

GUGGENHEIM LIFE AND ANNUITY COMPANY

# Preserve Multi-Year Guaranteed Annuity Product



**GUGGENHEIM**



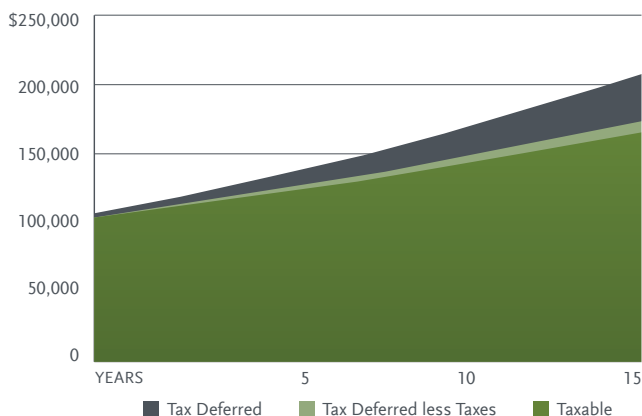
GUGGENHEIM LIFE AND ANNUITY COMPANY

## Preserve Multi-Year Guaranteed Annuity Product

It's never too early to start planning for retirement. Selecting a strategy that works best involves assessing your goals, time horizon and risk tolerance. A single premium deferred annuity is a product that for a single initial investment, earns a fixed rate of interest allowing your money to grow on a tax deferred basis until you decide to begin receiving annuity payments. **Preserve Multi-Year Guaranteed Annuity**, a single premium deferred annuity, offers multiple guarantee periods to align with your specific needs and guarantees the interest rate for that entire guarantee period.

Fixed annuities are insurance products that serve a variety of needs. You can expect solid, guaranteed growth from a fixed annuity as long as the funds remain in the annuity until the end of the surrender charge period. With a fixed annuity, not only do you gain peace of mind, but you can be confident that what you expect is what you will receive, which is ideal for retirement planning.

**Tax Deferral.** Tax-deferred growth allows your money to grow faster because you earn interest in dollars that would otherwise be immediately taxable. Your premium earns interest, the interest compounds within the contract and the money you would have paid in taxes earns interest. Income taxes are deferred until funds are withdrawn from the contract. The chart below details the potential and advantage of a tax-deferred annuity.



### THE BENEFITS OF TAX DEFERRAL\*

Paying taxes on investments each year will reduce the amount of funds available for growth and compounding. With a tax-deferred investment, your earnings will accumulate on both your principal and interest which results in greater accumulation over time.

\* Chart is a hypothetical illustration of tax-deferral and assumes an initial premium of \$100,000 earning 5.00% compounded annual rate of return for each Guarantee Period on an annuity that renewed for three consecutive 5 year guarantee periods totaling 15 years. For other Guarantee Period combinations, surrender charges may apply using this same hypothetical 15 year period. Not intended to predict or project performance. Tax deferred value less taxes represents the increase in value due to tax deferral, less taxes at an assumed rate of 33%, with no surrender charge or Market Value Adjustment applied. Precise measurement of tax benefit will depend upon each owner's individual circumstance.





## Product Facts

***Death Benefit.*** The named beneficiary(ies) of the **Preserve Multi-Year Guaranteed Annuity** will be paid a death benefit that is equal to the account value. Once we receive notification of death and until the funds are distributed, the death benefit will accrue interest at a rate required by the state in which the contract is issued. Alternatively, if the contract is continued by a surviving spouse who is the sole beneficiary on the contract, the account value will continue according to the terms of the contract. Your beneficiary may choose to receive the payouts in either a lump sum or a series of income payments. In the case of joint owners, the death benefit is paid on the death of the first owner.

***Lifetime Income.*** An important feature of annuity contracts is the ability to have an income that you cannot outlive. Guggenheim Life can provide you with a guaranteed income stream with the purchase of your tax-deferred annuity, through the ability to annuitize, which turns the deferred account into a scheduled stream of income payments. If this feature can meet your future income needs, you will have the ability to choose from several different annuity payout options; to include a payout for a certain period of time, for your entire lifetime with a guaranteed period, or for payments over the lifetime of two joint annuitants. If the annuitization is for a minimum of ten (10) years, (or for a minimum of five (5) years after the initial guarantee period) no surrender charges or market value adjustment will be applied when calculating your payout.

***Penalty-Free Withdrawals.*** **Preserve Multi-Year Guaranteed Annuity** provides a single penalty-free withdrawal each year beginning in contract year two (2). The maximum free withdrawal amount will be 10% of your account value on the previous contract anniversary. A penalty-free withdrawal waives any surrender charges or market value adjustment on the withdrawn amount. Amounts withdrawn in excess of the 10% penalty free amount will incur a surrender charge and market value adjustment, if applicable. Surrender charges on Internal Revenue Service (IRS) required minimum distributions (RMD) exceeding the penalty-free withdrawal amount will be waived.

***May Avoid Probate.*** By naming a beneficiary (other than your estate), your deferred annuity will be paid directly to the beneficiary, thereby avoiding inclusion in a probated estate. This benefit may minimize the delays, expenses and publicity often associated with probate. Your designated beneficiary receives death proceeds in either a lump sum or a series of income payments.



