

# ANICO Strategy Indexed Annuity *PLUS*



A Multi-Strategy Indexed Annuity Issued  
By American National Insurance Company



**Your Life...  
Your Strategies...**

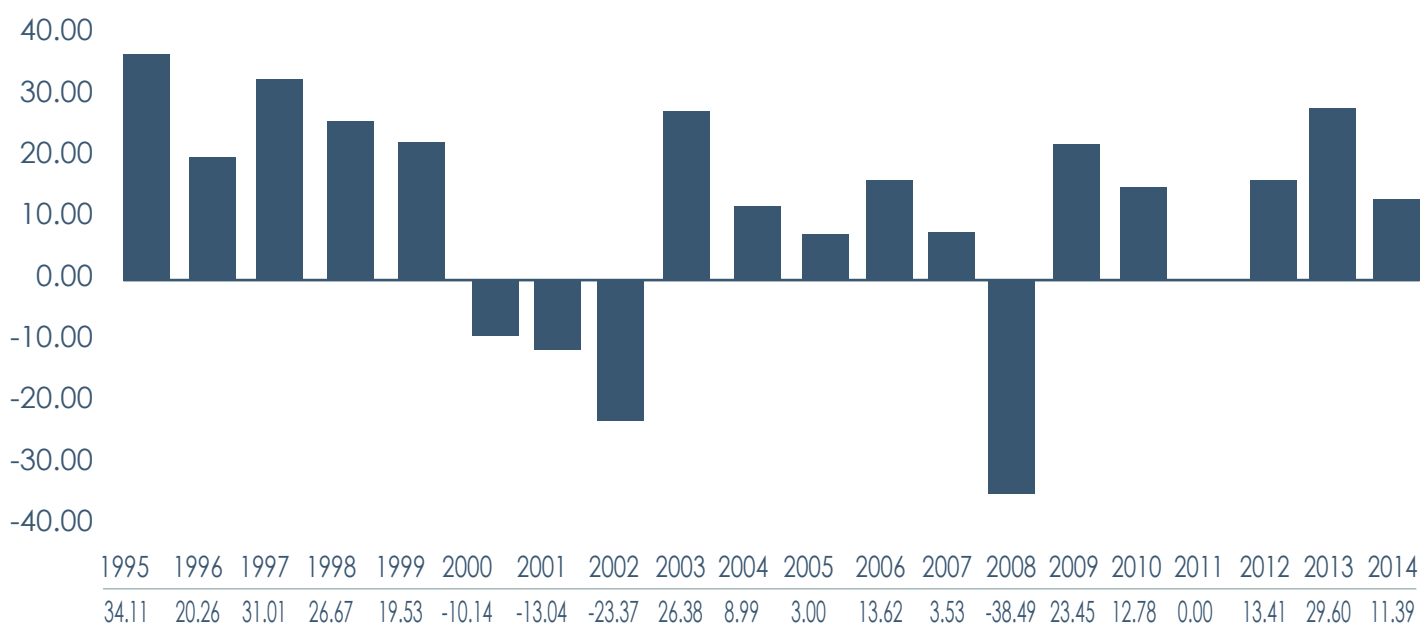
# ANICO Strategy Indexed Annuity PLUS 7

You've come a long way. You're not a financial novice anymore. You have worked hard, built some equity, lost more equity than you would have liked and are looking for a future that will smooth out the rough edges, provide you some safety and yet also provide you the potential to grow a portion of your money for future needs.

You like the idea of having a backstop that will prevent the big declines in value and yet will keep pace with inflation and allow you to have the opportunity to grow your nest egg. In an era where taxes are expected to continue to rise, you would like to accumulate cash value tax-deferred until the day you need it. Finally, you want to have flexibility so all of your money is not in the same basket with the same degree of risk.

The following chart shows the annual change in the S&P 500® Index over a twenty year period:

Historical Movement of S&P 500® Index between 1995 – 2014



The S&P 500® Index does not reflect dividends paid on the stocks underlying the index. You do not have any direct ownership in any individual stock or index. The index cannot be predicted over any given period of time. Past performance of the Index is no guarantee of future results.

## What is an Indexed Annuity?

Indexed annuities offer consumers the potential to have a higher rate of interest calculated, based on the movement of an index, than a traditional fixed annuity. Indexed annuities calculate the amount of interest during a defined period of time based on the movement of an index. Although there will never be a negative index charge to your indexed interest, you could earn 0% interest. The prior chart shows the historical movement of Standard and Poor's 500® (S&P 500®) Index over the past 20 years.

