

**Optional Benefit Available on  
Index Annuities**

# **INCOME FOR LIFE**

**Income You Can't Outlive!**

## INCOME FOR LIFE from EquiTrust Life Insurance Company® is an optional benefit that offers:

- Lifetime income based on 6.0% accumulation for up to 10 years!
- A guaranteed<sup>1</sup> income stream for life — without annuitizing
- Flexibility and control to start and stop income payments when you choose
- All of this ... while still maintaining your other annuity contract benefits!

**INCOME FOR LIFE** is a rider that guarantees<sup>1</sup> lifetime income based on 6.0% accumulation for up to 10 years. Any time after the second contract year and age 50, you can elect to begin lifetime Income Withdrawals.<sup>2</sup> Your payments will never decrease if you withdraw only your income amount each year. Under certain situations, your payments could even increase!

**INCOME FOR LIFE** is available at all issue ages on all EquiTrust Life index annuity products.<sup>3</sup> This rider has an annual charge. Please consider all of the features of this rider and decide if it is right for you.

## EquiTrust Is a Name You Can Trust

When you choose EquiTrust as a financial partner, you can rest assured your annuity contract is backed by conservative investment strategies anchored by a disciplined and diversified management style. EquiTrust is supported by a history of success, experience and strength. Guggenheim Partners – with more than \$250 billion in assets under management – is involved in the management of the EquiTrust investment portfolio. Magic Johnson Enterprises – a diversified consortium of business entities and partnerships – owns a controlling interest in EquiTrust.

## Income Withdrawal Amount

How payments are calculated:


$$\text{Income Withdrawal Percentage} \times \text{Benefit Base} = \text{Income Withdrawal Amount}$$

At each contract Anniversary, your Income Withdrawal will be recalculated as the greater of the prior year's Income Withdrawal amount, or the original Income Withdrawal Percentage multiplied by the current Benefit Base.

### 1. INCOME WITHDRAWAL PERCENTAGE

The Withdrawal Percentage is based on your age at the time you first elect to receive Income Withdrawals. Once you start Income Withdrawals, the Withdrawal Percentage will never change.

Age of Owner at Time of 1st Income Withdrawal	Single Life Income Withdrawal Percentage	Joint Life Income Withdrawal Percentage
50–54	3.25%	2.75%
55–59	3.75%	3.25%
60–64	4.25%	3.75%
65–69	4.75%	4.25%
70–74	5.25%	4.75%
75–79	5.75%	5.25%
80–84	6.25%	5.75%
85–89	6.75%	6.25%
90+	7.25%	6.75%

### 2. BENEFIT BASE

The Benefit Base is calculated as premiums, plus any applicable bonus, less withdrawals, accumulated at the Rollup Rate. The Rollup Rate is 6.00% for up to 10 years, or the start of Income Withdrawals, if earlier.

The Benefit Base is only used to calculate the Income Withdrawal amount. It is not available upon surrender, death, or annuitization.

At the time Income Withdrawals start, if the Accumulation Value is greater than the Benefit Base, the Benefit Base will be set equal to the Accumulation Value. Each subsequent contract anniversary, the Benefit Base will be set equal to the Accumulation Value, if the Accumulation Value is higher. This allows for Income Withdrawal amounts to potentially increase from year to year.

## The Power of Lifetime Income – The longer you wait, the more your income grows.

### Annual Income Withdrawal Amount



This is an illustration of the lifetime income possible for a 65-year old, single owner. The example assumes an initial premium of \$100,000 and no withdrawals prior to the start of Income Withdrawals.

## Income Withdrawal Rules

Income Withdrawals may begin anytime after the second contract year and age 50 (both owners)<sup>2</sup>. Unlike annuitization, **INCOME FOR LIFE** gives you the flexibility to stop and restart Income Withdrawals when you choose. Payments will continue for life, even if the contract's Accumulation Value is depleted.

Income Withdrawals may be taken monthly, quarterly, semi-annually or annually.

After Income Withdrawals start, the annual penalty-free withdrawal amount is the greater of 10% of the Accumulation Value, or your Income Withdrawal.

Waiting to start Income Withdrawals can significantly increase income over the remaining years.

AGE AT ISSUE	\$100,000 Premium Annual Income Withdrawal Starting After:		
	2 YEARS	5 YEARS	10 YEARS
60	\$4,775	\$6,357	\$9,402
65	\$5,337	\$7,026	\$10,297
70	\$5,899	\$7,695	\$11,193
75	\$6,461	\$8,364	\$12,088

## Rider Charge

There is an annual fee for the rider. The fee is 0.75% of your Accumulation Value on each contract anniversary. The fee is deducted proportionately from each crediting account.

