



# IS A **FIXED ANNUITY** RIGHT FOR **YOU?**

## Key Questions:

- How can I generate regular income payments that I won't outlive?
- How can I earn a competitive rate of return, defer taxes and not sacrifice safety?
- How can I protect my beneficiaries from a large tax burden?

**A fixed annuity may be the right solution.**

# What is a Fixed Annuity?

A fixed annuity is an interest-paying contract issued by an insurance company. You may choose either a “**deferred**” annuity as a means to accumulate assets while deferring taxes ... or an “**immediate**” annuity as a means to pay you an income now and for as long as you need it.

## Deferred Annuity

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Purpose:	To accumulate assets on a tax-deferred basis
How Purchased:	A single premium or multiple premium payments
Accumulation Period:	Short- to long-term

## Immediate Annuity

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Purpose:	To convert a lump sum into guaranteed income
How Purchased:	A single premium payment
Payment Period:	Payments must begin within one year

# Fixed Deferred Annuity Types Offered by EquiTrust

## **Multi-Year Guarantee Annuity**

- Guaranteed, fixed interest rate for a set period of time
- Withdrawal provisions for access to a portion of your money
- Earnings grow on a tax-deferred basis

## **Index Annuity**

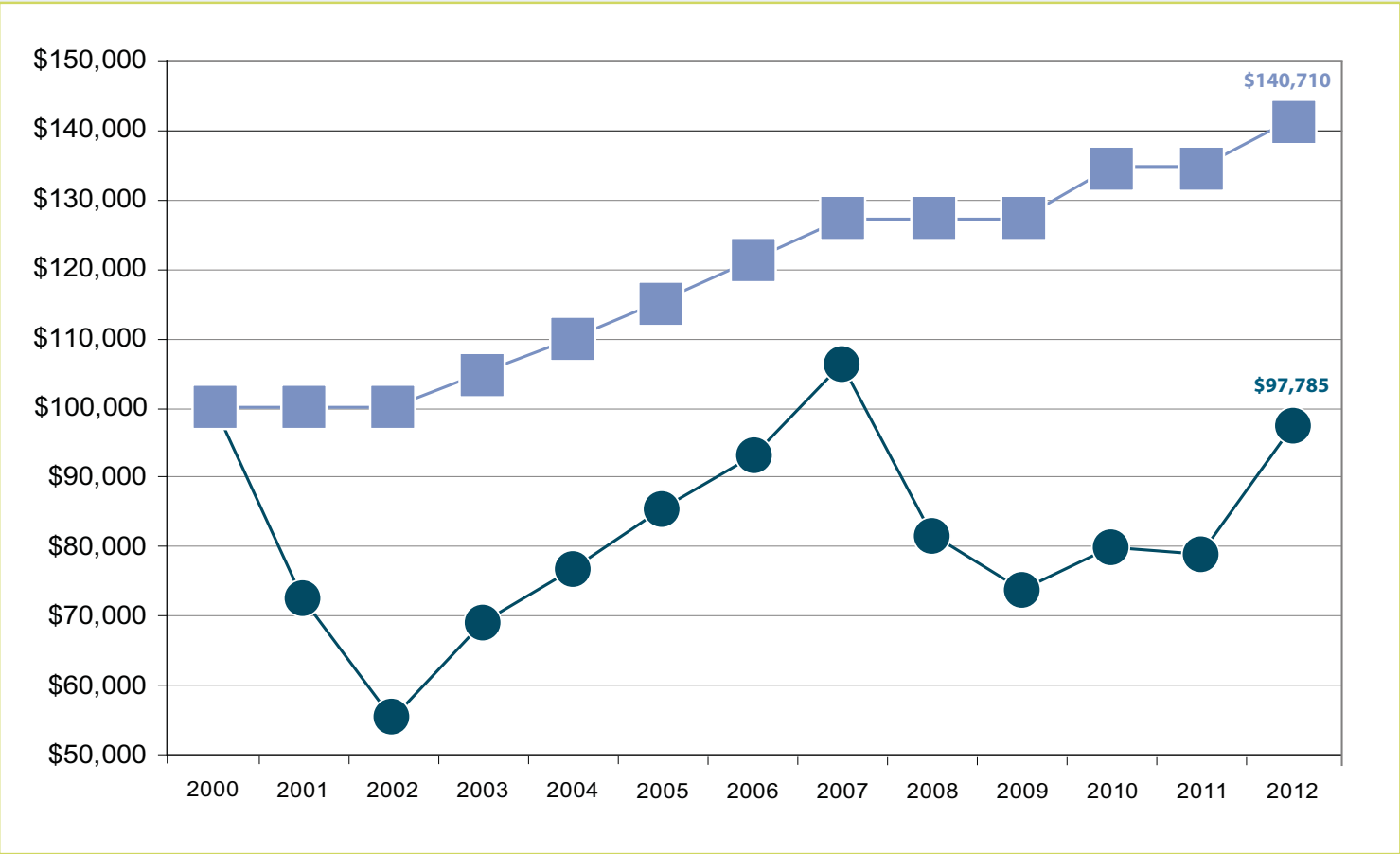
- Earnings linked to the performance of a stock market index
- You share only in the index gains, not the losses
- Minimum guaranteed contract rate provides downside protection when markets decline

Withdrawals before age 59½ may result in a 10% IRS penalty tax. Withdrawals do not participate in index growth.