The S&P 500® Index is based upon the common stock price of 500 top publicly traded companies in the U.S. economy as determined by Standard and Poor. It is one of the most commonly followed indices and is considered to be representative of the market as a whole. The index is market value weighted so that stocks with a larger market capitalization have a greater effect on the index.

Contract Owners May Pick One Or Several Strategies Depending On Their Specific Needs.

The **ANICO Strategy Indexed Annuity PLUS 7** bases the interest credited to your annuity on the S&P 500® Index. Your premium is never placed directly in the stock market or in an indexed fund. Interest credited is simply based upon the movement of the S&P 500® Index, hence the name Indexed Annuity.

Based upon the chosen strategy, your premium earns interest, if any, based upon the performance of the S&P 500® Index, from the beginning to the end of your Segment Term. The interest credited is subject to both a Cap and Participation Rate which are declared at the beginning of each contract year.

## What makes ANICO Strategy Indexed Annuity PLUS 7 Unique?

ASIA PLUS 7 provides you one plan with multiple interest crediting strategies which offer the opportunity to diversify your risk without the hassle of obtaining multiple annuity contracts. It's all about choice. With the interest crediting strategies, income and payout options available, your annuity will be as unique as you are.



### Crediting Strategies

ASIA PLUS 7 provides multiple interest crediting strategies with multiple time frames (i.e. Segment Terms) and multiple Participation Rates. The strategies allow you to choose different Segment Terms and Participation Rates for the opportunity to potentially have higher interest credited if the S&P 500® Index increases in value and you have chosen a strategy with a higher Cap. Assigning a portion of your premium to the Declared Rate Strategy can ensure that a portion of your annuity receives a pre-set interest rate which is compounded and credited daily on a 365 day basis.

Strategies that credit interest related to the performance of the S&P 500® Index are dependent on index performance. Each interest crediting strategy has different potential for interest earnings under different scenarios. There is not one particular interest crediting strategy that will deliver the most interest under all economic conditions.

### Income Strategies

#### The ASIA PLUS 7 has options for you to receive income:

- **Premium Enhancement:** At times, American National may offer a premium enhancement on your initial premium to be added to the Annuity Value. The premium enhancement is not guaranteed; please check with your agent for availability. Form Series PER (Forms may vary by state)
- **Annuity Options:** You can choose an Annuity Option any time after the fifth contract year. There are a variety of Annuity Options to choose from to meet your need.
- Lifetime Income Rider with a Fixed Rate
- Lifetime Income Rider with a Fixed Rate plus Index Credit

As individuals move towards their retirement age, they begin thinking about the retirement income their assets can generate. By choosing one of the optional Lifetime Income Riders available referenced on the previous page, you decide which method can provide the combination of security and future retirement income you are seeking to meet your goals.

## Protection Strategies

### ASIA PLUS 7 seeks to provide protection in a variety of forms.

- Protection from negative economic conditions. By choosing ASIA PLUS 7, you are not investing directly in the stock market. You have the Power of Zero which means your Annuity Value will not be reduced in negative economic years. However, there could be times when your contract would earn zero interest because the performance of the underlying Index is negative.
- Protection from income taxes: ASIA PLUS 7 allows you to accumulate value in the annuity on a tax deferred basis until the day you need the money. The Annuity Value accumulates without having any of the interest credited taxed until it is removed from the annuity.\*
- Protection from lack of future retirement income: If you purchase one of the Lifetime Income Riders, you know you will have income in retirement no matter how long you live.
- Death Benefit protection for your family: With the available Death Benefit options, you can choose how and when the Death Benefit will be distributed to best meet your loved one's needs.

See detailed information on each of these topics as you read through the brochure.

\* Under current tax law, the Internal Revenue Code provides tax deferral to IRAs. There is no additional tax benefit obtained by funding an IRA with an annuity. Consider the other benefits provided by an annuity such as lifetime income and a Death Benefit. An IRS penalty of 10% may be assessed on any withdrawals made prior to age 59 1/2. Withdrawals are subject to ordinary income tax.

## Potential Crediting Strategies Available

When you set up your contract, you will be able to choose one of several strategies to meet your goals. You may use as many different options as you and your advisor deem appropriate for your planning needs subject to American National's minimum and maximum requirements. ASIA PLUS 7 offers multiple indexing strategies as well as multiple strategy Segment Terms. The chart below illustrates the strategies available for each Segment Term. You are able to participate in multiple strategies and Segment Terms in one contract. The minimum amount required for participation in one of the offered strategies is \$5,000.

