

Ultimate One Index 7

Americo Financial Life and Annuity Insurance Company
Client Brochure



Safety, Growth, and Guarantees for your retirement...

Now, more than ever, people are thinking about how they will fund their retirement. With increasing life expectancies, rising costs of retirement, and market volatility, many people are unsure about their retirement plan.

To ensure you meet your retirement income needs create an income plan that provides safety and growth over the long term. Including an annuity in your income plan can be smart. Annuities can offer safety, guarantees, and growth.



the power of tax deferral

What is an Annuity?

Retirement Accumulation Planning Tool

An annuity is a retirement planning tool sold by insurance companies. Annuities are designed for long-range retirement planning needs. When you purchase a fixed annuity, your money is credited with an interest rate that is either based on a fixed rate or on an outside measure.

Lifetime Income Stream

Annuities offer a stream of income payments that can be designed to fit each person's needs. The income payments can even be designed to pay out over the entire lifetime of the Owner. This feature is unique to annuities.

Tax Deferral

One advantage annuities have over other financial products is tax deferral. Taxes are not assessed until the money is withdrawn. Tax deferral can make a huge difference on how much income will be available for retirement. This is because money that would have been used to pay taxes, the initial contribution, and the interest accumulated are all available for additional accumulation.

Guarantees

Unlike some other types of retirement vehicles, annuities are backed with strong guarantees that offer protection.

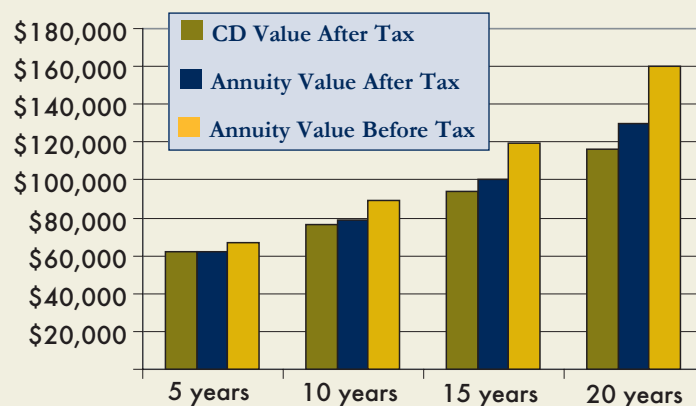
What is an Indexed Annuity?

An indexed annuity is a type of fixed annuity in which the interest rate is based on the performance of a financial index, such as the S&P 500® Index. The interest paid is calculated based on changes in the index.

Indexed annuities offer the potential to outperform traditional fixed annuities when there are gains in the index. However, unlike variable annuities, index annuities offer downside protection. This means even if the index declines, the annuity will not lose value. Also, once earnings are calculated they are locked in for life - they never change as a result of poor market conditions.

All earnings in an annuity will grow income tax-deferred until withdrawn. This means money that would have otherwise been used to pay taxes can remain in your annuity and compound over time. The difference between interest compounding within a tax-deferred annuity versus a conventional taxable plan can be large, especially over the long-term.

This hypothetical illustration shows the difference between a taxable vehicle and a tax-deferred vehicle. The illustration shown assumes no withdrawals, and uses an effective tax rate of 28%, interest rate of 6% for the duration of each illustration, and an initial contribution of \$50,000.



All examples shown are hypothetical and intended only for illustrative, educational purposes. Figures used in the hypotheticals are not guaranteed or indications of actual coverage amounts. Withdrawals of interest from an annuity will be subject to income tax. A 10% federal tax penalty may apply if the withdrawal occurs prior to age 59 1/2.

Ultimate One Index 7

Ultimate One Index 7, offered by Americo Financial Life and Annuity Insurance Company, is an indexed single premium deferred annuity based on the performance of the S&P 500 Index.