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# Index Annuities Provide Upside Potential...and Downside Protection

Hypothetical comparison of annual values for index account to the S&P 500®



- 1-Year Point-To-Point Cap Index Account with 5.00% Cap
- S&P 500® Index

Assuming a 10/1/2000 start date and 10/1 anniversary dates.

Historical performance of the S&P 500® Index should not be considered a representation of current or future performance of the Index or of your Annuity. Each example shown above assumes a \$100,000 initial premium with no withdrawals. The Cap is for hypothetical purposes only. Please contact the Company for current Caps.

# Advantages of a Fixed Deferred Annuity

**SECURITY:** An annuity is a conservative vehicle issued only by life insurance companies. The issuer must set aside required reserves to back your money. There are also minimum guaranteed value requirements, so you can never lose your principal if the annuity is held for the full term.

**BYPASS PROBATE:** An annuity contract properly set up with a designated beneficiary may bypass the probate process and allow your beneficiary immediate possession of the death benefit of the annuity.

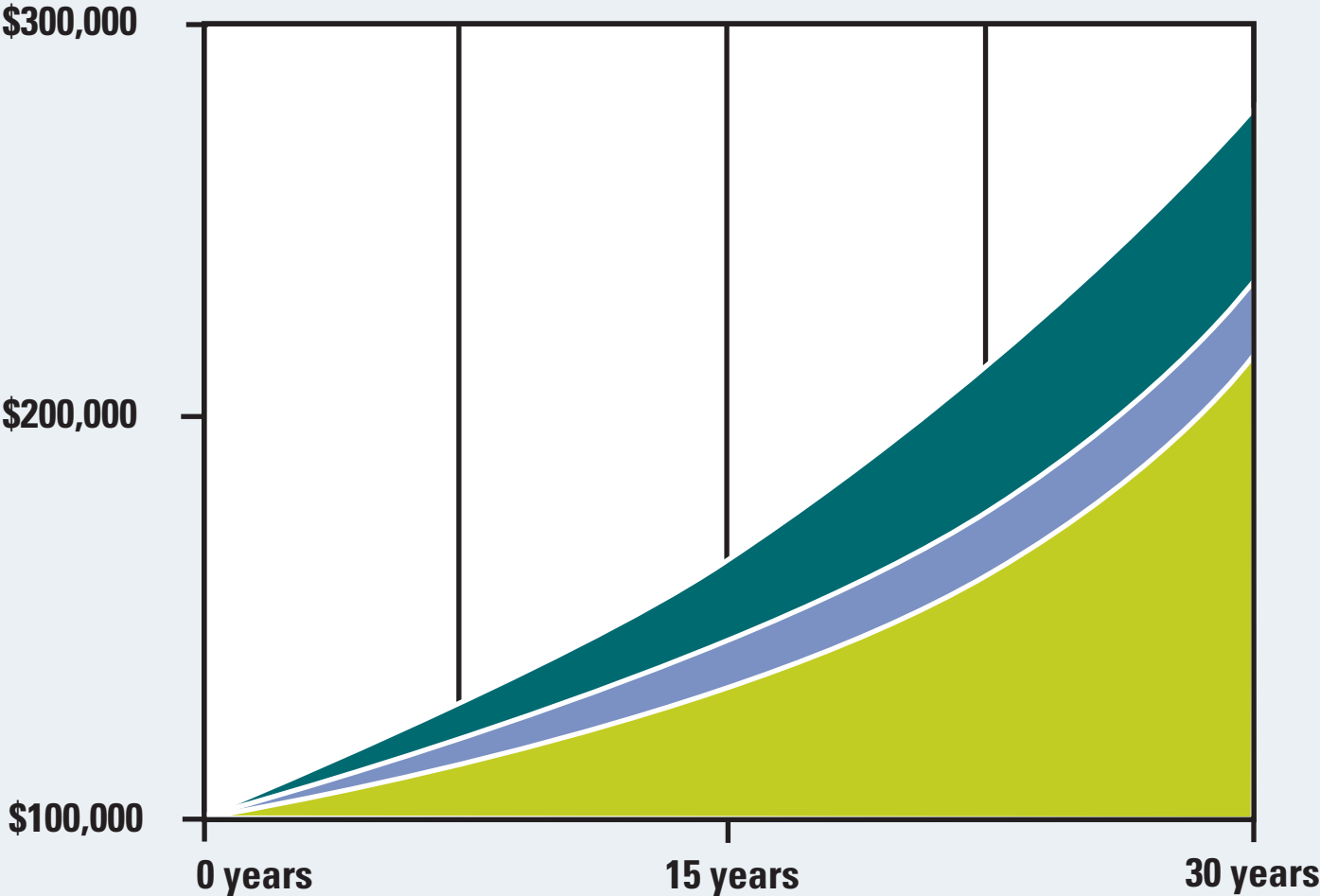
**LIQUIDITY:** Although annuity contracts have surrender penalties for a period of time, many contracts allow annual penalty-free withdrawals up to a certain percentage. This allows you access to your money while the rest of the accumulated value continues to grow in accordance with the provisions of your annuity.

