



Retirement Solutions from AIG

Insurance Companies

Client need: Build an income bridge to help maximize Social Security benefits



Hypothetical example. Not an actual case.

Annuities issued by
American General Life Insurance Company (AGL)
Guarantees are backed by the claims-paying ability of AGL.

→ Meet Carl

- Age 60
- Wants to retire at 65 but waits until age 70 to collect maximum Social Security benefits
- Prefers to maintain access to his money with the opportunity for guaranteed growth – and the assurance of principal protection with no market participation
- Wants the ability to activate lifetime income at any time if his needs change

→ A retirement income solution for Carl

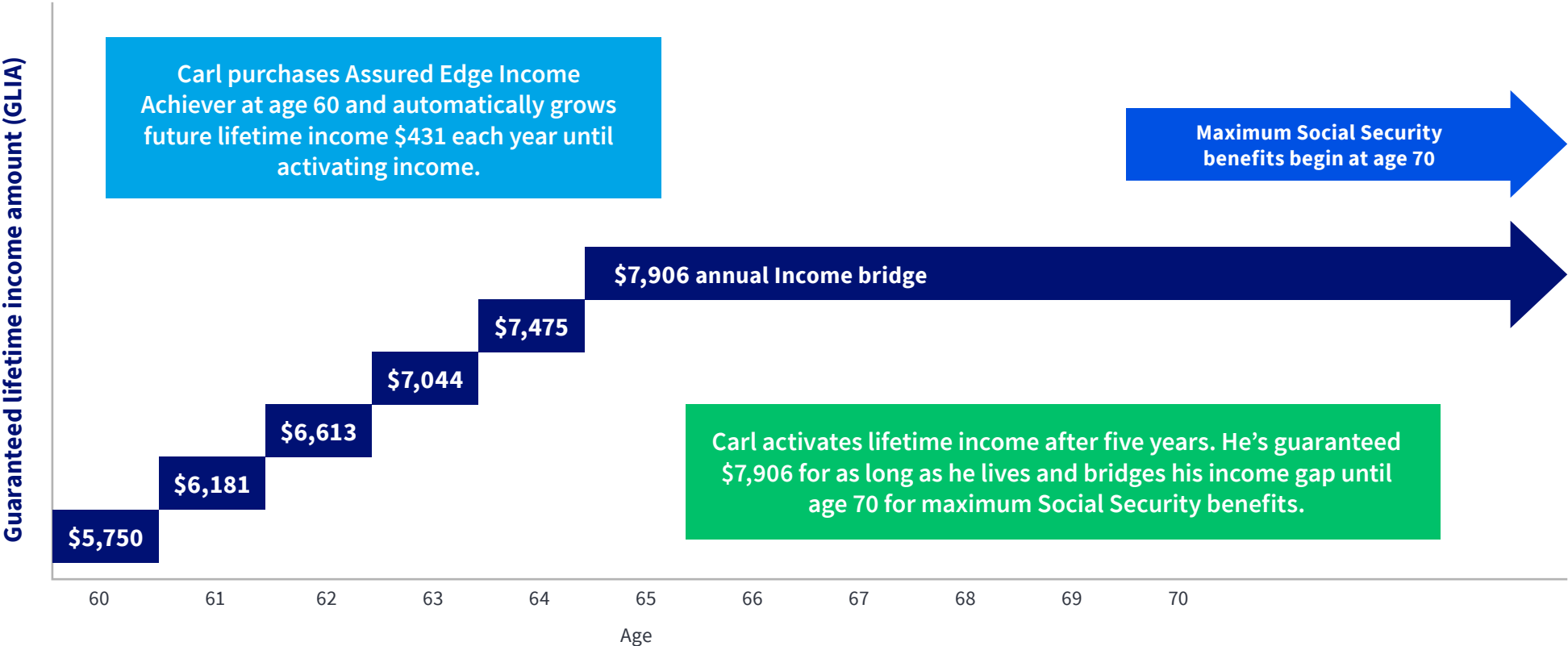
- Carl takes \$100,000 to purchase the **Assured Edge Income Achiever®** fixed annuity with a flexible guaranteed lifetime withdrawal benefit
- Assured Edge provides the ability to grow future guaranteed retirement income each year based on a 7.5% income growth rate until withdrawals begin
- By waiting until age 70 to begin Social Security, Carl could gain up to 37% more in Social Security benefits*