Key Benefits:

- ▶ Tax-deferred interest based on the performance of the S&P 500 Index
- ▶ Multiple Index Crediting Options
- ▶ 10% annual penalty-free withdrawals after the first year
- ▶ Income payout options
- ▶ Full Accumulation Value death benefit

Income Tax-Deferred Accumulation

The interest your Ultimate One Index 7 annuity earns is based on the performance of the S&P 500 Index. The S&P 500 Index measures stock market price movements based on the average performance of 500 widely held common stocks.

The interest credited to your annuity is based on the Index Crediting Option(s) you choose at the time of application. See “How interest crediting works” on page seven for a detailed look into how interest crediting works.

Because your annuity is based on the performance of the S&P 500 Index, you have the potential to earn more than you would with a traditional fixed annuity, without the downside risk of investing directly in the stock market.

Flexibility

With the Ultimate One Index 7 annuity, you have a choice of interest rate crediting options that will determine how you earn interest. Your premium can be allocated among multiple Index Crediting Options and a Declared Interest Account that guarantees the rate will never go below a specified minimum. You can select one or more options, as long as the amount allocated to each is at least \$50. You also have the flexibility to change your allocation among interest rate crediting options on each index anniversary.

Guaranteed Minimum Value

Ultimate One Index 7 provides a Guaranteed Minimum Value. Your Cash Surrender Value will never be less than the single premium received (less Partial Surrenders and any Premium Tax), accruing interest at the Guaranteed Minimum Value interest rate (guaranteed to be no less than 1% and no more than 3%), less any applicable Surrender Charges. Due to Surrender Charges, you may receive less than the premium you paid if you surrender the annuity in the early years of your contract.

Protection of Principal

With Ultimate One Index 7, your indexed interest is guaranteed to never fall below zero, even in a down market. In addition, your interest is calculated at the end of the year and locked in. You cannot lose those earnings if index values go down in future years.





Access Your Money

While you should make every effort to give your money time to grow, sometimes circumstances require you take a withdrawal earlier than expected. Ultimate One Index 7 allows you access to your money, in many cases penalty-free.

- **Withdraw up to 10% of your accumulation value** without penalty each year after the first year.
- **Monthly interest income** may be selected after only 30 days from your Declared Interest Account. Interest paid under this option is considered a withdrawal under the 10% annual penalty-free withdrawal privilege.
- **Access your entire Accumulation Value with no Surrender Charges** if you are confined to a qualified nursing home or hospital for at least 90 consecutive days with the Waiver of Surrender Charge Upon Nursing Home or Hospital Confinement Endorsement (Endorsement Series 4139*). *State variations may apply. Not available in Massachusetts.*
- **Your Accumulation Value may be converted into guaranteed income** after the fifth policy year without a Surrender Charge in most states. Income must be taken over at least five years. Various income options are available, including single and joint life options. Please consult the contract for details.

Surrender Charges

If you decide to take a full or partial withdrawal that exceeds the annual penalty free limit, it may be subject to Surrender Charges as outlined in the chart below. Surrender Charges vary by state. Make sure to discuss the charges that apply in your state with your agent.

Year	1	2	3	4	5	6	7	8+
Surrender Charge	9%	8.5%	8%	7%	6%	5%	4%	0%

*Endorsement Forms AAA4139 (05/06), APA4139 (05/06), ATX4139 (05/06).

Guaranteed Income

One of the most appealing benefits of owning an annuity is the option to convert your annuity into guaranteed income. Several annuitization options are available including benefits that last a lifetime, a specific number of years, or the lifetime of both you and your spouse.

Death Benefit

Your beneficiaries will receive a death benefit equal to the full contract value without any surrender penalties, or the Guaranteed Minimum Value if greater. Beneficiaries can receive the death benefit in a lump sum payment, or choose one of the various income options available.