**INCOME:** An annuity offers what no other financial vehicle can: the ability to “annuitize” your contract for a guaranteed income stream – either for your lifetime, a certain period of time, or a combination of both.

**TAX DEFERRAL:** Interest credited to your annuity contract is not taxed at the Federal or State levels until you take receipt of your money – perhaps at a time when you’re in a lower tax bracket. This allows you to earn interest on your premium, on your interest and on the money you would have normally used to pay your taxes.

# Taxable vs. Tax Deferred

The money you put in an annuity grows tax deferred, which means it has the opportunity to accumulate more quickly.



- Tax-deferred growth
- Tax-deferred growth after lump sum withdrawal, with taxes
- Taxable product

Example assumes \$100,000 growing at 5%, 25% tax bracket for 30 years.

# Compare Fixed Deferred Annuities to Other Financial Products

	Safety of Principal	Tax Deferral	Guaranteed Lifetime Income	Inflation Protection	Stock Index Linked Earnings	Growth Potential
Savings Account	✓					
Certificate of Deposit	✓					
Savings Bond	✓	✓				
Multi-Year Fixed Annuity	✓	✓	✓			
Index Annuity	✓	✓	✓	✓	✓	
Variable Annuity		✓		✓		✓
Stock Mutual Fund				✓		✓

Surrender of the contract may be subject to surrender charges or market value adjustment. Market Value Adjustment may not apply in all states. Withdrawals before age 59 1/2 may result in a 10% IRS penalty tax. Withdrawals do not participate in index growth. In the event of a full surrender, charges will apply to any penalty-free amounts taken during the same contract year.