* The Social Security benefit does not reflect potential increases of annual cost-of-living adjustments. Full retirement age is 67 for 100% retirement benefit. By delaying Social Security beyond full retirement age, the amount of the benefit will continue to increase until age 70. Retiring at age 65 decreases the full benefit to 862/3%. Retiring at age 70 provides 124% of full retirement benefits. Source: SSA.gov 2022.

Not FDIC or NCUA/NCUSIF Insured

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

→ Carl can elect to activate lifetime income at any time. Because he waits five years, Carl builds an income bridge to maximum Social Security benefits with \$7,906 each year – for life.



Assumptions: Age 60 at time of purchase; \$100,000 eligible premium; single coverage; 7.5% income growth rate and 5.75% income percentage. Initial guaranteed lifetime income amount (GLIA) is calculated by multiplying the eligible premium by the income percentage based on issue age ($\$100,000 \times 5.75\% = \$5,750$). The income credit is a dollar amount calculated by multiplying the initial GLIA by the income growth rate ($\$5,750 \times 7.5\% = \431). Once lifetime income begins, the GLIA is set and will no longer increase with an income credit.

This example is for illustrative purposes only. Not an actual case and intended solely to depict how the product feature might work. It does not reflect the value of any specific contract. Restrictions and limitations may apply. Income percentages are set periodically by the company and may be different than what is shown. Illustration shows retirement at age 65, deferring Social Security until age 70.

Additional information

- Assured Edge Income Achiever is available to clients age 50 – 80.
- To realize the full benefit of lifetime income, withdrawals must not exceed the GLIA.
- Withdrawals before lifetime income is activated will reduce the income credit and GLIA proportionally, thereby reducing future guaranteed income.
- Once the first lifetime income withdrawal is taken, the GLIA is set and will no longer increase with an income credit. However, this amount can decrease if a withdrawal in excess of the guaranteed lifetime income amount or permitted Required Minimum Distributions (RMDs), if greater. Permitted RMDs are based solely on this contract and do not exceed the GLIA or the RMD amount as calculated by us.
- Penalty-free withdrawals are available without a market value adjustment (MVA). These withdrawals, however, may reduce the GLIA.
- Lifetime income withdrawals will automatically begin if not elected by the contract maturity date of age 95 and if the contract value is greater than zero.

With Assured Edge Income Achiever it's easy to generate predictable retirement income—for life.

A fixed annuity is a contract between you and an insurance company that, in exchange for your premium (earning a fixed rate of interest), offers a stream of guaranteed income payments.

Annuities are long-term products designed for retirement.

Retirement accounts such as IRAs can be tax deferred regardless of whether or not they are funded with an annuity. The purchase of an annuity within an IRA does not provide additional tax-deferred treatment of earnings. However, annuities do provide other features and benefits.

Withdrawals may be subject to federal and/or state income taxes. A 10% federal early withdrawal tax penalty may apply if taken before age 59½ in addition to ordinary income tax. Partial withdrawals may reduce benefits and contract value.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice consult the appropriate professional.

Annuities issued by **American General Life Insurance Company (AGL)**, Houston, TX. Issuing company AGL is responsible for financial obligations of insurance products and is a member of American International Group, Inc. (AIG). Guarantees are backed by the claims-paying ability of the issuing insurance company. AGL does not solicit, issue or deliver policies or contracts in the state of New York.

May not be available in all states and product features may vary by state. Please refer to your contract.

aig.com/annuities
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