Index Crediting Options

Ultimate One Index 7 offers four Index Crediting Options in addition to the Declared Interest Account. You may allocate premium among the Declared Interest Account, two Point-to-Point options, and two Monthly Averaging options:

- ▶ Monthly Averaging with Participation Rate
- ▶ Monthly Averaging with Cap
- ▶ Point-to-Point with Participation Rate
- ▶ Point-to-Point with Cap

Monthly Averaging Method

The Monthly Averaging Method is calculated as the average of the 12 closing index values on the 12 monthly index dates following the first index date after the premium is received. The index increase equals the percentage increase of the index average over the initial index value $((\text{average value} - \text{beginning value}) / \text{beginning value})$.

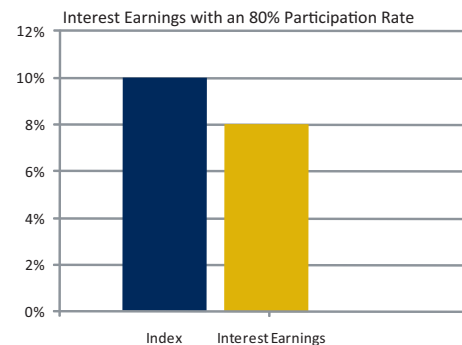
Point-to-Point Method

The Point-to-Point Method calculates the change in the index value from the beginning of the Index Period to the end of the then-current Index Period $((\text{ending value} - \text{beginning value}) / \text{beginning value})$. If positive, this change in the index is used to calculate the Index Credited Amount. The Index Credited Amount can never be less than zero.

Factors used to determine your rate:

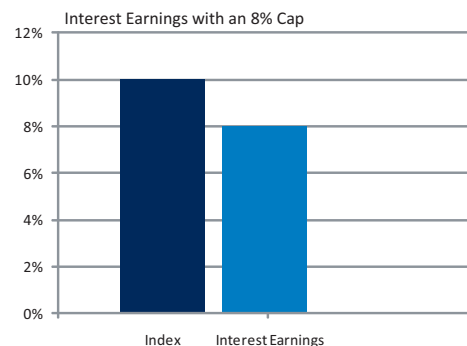
Participation Rate

A Participation Rate is the percentage of the change in an Index used to determine the interest credit. It is declared in advance and guaranteed for one year for each allocation to a Participation Account. The initial Participation Rate for each Index Crediting Option, as applicable, is shown in your annuity contract.



Cap

A Cap is the maximum percentage of interest credited to a Participation Account during any year-long interest period. It is declared in advance and guaranteed for one year for each allocation to a Participation Account. The initial Cap for each Index Crediting Option, as applicable, is shown in your annuity contract.



How interest crediting works:

The following is a hypothetical example of how two different Index Crediting Options determine the indexed interest rate. Assume you purchase your Ultimate One Index 7 annuity with a beginning Participation Account value of \$30,000. The following example shows what would happen to the full \$30,000 under two different Index Crediting Options:

Monthly Averaging with Cap	
Beginning Participation Account Value:	\$30,000
Cap:	8%
Beginning Index Value:	900
Ending Index Value (Monthly Average):	1,008
Percent Increase/Indexed Rate:	12.00%
Indexed Interest Crediting Rate:	8.00%
Ending Participation Account Value:	\$32,400

Point-to-Point with Participation Rate	
Beginning Participation Account Value:	\$30,000
Participation Rate:	30%
Beginning Index Value:	900
Ending Index Value:	1,050
Percent Increase/Indexed Rate:	16.67%
Participation Rate of 30% (16.67 * .30)	5.00%
Indexed Interest Crediting Rate:	5.00%
Ending Participation Account Value:	\$31,500

All examples shown are hypothetical and intended only for illustrative, educational purposes.

Upside potential, without downside risk.

Let's take a hypothetical look at how Ultimate One Index 7 might perform in favorable, average, and poor markets. The example assumes that all premium is placed in the Point-to-Point with Cap option over a 10-year period and that no Surrender Charges have been assessed over this 10-year period. The assumed Cap is 8%.

When selecting an Index Crediting Option, it is important to understand that your Accumulation Value will be affected by the performance of the S&P 500 Index. The performance of the Index is directly affected by changes in market conditions. The sample illustration may help you understand how varying market conditions can affect the value of your Ultimate One Index 7 indexed annuity.