***Renewal Feature.*** At the end of each guarantee period, you will have the option to elect to renew your annuity for another guaranteed interest rate period. Depending on your circumstances and financial goals at that time, this convenient option assures you of a competitive, current interest rate and an easy transition to a new guarantee period. We will contact you with your options and provide a 30 day window to select a new guarantee period at that time. If no election is made during this window, Guggenheim Life will automatically renew your annuity for the same guarantee period. If a withdrawal or surrender is made within this 30 day window, no surrender charges or market value adjustment will apply. After the 30 day window, a new guarantee period, guaranteed interest rate, surrender charge period and market value adjustment will be applied. Renewal rates for subsequent guarantee periods will be based on competitive current interest rates and financial circumstances, and may differ from the initial guaranteed interest rate.

***Nursing Home Care Rider.*** Should the need arise, Guggenheim Life will provide full liquidity to assist with nursing home care expenses subject to the rider provisions which are: contract purchased prior to age 76 and confinement to a nursing home for 90 continuous days.

***Terminal Illness Rider.*** If the owner of the contract is diagnosed with a critical illness (heart attack, stroke or life threatening cancer) or is deemed terminally ill by a physician, Guggenheim Life will provide full liquidity to assist with the additional expenses that may arise. Eligibility is subject to rider provisions which are: Terminal illness; physician must certify that the owner's life expectancy is nine months or less; for one of the critical illness conditions to take effect, the contract must have been purchased prior to the owner's age 70.

To meet the criteria for either of these riders, the contract must have been in force for a minimum of one year. There is no charge or fee associated with either rider and availability may vary by state of issue. If any of these situations occur, a partial or full withdrawal will be available with no surrender charge or market value adjustment.

***How is the Agent Compensated?*** We pay commissions and other sales expenses from our general assets and revenues. Through careful calculations and pricing, we establish the price of an annuity contract, which includes the compensation we pay for the sale of the annuity contract. This pricing also covers the cost of contract guarantees, other costs such as the design, manufacture and service of the contract, as well as the investment management needed to support the contract's values. Agents earn a commission for each annuity contract they sell. The commission is generally a percentage of the premium you pay. The actual percentage and amount of commission paid will vary based on the specific circumstances of your purchase. The commissions paid to the agent will not be deducted from the account value.

At Guggenheim Life, a subsidiary of Guggenheim Partners, LLC, we are dedicated to serving the needs and financial goals of our customers.

**No Risk to Your Principal.** Premium payments, less any surrender charges, premium taxes, and applicable market value adjustment, are guaranteed by Guggenheim Life and Annuity Company.

**Market Value Adjustment.** A Market Value Adjustment (MVA) will be applied any time a surrender charge is applied. The purpose of the MVA is, in case of an early withdrawal, to adjust the value of your funds for the change in interest rates. The change is measured by comparing the base interest rate credited in your contract, with the base interest rates being credited by the company on current sales of the same contract form. An upward change in base interest rates will cause a decrease in the value. A downward change in base interest rates will cause an increase in the value. The value of a negative adjustment for a 1% increase in interest rates will be the same as the value of a positive adjustment for a 1% decrease in interest rates. The benefit of having an MVA is that Guggenheim Life can offer a higher interest rate than it would offer if the contract did not contain an MVA provision. The MVA does not apply to penalty-free withdrawals, to the payment of a death benefit, or at the end of the guarantee period. Please refer to page seven of the contract for the MVA provision. It will apply to withdrawals that exceed the penalty-free withdrawal amount during a guarantee period.

**Surrender Charges.** (All periods shown below may not be offered at all times.) A surrender charge applies to withdrawal amounts that are greater than the penalty-free withdrawal amount. Each guarantee period has its own surrender charge schedule. The amount of the surrender charge is a percentage of your account value, which generally decreases over time as shown in the chart below. If you renew into a new guarantee period, surrender charges will reset. Withdrawals before age 59½ may be subject to a 10% IRS penalty tax. See your agent or your legal or tax advisor for complete details.

YEAR	1	2	3	4	5	6	7	8	9	10
3-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%							
4-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%						
5-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%					
6-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%	2%				
7-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%	2%	1%			
8-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%	2%	1%	1%		
9-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%	2%	1%	1%	1%	
10-YEAR GUARANTEE PERIOD OPTION	7%	6%	5%	4%	3%	2%	1%	1%	1%	.75%



## Guggenheim Life and Annuity Company

10689 North Pennsylvania, Suite 200

Indianapolis, Indiana 46280

317 574 6213

800 767 7749

*Guggenheim Life and Annuity Company, whose office is in Indianapolis, Indiana, issues the Preserve Multi-Year Guaranteed Annuity. Annuity contracts contain limitations. Please consult your contract or Product Summary document for more details regarding these limitations. The Preserve Multi-Year Guaranteed Annuity and/or certain product features may not be available in all states. Guggenheim Life is not licensed in New Jersey and New York. The contract is issued on form number GLA-MYGA-01 (2011) or a variation of such. This brochure is provided for clarification of the benefits which may be included in the contract when it is issued. It is for informational purposes only. In the event of any ambiguity or conflict of terms between this brochure and the annuity contract, the terms of the annuity contract shall be controlling.*

*Neither Guggenheim Life nor its representatives provide legal or tax advice to contract holders. For legal or tax advice concerning your specific situation, you are encouraged to consult with your attorney, accountant or tax advisor.*

- NOT A DEPOSIT
- NOT FDIC OR NCUA/NCUSIF INSURED
- NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- NOT GUARANTEED BY A BANK/SAVINGS ASSOCIATION OR CREDIT UNION