

# Great American Life *news*



www.GAFRI.com

June 13, 2012

## Income Rider Changes Effective June 25

Each June, the National Association of Insurance Commissioners (NAIC) announces the Standard Valuation Discount Rate for that year. Due to continued low interest rates in 2012, the discount rate has fallen again.

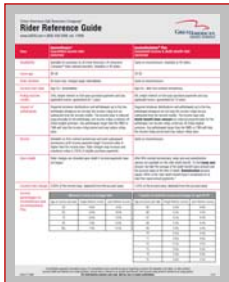
A lower discount rate increases the reserves Great American Life® must hold to support income rider benefits. As a result, the following adjustments will go into effect on **June 25, 2012**.

For *IncomeSecure*<sup>SM</sup>:

- The income rollup will remain **10%**.
- The income rollup period will change to **7 years** from 10 years.
- The income payment percentage will decrease **0.50%** for each age.

For *IncomeSustainer*<sup>® Plus</sup>:

- The income rollup will change to **8%** from 10%.
- The income rollup period will change to **12 years** from 10 years.
- The income payment percentage will decrease **0.50%** for each age.

Riders at a glance <i>as of June 25, 2012</i>	IncomeSecure	IncomeSustainer Plus																		
<b>Income rollup</b>	10%	8%																		
<b>Income rollup period</b>	7 years	12 years																		
<b>Income payment percentage</b>	<table border="1"> <thead> <tr> <th>Age at income start date<sup>1</sup></th> <th>Single lifetime income</th> <th>Joint lifetime income</th> </tr> </thead> <tbody> <tr> <td>55</td> <td>4.0%</td> <td>3.0%</td> </tr> <tr> <td>65</td> <td>5.0%</td> <td>4.0%</td> </tr> <tr> <td>75</td> <td>6.0%</td> <td>5.0%</td> </tr> <tr> <td>85</td> <td>7.0%</td> <td>6.0%</td> </tr> <tr> <td>90+</td> <td>7.5%</td> <td>6.5%</td> </tr> </tbody> </table>		Age at income start date <sup>1</sup>	Single lifetime income	Joint lifetime income	55	4.0%	3.0%	65	5.0%	4.0%	75	6.0%	5.0%	85	7.0%	6.0%	90+	7.5%	6.5%
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<p>Click on the <b>Rider Reference Guide</b> graphic to see a side-by-side comparison of our income riders.</p>																				

Income percentages still increase **0.10%** each year!<sup>2</sup>

Please note that charges for both riders will remain the same (0.85% for IncomeSecure and 1.25% for IncomeSustainer Plus).

## New Business Notes

To receive the current rider features, order tickets and funds (cash with applications) must be received in the Home Office by end of business day, **Friday, June 22, 2012**. For transfer business, order tickets must be received by June 22, 2012 and the contract must be funded by July 20, 2012.

## Marketing Materials

Updated marketing materials are now available on [www.GAFRISingleSource.com](http://www.GAFRISingleSource.com). Please note that the updated income rider calculators and illustrations will be available on Monday, June 18.

<sup>1</sup> If joint lifetime, use the age of the youngest spouse (or, if applicable, legally recognized domestic partner).

<sup>2</sup> Income percentage increases until it reaches 7.5% for single lifetime income and 6.5% for joint lifetime income, and applies only before the income start date.