One Year	Declared Rate	One-Year Performance with a Specified Rate	One-Year Total Sum Performance with a Monthly Cap	Point-to-Point Performance with a Cap <i>(various Participation Rates available)</i>
Three Year	Point-to-Point Performance with a Cap <i>(various Participation Rates available)</i>			
Five Year	Point-to-Point Performance with a Cap <i>(various Participation Rates available)</i>			

*Note: All strategies or Segment Terms not available in all states.*

*Indexed strategies earn interest related to the performance of the S&P 500® Index. Whether an indexed strategy earns interest or not and how much interest is earned is dependent on a number of factors: index performance, participation rate, cap and segment term. The performance of the index cannot be predicted over any given period of time. Past history of the Index is no guarantee of future performance. There is not one particular interest crediting strategy that will deliver the most interest under all economic conditions. American National Insurance Company and its agents do not make any recommendations regarding the selection of indexed strategies. American National Insurance Company and its agents do not guarantee the performance of any indexed strategies. The Declared Rate Strategy earns interest at an interest rate we declare at the beginning of each Contract Year and is guaranteed for one year.*

## Declared Rate Strategy

The rate is set at the beginning of each Segment Term so you know what return you will receive on the premium placed in the Declared Rate Strategy.

### Hypothetical Declared Rate Strategy:

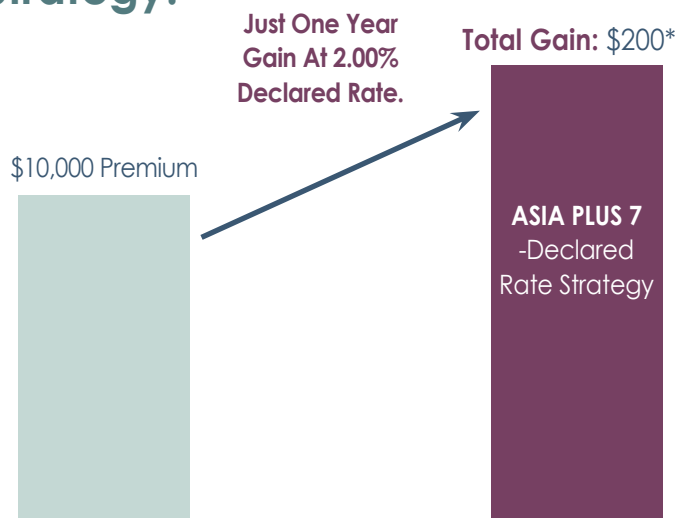
**Allocation Amount:** \$10,000

**Segment Term:** One Year

**Declared Rate:** 2.00%

What does this mean for you?  
No matter what happens with the index, you will receive 2.00% interest on your \$10,000

**Total Gain:** \$200



*These hypothetical examples are provided for illustrative purposes only.*

## One-Year Performance with a Specified Rate – (Specified Rate Strategy)

The Specified Rate is set at the beginning of each Segment Term. At the end of the one year Segment Term, the Segment Earnings are calculated. If the index is up or unchanged at the end of the Segment Term, then the interest earnings equal the specified rate multiplied by the Annuity Value in this indexed crediting strategy; otherwise, the Segment Earnings are zero.

### Hypothetical Example:

**Allocation Amount:** \$10,000

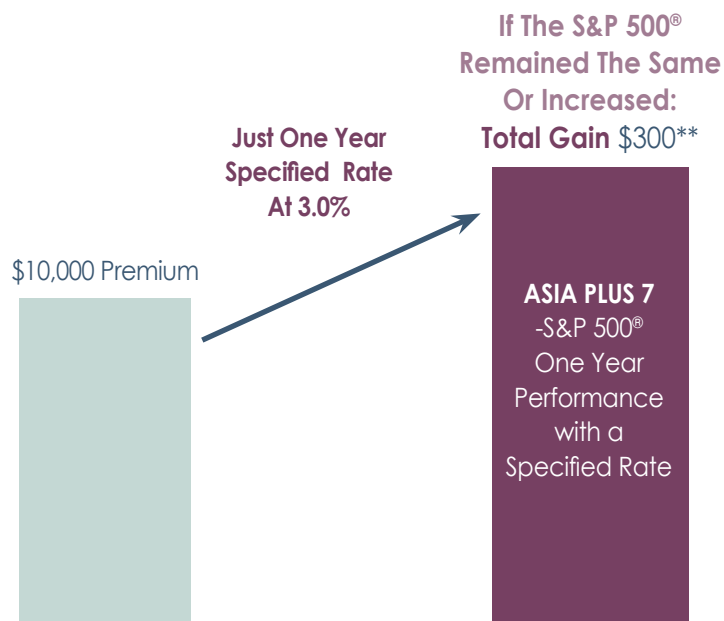
**Specified Rate:** 3.0%

**Segment Term:** One Year

What does this mean for you?:

- During the one year Segment Term, American National will track the fluctuations of the index. At the end of the year, if the index has remained the same or increased any amount, you will receive the Specified Rate of 3.0% interest on your original \$10,000.
- If the index rate is negative at the end of the year, your strategy will receive no credit for the Segment Term.

**Total Gain:** \$300 or \$0



Form Series SRS13 (Forms may vary by state)

*These hypothetical examples are provided for illustrative purposes only.*



## One-Year Total Sum Performance with a Monthly Cap – (Monthly Sum)

The Monthly Sum strategy credits interest on an annual basis by comparing the monthly changes in the S&P 500® Index. Each month, American National will calculate the changes in index value compared to the previous month. Increases each month are subject to a Cap while decreases each month have no bottom limit. The 12 values are summed to determine the annual interest credited with a floor rate of zero percent. There is no Cap on the final interest rate credited.

Form Series 1YRTS13 (Forms may vary by state)

**ANICO Strategy Indexed Annuity PLUS** gives you options.

Months	Hypothetical Example 1		Hypothetical Example 2	
	Index Change	Monthly Capped Change	Index Change	Monthly Capped Change
1	4%	2%	2%	2%
2	2%	2%	2%	2%
3	-3%	-3%	-3%	-3%
4	1%	1%	-4%	-4%
5	-1%	-1%	-1%	-1%
6	0%	0%	0%	0%
7	3%	2%	2%	2%
8	-2%	-2%	-2%	-2%
9	4%	2%	-2%	-2%
10	1.5%	1.5%	1.5%	1.5%
11	-1%	-1%	-1%	-1%
12	2%	2%	2%	2%
<b>Total</b>		<b>5.5%</b>		<b>-3.5%</b>
<b>Interest Rate Credited</b>		<b>5.5%</b>		<b>0% (cannot have a negative interest rate on the product)</b>

*These hypothetical examples are provided for illustrative purposes only.*

## Point to Point Performance with a Cap - (Point to Point)

Point to Point indexing allows for different Segment Terms, Participation Rates and Caps. Current Segment Terms are one, three and five years and current Participation Rates are 100%, 75% and 50%. (All Segment Terms not available in all states.)

At any given contract anniversary some of the strategies or Segment Terms may not be available due to economic conditions. At the end of the Segment Term (one, three or five years), the Segment Earnings are calculated.

The Participation Rate relates to how much of any increase in the S&P 500® the strategy can participate in and is also tied to the Cap. For example, a 50% Participation Rate means the Strategy shares in half of the increase in the index up to the Cap. A 100% participation means the strategy would share in all of the increase in the index up to the Cap.

## How do the Participation and Caps work? Hypothetical Example:

Assumed Index Increase: 10%	100% Participation Rate	75% Participation Rate	50% Participation Rate
	4.25% Cap	5.5% Cap	7% Cap
Apply Participation Rate to actual return <b>1</b>	<b>10%</b> (100% of 10%)	<b>7.5%</b> (75% of 10%)	<b>5%</b> (50% of 10%)
Apply Cap to the rate found in step 1 <b>2</b>	<b>4.25%</b> (Max 4.25%)	<b>5.5%</b> (Max 5.5%)	<b>5%</b>
<b>The strategy will be credited the rate subject to both the Participation Rate and the Cap</b>			

The strategy comes into play in that a 100% Participation Rate would have a much lower Cap than a 50% Participation Rate. If you are willing to earn only half of the potential increase in the index, your strategy would receive a correspondingly higher Cap to compensate for the higher risk that the index will go up at a more rapid rate. A 75% Participation Rate would place your account in the middle of taking very little risk with a 100% participation in the increases and the much greater risk of taking a 50% participation in the increases where the index would need to increase at a faster rate to obtain the same return.

