

Retirement Gold

INDEX-2-09*

INDEXED ANNUITY DISCLOSURE

American Equity's Retirement Gold deferred annuity allows for long-term accumulation of money you don't anticipate needing in the short term. Retirement Gold is a flexible premium deferred indexed annuity.

BONUS

Credited on all 1st year Premiums, the Bonus increases your Contract Value by 9%. We add the Bonus to the Contract Value on the date we receive Premiums and allocate it to the same Values as your Premiums. The Bonus amount is vested over a 14 year period. Starting in the 4th Contract Year, a percentage of the Bonus becomes guaranteed annually. That percentage increases each year through the 14th Contract Year according to the Bonus Vesting Schedule. After the 14th Contract Year your entire Bonus becomes fully vested. Additionally, the Bonus is 100% fully vested in the Death Benefit and Income Account Value as of the Contract Date.

MINIMUM GUARANTEES

We set the Minimum Guaranteed Interest Rate on the issue date and guarantee it for the life of the annuity contract. It is guaranteed to never be less than 1%, and applies to Minimum Guaranteed Surrender Value only. The Fixed Value Minimum Guaranteed Interest Rate is 1%.

CHOICES AND FLEXIBILITY

You choose how to allocate your total initial premium. You may make additional premium payments in any amount and frequency within the premium limits. Additional premiums are automatically credited to the Fixed Value. The annuity contract offers additional flexibility by allowing you to transfer money in or out of any value on each contract anniversary, subject to these minimums:

- The minimum initial premium is \$5,000.
- The minimum allocation for each value is \$1,000.
- The minimum transfer to select a new value is 10% of the Contract Value.

Six interest crediting methods offer a variety of choices. Additional premiums credited to the Fixed Value can be transferred to other values at contract anniversary.

- 1 Traditional Fixed Value Interest Rate
- 2 S&P 500 Annual Monthly Average w/Cap
- 3 S&P 500 Annual Monthly Average w/PR
- 4 S&P 500 Annual Pt. to Pt. w/Cap
- 5 S&P 500 Annual Pt. to Pt. w/PR
- 6 S&P Monthly Pt. to Pt. w/Cap & AFR

(For a detailed description of each crediting method refer to page 4 of attached product guide.)

You will have the benefit of an annual reset of index credits. Your index credits become part of the Contract Value once credited and can never be lost or taken away from your Contract Value due to market volatility.

PR=Participation Rate, AFR=Asset Fee Rate

DEATH BENEFIT

The Death Benefit is payable under a variety of settlement options. Your beneficiary(ies) will have access to your contract's full value. Settlement options are a lump sum payout, the guaranteed income of annuitization, penalty-free and continued tax deferral if you are a spouse. The Death Benefit is the greater of the Contract Value or Minimum Guaranteed Surrender Value at the death of the Annuitant or Owner, whichever comes first.

ACCESSIBILITY

Our annuities offer Penalty-free Withdrawal up to **10%** of your contract value once annually after the first contract anniversary. Our special feature riders** are for annuitants under age 75. See Annuity Riders brochure #1001 for more details.

ADDITIONAL CONTRACT INFORMATION

Contract Value: The sum of the Fixed Value and the Indexed Values. It is calculated each Contract Anniversary.

Accrued Premium Amount: The portion of the Contract Value resulting from Your Premiums.

Accrued Bonus Amount: The portion of the Contract Value resulting from the Bonus.

Cash Surrender Value: The amount payable at Surrender during the Bonus Vesting Schedule Period equals the greater of:

- (1) Accrued Premium Amount minus any applicable Surrender Charges, plus the Vested portion of Your Accrued Bonus Amount; or
- (2) Minimum Guaranteed Surrender Value.

LIFETIME INCOME BENEFIT RIDER (LIBR-2010)*

This rider allows you to take a guaranteed lifetime income from your annuity without losing control of your retirement assets. This rider is available if the owner and annuitant are the same person. Availability may vary by issue age. See Lifetime Income Benefit Consumer Guide and Disclosure for details. (Form #1127)

INTEREST CREDITING METHODS

The total **Indexed Value** is the sum of all of the Indexed Value calculations. **Fixed Value** is calculated in the same way except interest credited is based on a fixed interest rate rather than an Index Credit. The **Contract Value** equals the sum of the Fixed and Indexed Values. The Contract Value is calculated on each Contract Anniversary.

