



# American Valor 10

*a fixed-indexed annuity from Great American Life Insurance Company®,  
a subsidiary of Great American Financial Resources®, Inc.*



*A great American icon:  
Lake Mead view from Hoover Dam, Nevada*

# American Valor 10

*Say hello to American Valor® 10, a fixed-indexed annuity from Great American Life Insurance Company® featuring:*

- ★ **A purchase payment bonus in the first three contract years**
- ★ The opportunity to select from indexed strategies and a declared rate strategy
- ★ Indexed strategies that earn interest tied to gains in the S&P 500
- ★ Income you cannot outlive
- ★ 10% penalty-free withdrawals
- ★ Liquidity with an extended care waiver and terminal illness waiver
- ★ 10-year declining early withdrawal charges
- ★ A guaranteed minimum surrender value

## American Valor 10 offers flexibility

American Valor 10 accepts flexible purchase payments, or you can make a single payment. After your initial purchase payment, you can add to your annuity value with flexible payments.

### *Receive a purchase payment bonus*

As an added incentive to help secure your financial future, Great American Life® will add a bonus to purchase payments received in the first three contract years. If you surrender your contract in the first year, the bonus and interest earned on it will be forfeited. This feature is available according to current company practice and may be discontinued at any time. However, if the contract is purchased while this feature is available, it will not be changed once the contract is issued.

## About fixed-indexed annuities

A fixed-indexed annuity is a deferred annuity with multiple interest crediting strategies. This type of annuity allows you to allocate your money among strategies that credit interest in various ways.

### *Is a fixed-indexed annuity right for me?*

Fixed-indexed annuities may be right for you if you want the potential to earn rates higher than those traditionally available from fixed annuities and you like the idea of receiving interest at a rate determined, in part, by the performance of an index. Regardless of market conditions, your fixed-indexed annuity's value will not fall below your total purchase payments, unless you take withdrawals from or surrender your contract during the early withdrawal period. This means that your principal can remain protected.

## Estate and probate advantages

A fixed-indexed annuity like American Valor 10 offers a death benefit that distributes the remaining contract value to beneficiaries without going through probate. If death occurs before you begin receiving annuity income payments, your beneficiary is guaranteed to receive the account value (less adjustments for outstanding loans or other applicable charges).

## Interest crediting choices

Choose your interest crediting strategies for each term and adjust them as your financial situation changes. Our products currently offer a **declared rate strategy** and **indexed strategies**.

### *Declared rate strategy*

Funds in the declared rate strategy earn compound interest credited daily based on a rate set at the start of the term by the company. This rate can vary for subsequent terms; however, this declared interest rate will never be lower than the guaranteed minimum declared interest rate stated in your contract.

### *Indexed strategies*

Funds in an indexed strategy earn interest based on an indexed interest rate. Interest is credited to the amount assigned to an indexed strategy on the last day of the term, using a formula determined by which indexed strategy(ies) you choose. The following strategies may be available on your American Valor 10 contract:

**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 500 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.

**Monthly averaging with cap:** A monthly averaging strategy measures index change by comparing the average of the monthly closing S&P 500 values during the term to the closing S&P 500 value on the first day of that term. Averaging the monthly values over the term could protect you against severe declines in the S&P 500. Alternatively, averaging may reduce the amount of interest you would earn when the index is rising.

## Accessing your annuity

When you're ready to annuitize, you can have the safety of knowing that your retirement income will never run dry. Settlement options are available to provide a steady stream of income on which you can depend. You can choose the length of time to receive payments, or elect to receive an income stream that you cannot outlive.

While an annuity should provide retirement income, an emergency or unforeseen circumstance may require you to access your money earlier than planned. Great American Life® offers a number of options to withdraw the money in your annuity. Note that withdrawals prior to age 59½ may be subject to IRS restrictions and a 10% federal penalty tax. Withdrawals will reduce the account value and related benefits. Also, indexed interest will not be credited at the end of a term to withdrawals made during a term from an indexed strategy.

### *Early withdrawal charges*

Please refer to your disclosure document for the American Valor 10 early withdrawal charge schedule. Charges are applied during the early withdrawal charge period to amounts withdrawn in excess of the 10% penalty-free withdrawal allowance and to surrenders.

### *Loan availability*

With American Valor 10, you may be able to take out a loan at a reasonable interest rate. Loans are available for certain qualified plans (subject to minimum and maximum loan amounts and repayment requirements). Remember, a loan may adversely affect your account value and outstanding loan balances will be deducted from your account value upon surrender, annuitization or death.