Please read your consumer disclosure for more information on the different Index Crediting Options available with Ultimate One Index 7 and how these options might work for you.



This hypothetical example of a 10-year favorable market period shows a growth in the S&P 500 of 19.88%. Ultimate One Index 7 would return 8% in this market due to the 8% Cap with this method.



This hypothetical example of a 10-year average market period shows a growth in the S&P 500 of 7.87%. Ultimate One Index 7 would also return 7.87% in this market.



This hypothetical example of a 10-year poor market period shows a change in the S&P 500 of -10%. Ultimate One Index 7 would not decline in value because of the guarantees on the product.

Upon death or surrender, we guarantee that your Cash Surrender Value will never be less than the single premium received, less any Partial Surrenders and any applicable Premium Tax, accumulated at the Guaranteed Minimum Value interest rate (guaranteed to be no less than 1% and no more than 3%), less any Surrender Charges.



Americo Financial Life and
Annuity Insurance Company
300 W. 11th Street
Kansas City, MO 64105

About Americo

For over 100 years, Americo Life, Inc.'s family of insurance companies has been committed to providing the life insurance and annuity products you need to protect your mortgage, family, and future.¹ We listen to what you want from an insurance policy or annuity and do our best to provide a proper solution for your individual situation.

Innovative thinking has helped us build a strong financial foundation for our business. Americo Financial Life and Annuity Insurance Company is a member of the Americo Life Inc. family of companies. Americo Life Inc. is one of the largest independent, privately held insurance groups in the United States² with \$7.0 billion in assets for year-end 2019.³

¹Americo Life, Inc. is a holding company and is not responsible for the financial condition or contractual obligations of its affiliate insurance companies.

²"Admitted Assets, Top Life Writers-2019," A.M. Best Co., as of September 2019.

³Information is as of year end 2019 on a consolidated basis for Americo Financial Life and Annuity Insurance Company and the other life insurance subsidiaries of Americo Life, Inc., unless otherwise indicated. Information is prepared on the basis of generally accepted accounting principles (GAAP).

Important Information

Americo Financial Life and Annuity Insurance Company is authorized to conduct business in all states and the District of Columbia except NY.

Ultimate One Index 7 (Policy Series 411) and Waiver of Surrender Charge Upon Nursing Home or Hospital Confinement Endorsement (Endorsement Series 4139). **IN IDAHO**—Ultimate One Index 7 (Contract Forms AID411/AAA4139 (05/06)). **IN MISSOURI**—Ultimate One Index 7 (Contract Forms AMO411/AAA4139 (05/06)). **IN New Mexico**—Ultimate One Index 7 (Contract Forms ANM411 UI7 (01/17)/AAA4139 (05/06)). **IN Washington**—Ultimate One Index 7 (Contract Forms AWA411/AAA4139 (05/06)).

Products are underwritten by Americo Financial Life and Annuity Insurance Company, Kansas City, MO and may vary in accordance with state laws. Some products and benefits may not be available in all states. Certain restrictions apply. For further information, please refer to the contract.

This annuity is intended to be a long-term retirement instrument. If you keep this annuity only a few years, contract values may be less than the total contributions due to surrender charges, income tax and IRS penalties.

Neither Americo Financial Life and Annuity Insurance Company nor any agent representing Americo Financial Life and Annuity Insurance Company is authorized to give legal or tax advice. Tax information is subject to interpretation of current tax laws. Please consult a qualified, professional legal or tax advisor regarding the information and concepts contained in this material.

Any illustrations of future values used in a sales presentation are provided only for illustrative purposes. Any such illustration must not be regarded as guaranteed or as estimated future performance unless it is based solely on the minimum guaranteed interest rates.

The policy does not directly participate in any stock or equity investments. Refer to the policy's Annuity Disclosure for more information. Refer to your policy for the governing contractual provisions.

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