certain Only) 5-90 (Life-contingent Income Options) \$15,000 (Non Qualified Funds) \$3,500 (Qualified Funds) 					
Maximum Single Premium	\$1,000,000 (Period Certain Only)\$2,000,000 (Life-Contingent Income Options)					
Income Payment Frequency	Annual, Semiannual, Quarterly, and Monthly					
Income Payment Options	 Life Only Period Certain from 5 – 30 years Life with a Period Certain from 5 – 20 Years Joint & Last Survivor with 50%, 60%, 66.67%, 75%, or 100% paid to the survivor, with or without a period certain period of 5 – 20 years Joint & Spouse with 50%, 60%, 66.67%, 75%, or 100% paid to the spouse with or without a period certain of 5 – 20 years Installment Refund Cash Refund 					
Cost of Living Adjustment	Available for either Simple or Compound annual interest adjustments of 1 – 5% on all income options except Installment Refund and Cash Refund.					
Death Benefit	Available on most options. Allows income payments to continue under the terms of the contract or the receipt of a Commuted Value.					
Partial Withdrawals	Available after 3 full contract years, for up to 10% of commuted value without underwriting, on all life-contingent options. Minimum withdrawal amount is \$2,000.					
Full Surrender	Allowed on all income options after 3 full contract years. Underwriting may be required on life-contingent options.					

Partial withdrawals and full surrender options and commuted value is not available in MN, NE, NJ, OR, and WA. The interest rate used to determine the death benefit's commuted value will vary by state. A commutation charge will also be assessed on partial withdrawals and full surrenders of a commuted value.

The purchase of an immediate annuity is permanent other than the conditions mentioned for partial or full surrender options and commuted value. The annuity owner will no longer have access to the premium, which converts into a stream of income payments. The terms of the annuity, such as the choice of income payment option, payment amounts and timing, and the rates of return cannot be changed.

This brochure has been prepared for persons considering the purchase of The Palladium Single Premium Immediate Annuity issued American National Insurance Company of Galveston, Texas and the Palladium Single Premium Immediate Annuity - NY issued by American National Life Insurance Company of New York. This contract has limitations. You should also read and understand the disclosure before completing your purchase. For specific provisions, refer to Contract Form Series: NSPA; ANY-NSPA. (Forms may vary by state). American National Insurance Company, headquartered in Galveston, Texas is licensed to conduct business in all states except New York. Business is conducted in New York by American National Life Insurance Company of New York, headquartered in Glenmont, New York. Each company has financial responsibility only for the products and services it issues.