### *Guaranteed minimum surrender value*

The guaranteed minimum surrender value is 100% of your purchase payments, less withdrawals and early withdrawal charges, plus interest credited daily at a minimum guaranteed rate, minus an amount equal to the early withdrawal charge rate multiplied by your account value.

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This information is not intended or written to be used as legal or tax advice. It cannot be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. It was written solely to support the sale of annuity products. You should seek advice on legal or tax questions based on your particular circumstances from an independent attorney or tax advisor.

A.M. Best rating as of February 22, 2013. "A (Excellent)" is third highest out of 16 categories.

Any contract loan issued by Great American Life uses your contract value as collateral for the loan.

## Additional benefits

Keep your income and your family safe with these extras:

### *Extended care waiver*

After the first contract year, if you are confined to a nursing home or long-term care facility for at least 90 consecutive days, early withdrawal charges will be waived on withdrawals up to a full surrender. There is no additional charge for this waiver.

### *Terminal illness waiver*

After the first contract year, if you are diagnosed by a physician as having a terminal illness (prognosis of survival is 12 months or less, or a longer period as required by state law), you have the option to withdraw up to 100% of the account value without incurring an early withdrawal charge. There is no additional charge for this waiver.

### *Inheritance Enhancer*

Help build a legacy for your heirs with the Inheritance Enhancer<sup>SM</sup>. This guaranteed death benefit rider offers a 7% rollup credit and a 15-year rollup period. It is available for an annual charge of 0.75% of the death benefit base. Please note that no rider death benefit will be available if the insured dies after you reach your annuity commencement date at age 95. *See rider brochure for details.*

### *IncomeSecure*

Receive guaranteed growth of your income base and income you cannot outlive with the IncomeSecure<sup>SM</sup>. This guaranteed income rider offers a 10% income credit and a 7-year income rollup period. It is available for an annual charge of 0.85% of the income base, and charges are refundable at death if the income period hasn't started. *See rider brochure for details.*

### *IncomeSustainer Plus*

Receive income you cannot outlive and a guaranteed death benefit with the IncomeSustainer® Plus. This income and death benefit rider offers an 8% rollup credit for income and death benefits, and a 12-year rollup period. It is available for an annual charge of 1.25% of the benefit base. Please note that the rollup period will end earlier under certain circumstances, such as when you reach your annuity commencement date at age 95. *See rider brochure for details.*

## The power of protection

With a fixed-indexed annuity, you can protect your initial investment and receive a predictable stream of income. You can also take advantage of the potential growth of the stock market, subject to a capped rate, without worrying about losing your money if the market declines.



### The story of Bill and Karen

**Bill** invested \$100,000 in stocks that make up the S&P 500® index, while **Karen** purchased a fixed-indexed annuity with a purchase payment of \$100,000. Over a 12-year period, both Bill and Karen faced a dramatic market. However, Karen's annuity account value never dropped below her initial purchase payment of **\$100,000** since her fixed-indexed annuity protects against market declines. Conversely, the value of Bill's investment dropped as low as **\$70,185** because his investment didn't offer downside protection.

*While past performance does not guarantee future results, with a fixed-indexed annuity, you can be certain that your money will be protected against loss if you hold the annuity through the early withdrawal charge period.*

*This graph illustrates historical performance of the S&P 500® across 12 years. In this example, the hypothetical investment in stock is increased by dividends net of income taxes at a 20% rate. The hypothetical fixed-indexed annuity in this example uses the annual point-to-point index method based on changes in the S&P 500 to calculate the indexed interest rate for each term. For purposes of this illustration a 5.0% cap, 0% index spread, 100% participation rate and one-year term is applied for all terms in the period. However, during the illustrated period, the actual caps that we applied to our fixed-indexed annuities varied from term to term and ranged from 3.5% to 10%. Caps, spreads, participation rates and terms are subject to change. Indexed interest is credited only on amounts held for the entire term. This example assumes no money is withdrawn from the annuity. Early withdrawal charges will apply if money is withdrawn during the early withdrawal charge period. See the disclosure document for the early withdrawal charge schedule.*

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

*For most stock investments, dividends are subject to income tax at capital gains rates when paid, and long term capital gains are subject to income tax at capital gains rates when the stock is sold. For annuity contracts, income earned on the contract is subject to income tax as ordinary income when withdrawn. If you are under age 59½, the taxable amount may also be subject to a 10% federal penalty tax. Generally income tax rates on ordinary income are higher than capital gains tax rates on long-term capital gains and qualified dividend income. This information is not intended or written to be used as legal or tax advice. It cannot be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. It was written solely to support the sale of annuity products. You should seek advice on legal or tax questions based on your particular circumstances from an independent attorney or tax advisor.*

## Who we are

With a heritage dating back to 1872, Great American Life® is a subsidiary of Great American Financial Resources®, Inc., and is headquartered in Cincinnati, Ohio. GAFRI is one chapter in an American success story that began in 1940 when Carl Lindner, with his father, sister and brothers, opened a cash-and-carry dairy market. This single storefront launched Mr. Lindner's career as a businessman and entrepreneur. Two of Mr. Lindner's sons, Craig and Carl, have spent their entire careers helping to build American Financial Group®. Today, they serve as co-chief executive officers of the company. GAFRI and its subsidiaries are owned by AFG, a publicly traded company on the New York Stock Exchange, which has assets of more than \$39 billion as of December 31, 2012.

