



SINGLE PREMIUM IMMEDIATE ANNUITY

Annuitant Disclosure

American Equity Investment
Life Insurance Company®
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West Des Moines, Iowa 50266
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1-888-221-1234

This annuity is a single premium immediate annuity. This disclosure is intended to summarize this annuity contract. Refer to the contract for specific terms and conditions of the annuity. This is an immediate annuity, which means the payee will begin to receive income (annuity payment) immediately from American Equity according to the annuity benefit selected at the time of application.

THE ANNUITY CONTRACT

Available ages 18-90.

This Immediate Annuity is long-term in nature and designed to guarantee an income for either a specified period, or for the life-time of the Annuitant. In exchange for a single premium, the Immediate Annuity provides income guaranteed not to decrease regardless of external interest rate fluctuations.

Non-Liquidity of Immediate Annuity – This Immediate Annuity has no cash surrender value and does not contain any liquidity or commutation of value provisions. Once issued, payments will begin as shown on the contract specification page, and cannot be changed or stopped, while the Annuitant remains alive. There is no provision for a lump-sum payout.

Payments upon death of the Annuitant are outlined under Income Options in this disclosure.

Tax Treatment – For non-qualified plans, only a portion of the income is subject to income taxes, with the remainder representing a return of premium. For tax-qualified contracts, all income is subject to income taxes. The Internal Revenue Service determines the formula used to determine the taxable amount. The contract owner will receive a form 1099 each year detailing the amount reported to the IRS as taxable. **Distributions prior to age 59½ may also be subject to IRS premature distribution penalties.** American Equity does not offer legal, investment, or tax advice. Please consult a qualified professional.

Please Note: State Premium taxes are deducted prior to issue in states where applicable.

ADDITIONAL INFORMATION

- Each state has a law that provides a set number of days to look at an annuity contract after it is purchased. If a contract owner decides during that time they do not want it, the annuity contract can be returned. We will refund all premiums paid and cancel the annuity contract as of the issue date. Please review the contract after delivery to confirm the number of days available.
- Like any annuity issuer, American Equity incurs expenses to sell and issue its contracts, including the payment of a commission to its agents. These expenses are taken into consideration when interest rates are established. Contract owners receive all benefits as set forth in the contract.
- If this contract is replacing another contract, a detailed comparison of the proposed and existing contracts can assist in making an informed decision.
- We may change the annuity contract from time to time to follow federal or state laws and regulations. If we do, notification will be provided in writing. Annuity contracts are insurance products and are not guaranteed by any bank or insured by the FDIC.

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INCOME OPTIONS

Choose ONE Option Only

Period Certain (5-25 years only):

Proceeds paid in equal installments to the Payee for the duration of the Specified Period only. Upon death of the sole surviving Annuitant, any remaining payments are payable to the Owner for the remainder of the specified period certain. If there is no surviving Owner, payments will be made to the Joint Owner (or to the Beneficiary, if there is no Joint Owner).

_____ years

Single Life

Life Only:

Proceeds paid during the lifetime of the Annuitant only. **Payments cease upon death of the Annuitant. The Owner, Joint Owner, and Beneficiary will not receive a payment or lump sum after the Annuitant's death.**

Life With Period Certain (5 year minimum period certain):

Proceeds paid to the Payee during the lifetime of the Annuitant. **Upon death of the Annuitant, any remaining payments are payable to the Owner for the remainder of the Specified Period Certain. If there is no surviving Owner, payments will be made to the Joint Owner (or to the Beneficiary, if there is no Joint Owner).**

_____ years

Joint Life income options are available only on non-qualified contracts and when there are joint annuitants.

Joint Life

Joint and Survivor:

Proceeds are paid to the Payee during the lifetime of both the Annuitant and Joint Annuitant. **Upon death of either, payments continue to the Payee for either the same amount (100%), two-thirds of amount, or one-half of amount. Payments cease upon death of both Annuitant and Joint Annuitant.**

- 100%
- Two-thirds of Amount
- One-half of Amount

Joint and Survivor with Period Certain:

Proceeds are paid to the Payee for the lifetime of both the Annuitant and Joint Annuitant. **Upon death of either Annuitant, payments continue to the Payee for either the same amount (100%), two-thirds of amount, or one-half of amount. Upon death of both Annuitant and Joint Annuitant, any remaining payments are payable to the Owner for the remainder of the Specified Period Certain. If there is no surviving Owner, payments will be made to the Joint Owner (or to the Beneficiary, if there is no Joint Owner).**

_____ years

- 100%
- Two-thirds of Amount
- One-half of Amount

All Income Options are subject to IRS regulations and Federal Laws governing income payments under defined benefit plans.