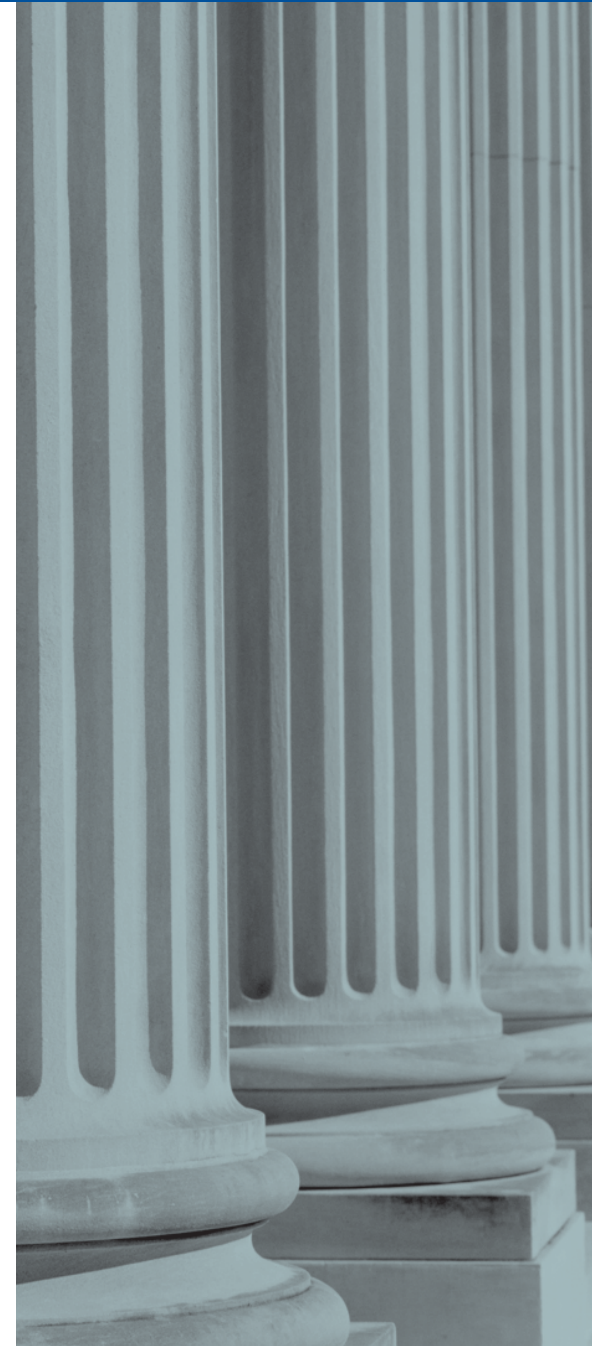


# Immediate Annuities for Steady, Guaranteed Growth

An **immediate** annuity will pay you a guaranteed stream of income. You choose the duration that meets your needs and protects your beneficiaries: a fixed period ... for your lifetime ... or a combination of both.

## Uses of a Fixed Immediate Annuity:

- Retirement income
- Life insurance funding
- Elderly parent support or child's education needs
- Charitable giving
- Child support or alimony
- Income replacement from deceased spouse
- Fixed-period debt obligations



# Is a Fixed Annuity Right For You?

If you seek a safe place to either accumulate assets or provide a steady stream of income – with unique features, tax advantages and guarantees – a fixed annuity may be a wise choice for you.

Ask your agent for more information about the exciting line of fixed annuity offerings from EquiTrust Life Insurance Company.

EquiTrust Life products not available in all states. Product features may vary by state.

# Why Choose EquiTrust Life As My Fixed Annuity Carrier?

## A Name You Can Trust

As you invest in your future and plan for long-term financial security, you look to a name you can trust. And when you're searching for a company that demonstrates integrity, strength and innovation – one that can help you meet your financial objectives – look no further than EquiTrust Life Insurance Company. We put you first.

EquiTrust Life is a Guggenheim Partners company. Guggenheim Partners is a global, privately held, diversified financial services firm with over \$200 billion in assets under management. Headquartered in New York and Chicago, Guggenheim Partners provides investment management, investment banking, capital markets services, insurance, institutional finance, and investment advisory services.





The guarantees expressed in this brochure are based on the claims-paying ability of EquiTrust Life Insurance Company.

Surrender of the contract may be subject to surrender charges or a market value adjustment. Market Value adjustment may not apply in all states. Withdrawals before age 59 1/2 may result in a 10% IRS penalty tax. In the event of a full surrender, charges will apply to any penalty-free amounts taken during the same contract year. Withdrawals do not participate in index growth.

Neither the Company nor its agents give tax, accounting or legal advice. Please consult your professional advisor in these areas.

Annuitization is not allowed in TX prior to the Income Date.

This brochure briefly highlights EquiTrust Life Insurance Company's annuity contracts and their benefits. For costs and complete details of coverage, including any exclusions, reductions or limitations, and the terms under which the contracts may be continued in force, contact your EquiTrust Life agent.

Contract issued on Contract Form Series ET-MPP-2000(02-05) with Rider ET-IMVA(07-09). Group Certificates issued on Form Series ETMPP-2000C(01-07) with Rider ET-IMVAC(07-09) (Not available in OR).

Contract issued on Contract Form Series ET-MKB-2000(07-05) with Rider ET-AVBR(06-09) and Rider ET-IMVA(07-09). Group Certificates issued on Form Series ET-MKB-2000C(01-07) with Rider ET-AVBRC(06-09) and Rider ET-IMVAC(07-09) (Not available in OR).

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Contract issued on Contract Form Series ET-EIA-2000(02-05) with Rider ET-IMVA(07-09) (Not available in OR). Group Certificates issued on Form Series ET-EIA-2000C(01-07) with Rider ET-IMVAC(07-09) (Not available in OR). Contract issued on Contract Form Series ICC12-ET-EIA-2000(01-12) in MN, OR, WA and other states as made available.

Contract issued on Contract Form Series ET-STS-2000(11-11) in CT, DE, NV, TX. Contract issued on Contract Form Series ICC11-ET-STS-2000(11-11) MN, OR, UT, WA

Contract issued on Contract Form Series ET-MYG-2000(11-05) with Optional Rider ET-CTR(11-05), ET-MYG-2000(06-09) with Optional Rider ET-CTR(06-09) or Contract Form Series 430-SPA(08-03). Group Certificates issued on Form Series ET-MYG-2000C(06-09) with Optional Rider ET-CTRC(06-09) (Not available in OR).

Contract issued on Contract Form Series ET-SPIA(08-06.)

May not be available in all states. Products and features may vary by state.



**EquiTrust Life Insurance Company**  
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- Not a bank or credit union deposit or obligation
- Not FDIC or NCUA/NCUSIF insured
- Not insured by any federal government agency
- Not guaranteed by any bank or credit union
- May lose value