Form Series PTP13 (Forms may vary by state)

*These hypothetical examples are provided for illustrative purposes only.*

Your personal goals may change from time to time which is why the **ANICO Strategy Indexed Annuity PLUS 7** gives you the option when each segment term ends to reallocate your Annuity Value among the available options on the contract anniversary.

1. Meet with your advisor to discuss your financial goals.
2. Decide which strategies meet your goals and allocate your funds accordingly.
3. Prior to your contract anniversary, review your goals and re-allocate.
4. Relax and enjoy the peace of mind that comes with knowing your money is protected from a loss in value if the index declines.

*Note: Reallocations require a \$5,000 minimum premium. If a Segment matures and has less than \$5,000, the Segment Value can remain in the strategy if the strategy is still available, or you can instruct us to transfer the maturing Segment Value to the Declared Rate Strategy. If a Segment matures and the strategy is no longer available, the Segment Value will be placed in the strategy most similar, in American National's opinion, to the maturing Segment.*

# Optional Income for Life with ASIA PLUS 7

When purchasing the **ANICO Strategy Indexed Annuity PLUS 7** you may choose to receive income for the life of the annuity owner by adding one of the Lifetime Income Riders available only at issue.

- Lifetime Income Rider with Fixed Rate
- Lifetime Income Rider with Fixed Rate Plus Index Credit

Each rider is briefly discussed below but you should consult the special Lifetime Income Riders insert and the Lifetime Income Riders Disclosure for more details of each Rider's benefit. It is important that you understand the benefits each Rider can provide and any associated costs before making a decision to apply for them with your **ANICO Strategy Indexed Annuity PLUS 7**.

## How will your Annual Income Benefit be calculated?

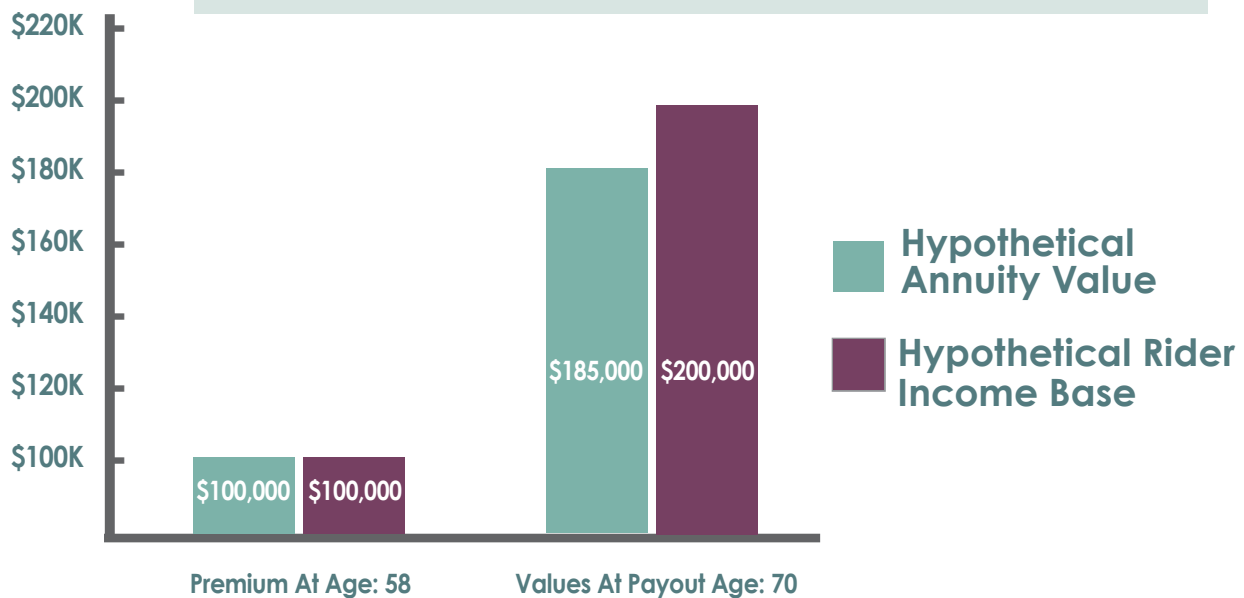
Both Lifetime Income Riders guarantee to pay the contract owner an income equal to a percentage of the Income Base. The income is guaranteed to be payable for life, even if the Annuity Value falls to zero. The optional Lifetime Income benefits are used to determine your contract's guaranteed maximum income amounts and Death Benefits. The riders are available for all issue ages but cannot be exercised until after the first contract anniversary and the contract owner is age 50 or older. In the case of joint owners, this will be based on the younger owner's age; only spouses may be the joint owners of the contract when a Lifetime Income Rider is elected.

