

Retirement Gold

RG-FIA-09*

FIXED 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 fixed indexed deferred annuity.

BONUS

Credited on all 1st year Premiums, the Bonus increases your Contract Value by 12%+. 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. 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.

+Issue ages 0-78, 6% Bonus ages 79-85, and at all issue ages in certain states.

++Ages 79-85 and in certain states for all issue ages the vesting period 10 years

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

| TOTAL INITIAL PREMIUM ALLOCATION: | |
|-----------------------------------|---------|
| 1 | _____ % |
| 2 | _____ % |
| 3 | _____ % |
| 4 | _____ % |
| 5 | _____ % |
| 6 | _____ % |
| | 100% |

(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.

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.

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

ACCESSIBILITY

You may make Withdrawals from Your Annuity Contract. Withdrawals include amounts Withdrawn under both the Penalty-free Withdrawal and Partial Withdrawal Options. We allow Penalty-free Withdrawals of up to 10% of Your Contract Value after the first Contract Year. Withdrawals will be deducted from both the Accrued Premium Amount and Accrued Bonus Amount on a pro-rata basis, and you will receive the Vested portion of Your Bonus, calculated as follows:

- **At Partial Withdrawal** - the pro-rata portion of the Partial Withdrawal Amount allocated to your Accrued Bonus Amount multiplied by the Bonus Vesting %; or
- **At Surrender** - your Accrued Bonus Amount multiplied by the Bonus Vesting % minus the non-Vested portion of any Penalty-free Withdrawals taken from your Accrued Bonus Amount in the last 12 months.

ADDITIONAL POLICY INFORMATION

Contract Value: The sum of the Fixed Value and the Indexed Values. It is calculated each Contract Anniversary. **Accrued Premium Amount** is the portion of the Contract Value resulting from Your Premiums. **Accrued Bonus Amount** is 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.

Our special feature riders (NCR-100 and TIR-100)*, are for annuitants under age 75 at issue at no additional cost. The NCR-100 allows you to take a 100% Penalty-free Withdrawal after the 3rd Contract Anniversary if confinement in a Qualified Nursing Care Center occurs after the end of the 3rd Contract Year and continuing for at least 90 consecutive days. If confinement occurs in the 2nd or 3rd Contract Year then a 20% Penalty-free Withdrawal is allowed. The TIR-100 allows you to take an additional Penalty-free Withdrawal of up to 100% of the Contract Value if the diagnosis of a terminal illness by a qualified physician occurs after the first Contract Year, and is expected to result in death within one year. The proceeds may be used however you choose.

LIFETIME INCOME BENEFIT RIDER (LIBR-2008)

This rider allows you to take a guaranteed lifetime income from your annuity without losing control of your retirement assets. See Lifetime Income Benefit Consumer Guide and Disclosure (form #1103) for details.

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.

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 annuity 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.

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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.

Surrender Charge and Bonus Vesting Schedule Issue Ages 0-78

| 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 |

Surrender Charge and Bonus Vesting Schedule Issue Ages 79-85 and at all issue ages for certain states.

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11+ |
|-----------------|----|---|---|-------|-------|-------|-------|----|-------|-------|-----|
| SC% | 10 | 9 | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 0 |
| Bonus Vesting % | 0 | 0 | 0 | 16.67 | 16.67 | 33.33 | 33.33 | 50 | 66.67 | 83.33 | 100 |

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 this annuity meets my financial objectives and 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 the application in AZ and UT.

OTHER INFORMATION

- This annuity is designed for people who are willing to let their assets build for at least 14 years.
- 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.
- 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.
- 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.

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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 _____