### Financially sound

Preparing for your future with a financially strong company should be a high priority. GAFRI and its family of life insurance companies offer the fiscal strength, quality products and personal attention you deserve. We have a long history of providing financial security to contract owners, and it is a heritage we continue with pride.

### Strong ratings

GAFRI's principal insurance subsidiaries are rated "A (Excellent)" for financial strength and operating performance by A.M. Best. GAFRI's largest subsidiary, Great American Life, has been rated A or higher by A.M. Best for more than 30 consecutive years.

### We're committed to you

We understand how important retirement security is to you and want to help you reach your goals and dreams. It's possible your retirement may last longer than 30 years, making it important to partner with a company that has long-term strength and a reputation for success and stability. We're committed to providing you with the first-class service you need and deserve.

## American Valor 10 at a glance

### General information

Product type	Flexible premium deferred annuity that allows single purchase payments
Issue ages	Qualified: 18-85; non-qualified: 0-85
Min. purchase payment	\$10,000 initial; additional purchase payments accepted (Minimum: \$2,000 qualified, \$5,000 non-qualified)
Max. purchase payment	\$750,000 issue ages 0-79; \$500,000 issue ages 80-85
Guaranteed minimum surrender value	The value of your annuity will not drop below the guaranteed minimum surrender value.
Term	Currently one year for each strategy offered
Fees	There are no up-front sales charges or fees. Early withdrawal charges (surrender charges) may apply.

### Withdrawals

10% allowance	During the first contract year, you may withdraw up to 10% of your purchase payments without an early withdrawal charge. After the first contract year, 10% of the sum of the account value on the most recent contract anniversary and any purchase payments received since that anniversary may be withdrawn without an early withdrawal charge.
Early withdrawal charges	During the first 10 contract years, an early withdrawal charge starting at 10% is applied to surrenders and withdrawals.

### Rates and strategies

Purchase payment bonus	A bonus will be added to purchase payments received in the first three contract years. If you surrender your contract in the first year, the bonus and interest earned on it will be forfeited. This feature is available according to current company practice and may be discontinued at any time. However, if the contract is purchased while this feature is available, it will not be changed once the contract is issued.
Declared interest rate	Interest is credited daily on amounts held under a declared rate strategy based on the applicable declared interest rate. The declared interest rate will not change throughout the term.
Indexed interest rate	For the indexed strategies currently available, the indexed interest rate is determined, in part, by the performance in the values of the S&P 500 <sup>®</sup> , and is credited only on the last day of the term.
Cap	The cap is the maximum indexed interest rate for a term; please contact Great American Life <sup>®</sup> or your financial professional for the current cap (if any).
Annual point-to-point	An indexed strategy that measures index change by comparing the closing S&P 500 value at the end of the term to the closing S&P 500 value on the first day of that term.
Monthly averaging with cap	An indexed strategy that measures index change by comparing the <i>average</i> of the monthly closing S&P 500 values during the term to the closing S&P 500 value on the first day of that term.

### Riders available with American Valor 10

- Extended care waiver (where available) — Included at no additional cost
- Terminal illness waiver (where available) — Included at no additional cost
- Inheritance Enhancer<sup>SM</sup> death benefit rider (optional) — Available for a charge
- IncomeSecure<sup>SM</sup> income rider (optional)— Available for a charge
- IncomeSustainer<sup>®</sup> Plus income and death benefit rider (optional)— Available for a charge

Please note, this brochure is a general description of the product. Please read your contract for definitions and complete terms and conditions, as this is a summary of the annuity's features. In the riders, rollup credits and income credits are referred to as rollup amounts, and death benefit base, income base and benefit base are referred to as benefit base amount. In the IncomeSecure rider, the start of the income period is referred to as the benefit start date. For use with contract form P1431410NW and rider forms R6025809NW, R6026109NW, R6032810NW, R6036711NW and R6042513NW. Contract and rider form numbers may vary by state. Products and features may vary by state, and may not be available in all states.

All guarantees based on the claims-paying ability of Great American Life.

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

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