## Lifetime Income Rider Premium Enhancement

At times, American National may offer a premium enhancement on the Lifetime Income Rider when calculating the Income Base. The premium enhancement is not guaranteed; please check with your agent for availability.

Form Series RPER (Forms may vary by state)

**If the Rider Income Base is larger than the Annuity Value, the Rider Income Base is the amount used in initial income calculations.**







## Lifetime Income Rider with Fixed Rate

Your Income Base is the greater of your contract's Annuity Value on the date you desire to start taking income or a fixed rate compounded daily up to a certain number of years set at issue and guaranteed for the life of the contract.

## Lifetime Income Rider with Fixed Rate Plus Index Credit

Your Income Base is the greater of your contract's account value on the date you desire to start taking income or a fixed rate compounded daily (up to a certain number of years set at issue and guaranteed for the life of the contract) plus index credit.

## Lifetime Income Rider Premium Charges

There is a separate charge for each Lifetime Income Rider. The charge is taken directly from the Annuity Value each year and is not to exceed interest earnings. The premium charge is payable from the date the annuity contract is issued until the Rider terminates. The premium charge is set monthly and is subject to change. Contact your agent for the current rider premium rates.

If no interest earnings in a given contract year are available, the fee will be deducted from future earnings. If any rider fees are outstanding upon surrender, they will be deducted from the Surrender Value.

Please see ASIA PLUS Lifetime Income Rider insert and the Lifetime Income Riders Disclosure for more details.

Please refer to Form Series LIR14 (Forms may vary by state).



## Asset Protection

Making the decision to purchase an indexed annuity can be complicated due to the fluctuations of the index. The important thing to remember is that even when the index has negative returns, your Annuity Value will not decrease. The chart on the next page shows the results from testing the current product against past performance of the S&P 500® Index. As you can see, even though the chart displays both positive and negative years for the index, the overall account does not lose value.

The use of alternate assumptions would produce significantly different results. Although the ASIA PLUS 7 was not available for the period of time referenced, actual historical prices of the S&P 500® Index have been used in the hypothetical example. This hypothetical example is intended solely for illustrative purposes and is not an indication of the annuity's past or future performance.

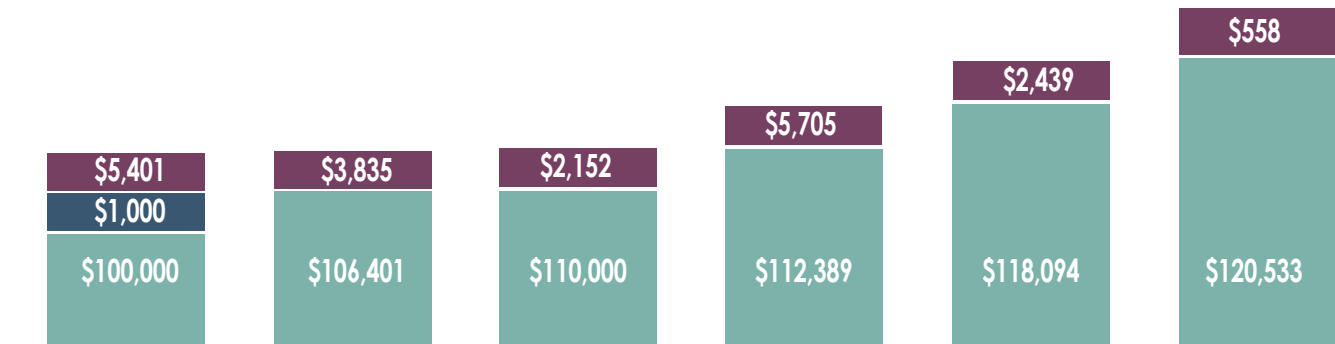
No matter how you choose to allocate your money, your Annuity Value will not lose value due to negative years.