## Additional Premiums

The Benefit Base will be increased by any additional premiums, including any applicable bonus. Additional premiums are not allowed after the start of Income Withdrawals.

## Rider Issue Requirements

**INCOME FOR LIFE** may be elected during the annuity application process only and cannot be added after the annuity contract has been issued. In order to qualify for the rider, the owner and annuitant must be the same person and joint owners must be spouses.

## Excess Withdrawals

You may withdraw more than your Income Withdrawal amount at any time, but it will reduce your future Income Withdrawals permanently. Any amount withdrawn in addition to your Income Withdrawal is considered an Excess Withdrawal, with the exception of a Required Minimum Distribution.

- If the Excess Withdrawal amount exceeds the penalty-free provisions of the contract, it may be subject to a surrender charge or a Market Value Adjustment.
- Excess Withdrawals reduce future Income Withdrawals and the Benefit Base proportionately to the reduction in Accumulation Value.

## Spousal Continuation

Upon the owner's death, Spousal Continuation of the rider is allowed if the spouse is the sole primary beneficiary. If there are joint owners, the sole primary beneficiary must be listed as "surviving spouse."

If Income Withdrawals have not started, the surviving spouse can start Income Withdrawals as early as the 3rd contract year, or attained age 50.<sup>2</sup> Income Withdrawals will be based on the current Benefit Base and the Income Withdrawal Percentage based on the surviving spouse's attained age at the start of Income Withdrawals.

If Income Withdrawals have already started, and the surviving spouse is at least 50,<sup>2</sup> they will continue as follows:

- If Income Withdrawals were based on joint owners, they will continue at the same dollar amount until the death of the surviving spouse.
- If Income Withdrawals were based on a single owner, payments will be recalculated based on the current Benefit Base and the surviving spouse's attained age.
- The Federal Defense of Marriage Act states that civil union partners are not considered married under federal law. Therefore favorable tax treatment provided by federal tax law to a surviving spouse is NOT available to a surviving civil union or domestic partner.

## Annuitization

If you choose to annuitize your contract on the Maturity Date<sup>4</sup> for a Life Only payout, the annual annuitization payment will never be less than the annual Income Withdrawal amount.<sup>5</sup>



### EquiTrust Life Insurance Company

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<sup>1</sup> The guarantees in this brochure are based on the claims-paying ability of EquiTrust Life Insurance Company.

<sup>2</sup> In the event of a full surrender, charges will apply to any penalty-free amounts taken during the same contract year. Withdrawals before age 59½ may result in a 10% IRS penalty tax. Withdrawals do not participate in index growth.

<sup>3</sup> **INCOME FOR LIFE** may not be available in all states.

<sup>4</sup> Your Maturity Date is shown as the Income Date on your Contract Data page.

<sup>5</sup> Annuitization is not allowed in TX prior to the Income Date.

<sup>6</sup> This may vary by product and state. See your Rider for details.

## Payment Flexibility

You have the option to stop Income Withdrawals at any time. While the payments are stopped, partial withdrawals in excess of the Income Withdrawal amount will be considered Excess Withdrawals and reduce your future Income Withdrawal amount.

If you later choose to restart Income Withdrawals, the Income Withdrawal amount will be the greater of:

- The prior Income Withdrawal amount (adjusted for any Excess Withdrawals), or
- The original Income Withdrawal Percentage multiplied by the current Benefit Base.

## Rider Termination

The rider may be terminated anytime after the second contract year at the owner's request.<sup>6</sup> Once the rider is terminated, it cannot be restarted.

The rider will **automatically** be terminated upon:

- Death of first contract owner, unless spousal continuation is elected
- Full surrender
- Annuitization<sup>5</sup>
- Contract ownership change – other than a spousal continuation or the addition of a spousal joint owner
- Excess Withdrawals that reduce the Accumulation Value to zero

EquiTrust Life Insurance Company cannot give legal, tax or accounting advice. Your personal tax advisor can provide important information with respect to the purchase of this annuity contract and its taxation.

Rider issued on Form Series ICC11-ET-IBR-B(11-11) or ET-IBR(06-08) (not available in OR).

This brochure briefly highlights EquiTrust Life Insurance Company's **INCOME FOR LIFE** and its benefits. For costs and complete details of coverage, including any exclusions, reductions or limitations, and the terms under which the Rider may be continued in force, contact your EquiTrust Life agent. This material is not intended to provide investment advice to you or to your specific situation. EquiTrust does not offer investment advice to any individual and this material should not be construed as investment advice.