

Unlock the Power of the Dividend Aristocrats

S&P 500® DIVIDEND ARISTOCRATS® DAILY RISK CONTROL 5% INDICES



The one who works for you!®



AMERICAN EQUITY
INVESTMENT LIFE INSURANCE COMPANY®

The Power of Dividends

Let's look at how powerful dividends can be on the S&P 500®.

From 2009 to 2019,
66.93% of the total return
of the S&P 500 was
attributable to dividends¹.

66.93%

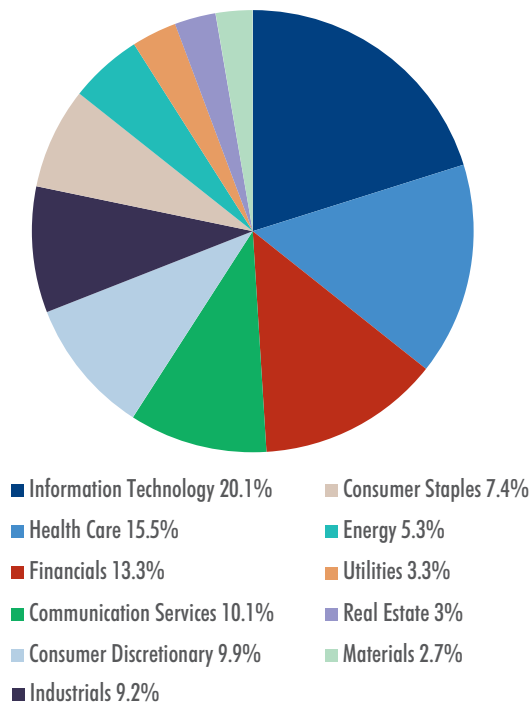
Dividends paid on the stocks that comprise the index are not credited directly to contract values.

Who are the Dividend Aristocrats®?

The Dividend Aristocrats are an elite group of companies listed on the S&P 500 that have shown at least 25-consecutive years of increased dividends. These top-tier organizations represent an industry-diverse collection of the 'best-of-the-best' dividend growth stocks. There are currently 53 blue chip constituents in the Dividend Aristocrats.

Industry Sector Breakdown²

The Dividend Aristocrats list contains companies from all 11 industry sectors.



Well-known Constituents

The Dividend Aristocrats are equal-weighted, with constituents re-weighted every quarter. The entire index is rebalanced annually; under-performing companies are removed or replaced. Plus, many of the companies are household names.

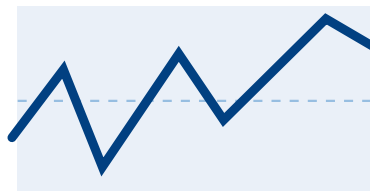
CONSTITUENT	SYMBOL
3M	MMM
Caterpillar	CAT
Hormel Foods	HRL
Johnson & Johnson	JNJ
Lowe's Companies	LOW
McDonald's	MCD
Stanley Black & Decker	SWK
Target	TGT
The Coca-Cola Co	KO
AT&T	T

¹ Bloomberg membership only database. S&P 500® Total Return Index, Dec. 31, 2009-2019. 2/06/20. ² Bloomberg membership only database. 02.03.20

What is the daily risk control 5% and how does it work?

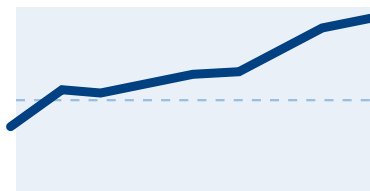
The Daily Risk Control 5% index is designed to provide stable returns by managing volatility on a daily basis. It does this by leveraging the strength of the Dividend Aristocrats and their history for outperforming the S&P 500 as well as limiting risk exposure. In tracking the performance of these dividend stocks, the index design adjusts to mitigate risk and capitalize on growth opportunities.

The index measures the Dividend Aristocrats fluctuations daily. Based on high or low index volatility, portfolio funds are shifted to either a cash or equity component. The graph below shows how the Daily Risk Control 5% Index would allocate at high and low volatility levels. These dynamic allocations help target a predefined risk level of 5%, and allow for stable returns in unstable conditions.



High Index Volatility

Funds shift to the cash component, which earns interest at the 3 Month London Interbank Offered Rate—the rate international banks charge for short-term loans.



Low Index Volatility

Funds shift to the equity component, the S&P 500 Dividend Aristocrats.



What's the difference between a Total Return and Excess Return index linked crediting strategy?

The S&P 500 Dividend Aristocrats Daily Risk Control 5% Indices (including either Total Return and Excess Return) is designed to measure the market performance of the most consistent, dividend producing companies within the S&P 500 Index that offers stable returns in unstable conditions. Both Total Return and Excess Return Indices measure price return and dividends. However, the Excess Return index also factors in a predetermined benchmark, such as the rolling 3-Month London Interbank Offered Rate as part of its calculation. S&P 500 manages both of these indices with methodology available at [us.spindices.com](https://www.us.spindices.com). Our product portfolio offers both indices. You can find Total Return on our Gold and Choice Series products and Excess Return on the AssetShield and IncomeShield Series.

The indexes are non-proprietary, managed by Standard and Poor's and cannot be manipulated by a carrier. It is completely transparent, with up-to-date information available on [us.spindices.com](https://www.us.spindices.com), search for ticker: **SPXD5UE** (Excess Return) **SPXD5UN** (Total Return).

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Our contract owners are why we are here, and we do our best to provide service, second to none, every day.

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Our values of honesty, fairness and truthfulness have been central to our past success and will continue to be for generations to come.

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Dividends paid on the stocks that comprise the index are not credited directly to contract values.

Possible interest credits for money allocated to an index-linked crediting strategy are based upon performance of the specific index; however, fixed index annuities are not an investment, but an insurance product, and do not directly invest in the stock market or the index itself.

S&P 500[®] Dividend Aristocrats[®] Daily Risk Control 5% Excess Return Index linked crediting strategies are available on AssetShield 5, AssetShield 7, AssetShield 10, IncomeShield 7 and IncomeShield 10 (ICC17 IDX-10-5, ICC17 IDX-10-7, ICC17 IDX-10-10 & ICC17 IDX-11-10). Form number and availability may vary by state.

S&P 500[®] Dividend Aristocrats[®] Daily Risk Control 5% Index linked crediting strategies are available on Bonus Gold (INDEX-1-07), Choice 6, Choice 8, Choice 10 (ICC14 IDX8-6, ICC14 IDX8-8, ICC14 IDX8-10) and Retirement Gold (INDEX-2-09). Form number and availability may vary by state.