- Assume the allocations:**
- 25% Declared Rate Strategy  
*2.0% Declared Rate*
  - 25% One Year Point to Point with 100% Participation  
*4.25% Cap*
  - 25% One Year Monthly Sum Method  
*2.0% Monthly Cap*
  - 25% Specified Rate Strategy  
*3.0% Specified Cap*

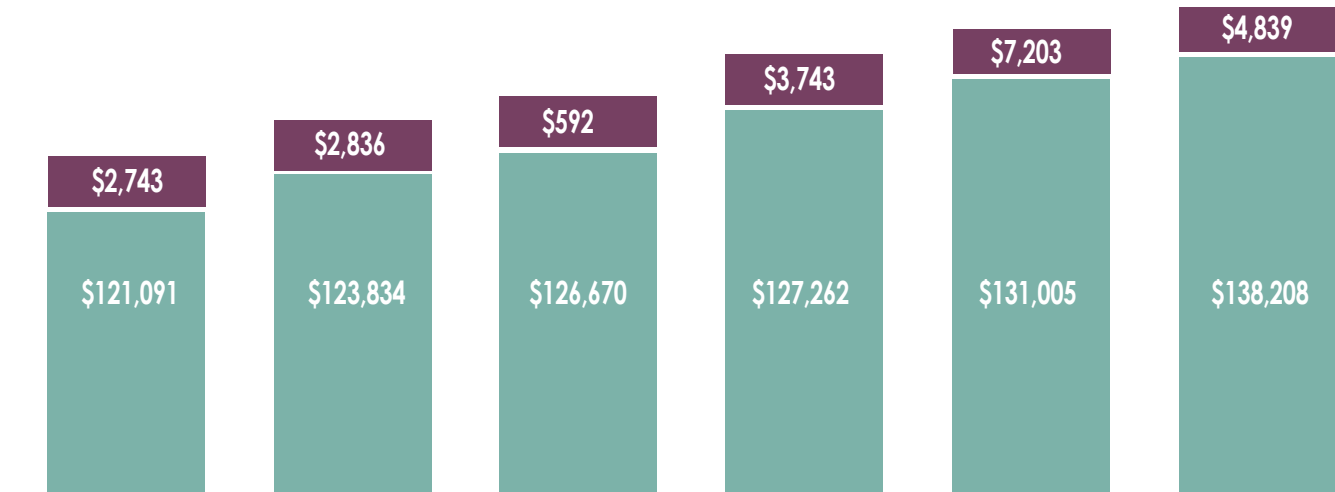
- Premium Enhancement of 1% in year one
- Beginning of the Year Annuity Value
- Amount Credited based on Segment Earnings



Year 1: 26.38%    Year 2: 8.99%    Year 3: 3.00%    Year 4: 13.62%    Year 5: 3.53%    Year 6: -38.49%



Year 7: 23.45%    Year 8: 12.78%    Year 9: 0.00%    Year 10: 13.41%    Year 11: 29.60%    Year 12: 11.39%



# Safety of Principal

The **ANICO Strategy Indexed Annuity PLUS 7** allows you to receive interest earnings based upon the movement of the S&P 500® Index without being directly invested in the index. If the index goes down in value during the measuring period, you receive a zero return but you do not lose principal. From that standpoint, your money is protected from a loss in value if the index declines. Don't lose sleep worrying about ASIA PLUS.

# Control Your Taxes

**ANICO Strategy Indexed Annuity PLUS 7** allows you to decide when your income should be taxable to you. With a tax-deferred annuity, the Annuity Value has the potential to grow and in the meanwhile, you will not pay taxes on it until you withdraw the money. It will be there for you when you need it. Why pay taxes when you may not need any or all of the income generated?

*Current U.S. tax law provides that earnings from an annuity are taxable only upon a withdrawal as ordinary income. You should contact your attorney or tax advisor on your specific situation.*

# Surrender Charge Free Withdrawal Privilege

Choosing your plan to build growth is one thing, but what if your plans change? What if you need access to some of your money? You have that flexibility with the **ANICO Strategy Indexed Annuity PLUS 7**. After the contract is issued, you can withdraw up to 10% of your Annuity Value as of the beginning of the contract year, or the Minimum Required Distribution if greater, during each contract year without any surrender charges.\*

# Full Surrender

The full Annuity Value of your contract is available to you without any surrender charges after the contract has been in force for seven full contract years.\*

However, if your financial plans change and you need to surrender your contract prior to the end of seven years, you can do so subject to a surrender charge as shown in this schedule:

## 7 year withdrawal charge schedule

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

Your Annuity Value is the sum of the values in the indexed or declared rate strategies, less any withdrawals you may have taken from the contract, and minus any applicable Rider charges. The surrender amount you will receive during the first seven years will be the greater of the Annuity Value less surrender charges according to the above schedule or the minimum guaranteed Surrender Value.