INCOME MODES

Choose ONE Option Only

Unless otherwise specified, payments will start one mode after issue date.

- Monthly Quarterly Semi-annual Annual

Please defer my first payment until (mm/yy): _____ / _____

Owner, as named in the application, shall receive payment, unless otherwise specified.

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TAX WITHHOLDING ELECTION

Federal law requires us to withhold 10% of the taxable portion of your distribution for federal income tax. You may elect not to have federal income tax withheld or you may elect a higher withholding rate. Even if you elect not to have federal income tax withheld, you may be responsible for paying estimated taxes. You may incur penalties under the estimated tax rules if your payment of estimated tax and withholding, if any, are not sufficient to satisfy your tax liabilities.

Your distribution may also be subject to state income tax withholding. Some states require that state income tax be withheld when federal income tax is withheld. Additionally, some states have minimum withholding requirements. If you live in one of these states, we will withhold state income tax as required by your state. In other states, withholding is voluntary. If you do not make a withholding election, or if you do not specify a withholding amount, we will withhold 10% federal income tax and will not withhold any state income tax, unless a different amount is required by your state.

Federal Withholding Election: (Please choose one)

- I DO NOT** want federal income tax withheld.
- I DO** want the following federal income tax withheld: _____% federal (minimum withholding is \$10.00.)

State Withholding Election: (Please choose one)

- I DO NOT** want state income tax withheld.
- I DO** want the following state income tax withheld: _____% state (minimum withholding is \$10.00.)

In which state do you file your taxes? _____

STATE SPECIFIC INSTRUCTIONS:

Arizona residents: If you want to have Arizona taxes withheld, you must submit Form A-4P.

Arkansas residents: We are required to withhold state income tax from the taxable portion of your distribution, unless you elect not to withhold using form AR4P.

Connecticut residents: We are required to withhold state income tax from the taxable portion of your distribution on a full surrender. Connecticut does not allow taxpayers to elect out of withholding on full surrenders. We are required to withhold state income tax from the taxable portion of all other distributions, unless you elect not to withhold using Form CT-W4P.

District of Columbia residents: We are required to withhold state income tax from the taxable portion of your distribution on a full surrender from a qualified plan (i.e. all contracts other than non-qualified contracts). The District of Columbia does not allow taxpayers to elect out of withholding on full surrenders from qualified plans.

Georgia residents: If you want to elect not to withhold state income tax, submit Form G-4P.

Michigan residents: If you were born after 1945, we are required to withhold state income tax from the taxable portion of your distribution, unless you elect not to withhold using Form MI-W4P.

New York residents: If you want to have New York state taxes withheld, submit Form IT-2104-P.

North Carolina: We are required to withhold state income tax from the taxable portion of your distribution, unless you elect not to withhold using Form NC-4P.

Please consult a tax advisor for more information on withholding requirements for your state.

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OWNER STATEMENT

Source of Funds Attestation – Check the appropriate statement(s) to indicate the source of money used to fund this annuity.

- Savings, checking, fixed annuity or other sources and not from the liquidation of mutual funds, stocks, bonds, variable products or other investment vehicles as defined under the Securities Act of 1933 (collectively “securities”).
- Liquidation of a security. I acknowledge that my insurance agent is appropriately securities licensed and authorized to recommend I liquidate these securities and otherwise provide investment advice related to my securities holdings.
- Liquidation of a security. This action is my sole decision. Neither the company nor my insurance agent recommended I liquidate any securities or provided any investment advice related to my securities holdings. I understand my agent is acting as an insurance agent and is not licensed to offer investment advice and that my agent advised me to consult with an investment advisor, registered representative, or other qualified professional if I have any questions or concerns about my securities holdings.

By signing below, I acknowledge:

- I have read and understand the provisions of this disclosure
- I have received a copy of the NAIC’s Buyer’s Guide
- I have received the Company’s Privacy Practices Notice

If you have questions about this annuity contract, we may be contacted at 1-888-221-1234.

Owner’s Signature

DATE

Joint Owner’s Signature

DATE

AGENT 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

Annuity contract issued under form series ICC15 SPIA and state variations thereof. Product and availability may vary by state.
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