TOTAL INITIAL PREMIUM ALLOCATION:

1	_____	%
2	_____	%
3	_____	%
4	_____	%
5	_____	%
6	_____	%
		100%

* Form numbers vary by state. Not available in all states.

** NCR-100, NCR-2 in CA, NCR-2-PA in PA, TIR-100, and TIR-1 in TX. No riders available in MA

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TAX TREATMENT

You may be subject to a 10% Federal income tax penalty if you make withdrawals or surrender this annuity before age 59½. If this annuity is within a qualified plan all distributions may be taxable. Under current tax laws, contract values accumulate, grow tax deferred, and an annuity is not required for tax deferral in a qualified plan. Any distribution may cause a taxable event. Gains from non-qualified annuities will be taxed as ordinary income at withdrawal. If your state imposes a premium tax, it will be deducted from the money you receive. Neither American Equity nor our agents offer legal, investment, or tax advice. Please consult a qualified advisor for these matters.

SURRENDER CHARGES

We apply Surrender Charges on Partial Withdrawals or Surrenders during the Surrender Charge Period as follows:

- At Partial Withdrawal, the amount resulting from Your Accrued Premium Amount multiplied by the Surrender Charge Percentage; or
- At Surrender, the Accrued Premium Amount, plus any Penalty-free Withdrawals from Your Accrued Premium Amount in the last 12 months, multiplied by the Surrender Charge Percentage. **Surrender Charges do not apply to Your Accrued Bonus Amount.**

BONUS VESTING

The Bonus is incrementally vested according to the schedule shown below. Surrender charges do not apply to the Bonus. Premium Bonus contracts may have higher surrender charges and asset fee rates and/or lower participation, cap, and interest rates.

Surrender Charge and Bonus Vesting Schedule*

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15+
SC%	12.5	12	12	11	10	9	8	7	6	4	0	0	0	0	0
Bonus Vesting%	0	0	0	8.33	16.67	25	33.33	41.67	50	58.33	66.67	75	83.33	91.67	100

Issue Ages 0-78

*Bonus Vesting Schedule is 4 years longer than Surrender Charge Schedule
Surrender Charges may vary by state.

The Minimum Guaranteed Surrender Value equals 87.5% of premiums paid, minus any withdrawals, all accumulated at the Minimum Guaranteed Interest Rate-Minimum Guaranteed Surrender Value (MGIR-MGSV).

This disclosure is intended to summarize this Annuity. Consult your Annuity Contract for specific terms and conditions of your Annuity. Annuity contracts are products of the insurance industry and are not guaranteed by any bank or insured by the FDIC.

If you are replacing an existing contract, carefully compare the benefits of the proposed contract with your existing contract to ensure your decision is in your best interest.

I have read and received a copy of this document.** I understand I am applying for an indexed annuity and that past interest and index activity is not intended to predict future activity. I also acknowledge that a full surrender or withdrawal over penalty free amounts taken within the Surrender Charge Period or Bonus Vesting Period will result in Surrender Charges being assessed, a forfeiture of a percentage of my Bonus, and potential loss of Premium.

**NAIC Buyer's Guide is recommended for all applications and delivery is required at the time of application in AZ, CO, HI, and UT.

OTHER INFORMATION

- This annuity is designed generally for people who are willing and able to let their assets build over an extended period of time.
- While the values of this contract may be affected by an external index, this annuity does not participate directly in any stocks or equity investments. You aren't buying shares of stock or an index. Dividends paid on the stocks which comprise the indexes don't increase your annuity earnings.
- We may change your annuity contract from time to time to follow federal or state laws and regulations. If we do, we'll tell you about the changes in writing.
- Like any annuity issuer, American Equity incurs expenses to sell and issue its contracts, including the payment of a commission to its agents, and these expenses are taken into consideration when interest rates, caps and participation rates are established and reset. You will receive all benefits as set forth in the contract.
- Your state has a law that gives you a set number of days to look at an annuity after you buy it. If you decide during that time that you don't want it, you can return the annuity and get all your money back. Please review your contract after delivery to confirm the number of days you have.

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AMOUNT OF PREMIUM RECEIVED

\$ _____
Amount Received From _____

Owner's Name _____

Date _____

Agent's Name - Please Print _____

Agent's Signature _____

Owner's Signature _____ Date _____

Joint Owner's Signature _____ Date _____

Agents Statement - I certify that I have provided a copy of this document** to the applicant and I have made no promises or assurances regarding values of the annuity contract, nor have I made statements that differ from this disclosure.

Agent's Signature _____ Date _____

Agent's State License Number _____

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