If you surrender your contract during a Segment Term, you will not receive any indexed interest for that segment.

*\* Withdrawals prior to age 59½ may be subject to a 10% tax penalty. Withdrawals are subject to ordinary income tax.*

# Waiver of Surrender Charges

Life has a way of changing the best plans and your **ANICO Strategy Indexed Annuity PLUS 7** provides assurance that you will have access to your money, without any surrender charges, during these special circumstances:

## Confinement Waiver

Surrender charges may be waived when the contract owner is confined to a licensed hospital, licensed convalescent care facility, skilled nursing facility, custodial care facility, or licensed hospice facility for 30 or more days. This special waiver of surrender charge is available to you beginning 90 days after issue.



## Disability Waiver

Prior to age 65, surrender charges may be waived when the contract owner is physically disabled, or diagnosed with a disabling terminal illness. This special waiver of surrender charge is available to you after issue.

## Terminal Illness Waiver

Surrender charges may be waived when the contract owner is diagnosed with an injury or illness expected to result in death within 12 months. This special waiver of surrender charges is available to you after issue.

**Waivers are not available in all states. Conditions and restrictions on the waivers may vary by state. Please see your contract for specific details.**

## Market Value Adjustment (MVA)

The MVA can impact the value of any withdrawal you take that exceeds the Surrender Charge Free Withdrawal Privilege. It is important to know how the MVA will impact any partial withdrawal or surrender you are considering. This adjustment can be positive if the reference rate declines after your Annuity Date. It can be negative if the reference rate increases after the Annuity Date.

The MVA measures how the change in reference rate impacts the value of the company's assets. It modifies the value of any excess withdrawal accordingly. The MVA is based on a comparison of the reference rate conditions at the time of the surrender or partial withdrawal to the reference rate conditions on the date your annuity was issued.

The MVA does not apply to partial withdrawals equal to or less than the Surrender Charge Free Withdrawal Privilege, required minimum distributions or to payments received under the Confinement or Disability Waivers. The MVA is not applicable in all states.

## Death Benefit

The **ANICO Strategy Indexed Annuity PLUS 7** provides a Death Benefit that will be payable to a named beneficiary at the death of the owner of the contract. The Death Benefit, prior to the maturity date of the contract, is the greater of the Annuity Value, including any interest earnings up to the date of death, or the Surrender Value of the contract.

## Maturity

The maturity date of the contract is normally the owner's age 100, but the owner may request a change in date as long as the new maturity date is after the end of the fifth year and is not after the owner's age 100.

## Annuity Options

At maturity you may elect to receive the proceeds of your annuity in a lump sum payment or in a series of payments to meet your financial goals. American National offers a variety of annuity options. Your advisor can help you make the right choice for your needs at that time.

If the death of the contract owner occurs after maturity and annuity payments are being made, then the remaining payments will continue to be paid to the beneficiary in the same method as selected by the contract owner prior to death.

# The American National Story

Chartered on March 17, 1905 by the company's founder, W. L. Moody Jr., American National began operations with \$100,000 of capital and \$20,000 surplus. Following a conservative investment philosophy, Mr. Moody believed that the company's profits should finance future growth, so American National did not pay dividends to investors in those early years. Mr. Moody envisioned a company that would flourish for centuries. His conservative business approach created a unique corporate culture that remains the heart of the Company today. This culture has helped American National persevere through wars, hurricanes, economic volatility, extraordinary technological advancements, evolving products, and the changing needs of policyholders and agents. American National remains financially strong and will continue to manage its business respecting the conservative principles of its founder, driven by its corporate vision to be a leading provider of financial services for current and future generations.

As a Marine serving in the South Pacific during World War II, W. L. Moody IV, current board member and grandson of American National founder W.L. Moody, Jr., asked his grandfather for advice on how best to conduct his business and personal affairs. His reply:

"Do not be hasty in making decisions, and think them over carefully. When you have determined what is right and proper, do not be easily shaken."

The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by American National Insurance Company. S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by American National Insurance Company. American National Insurance Company's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Guarantees are based on the claims paying ability of American National Insurance Company.

Form Series IA13 (Forms may vary by state)

Not FDIC/NCUA insured	Not a deposit	Not insured by any federal government agency	No bank/CU guarantee	May lose value
-----------------------	---------------	--	----------------------	----------------



**For A Complete Kit, Order Form 10616**



American National Insurance Company  
One Moody Plaza, Galveston Texas 77550