

Retirement Gold

American Equity
Gold Standard for a
Secure Retirement



The one who works for you!®



Retirement Gold

A Good Plan is Always Better Than a Good Guess

The security of your future begins today with sound planning and building a dependable source for lifetime income.

Starting with our easy-to-understand product descriptions, American Equity works with you to find the retirement solutions that fit your day-to-day lifestyle as you prepare for your life-long goals.

Every day we work hard to provide safe, secure products backed by our award-winning customer service. And, each day people make the right choice to start planning with us for the life they want-with a strategy they understand.

We Can Help You Get to Where You Want to Go

As a hard-working individual, you take your finances seriously. You have invested your time and energy in order to build, as well as sustain, a quality of life that suits you and your family. As you plan for retirement, it is important to consider any number of factors that can affect your lifestyle:

- Safety of retirement dollars
- Tax effect on your standard of living
- Family illness
- Money saved for retirement

Indexed Annuities: The Right Product for the Right Time

Indexed annuities are fixed index annuities that provide an opportunity to potentially earn more interest than traditional fixed annuities and other safe money alternatives.

This is done by basing interest earned on an increase in an equity or bond index. You control your annuity by choosing the crediting method on each Contract Anniversary. The most commonly used indices are:

- S&P 500®
- S&P 500® Dividend Aristocrats® Daily Risk Control 5% Index
- 10-Year U.S. Treasury Bond

While the value 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 that comprise the indexes don't increase your annuity earnings.





Are You Prepared?

- 46% of Americans have less than \$10,000 saved for retirement. (Employee Benefit Research Institute, 2013)
- 40% of baby boomers now plan on working until they die. (AARP, 2010)
- 36% of Americans say they don't contribute anything at all to their savings. (Careerbuilder.com, 2009)
- 87% of adults say they are not confident about having enough money for a comfortable retirement. (Lifehappens.org, 2014)

Retirement Gold

Safety in Numbers

Most importantly, your Premium and credited interest can never be lost due to Index Volatility. Your indexed annuity is actually a Contract backed by American Equity Investment Life Insurance Company®; you are not purchasing shares of stock or indices. Your funds are safe and secure with us—one of the leading annuity providers on the market.

Security You Can Plan For

As you plan for your retirement, whether it is a far-off goal or soon-to-be reality, our innovative tax-deferred annuities can help you maximize growth while not compromising the safety of your hard-earned dollars.

Your nest egg can be affected by any number of conditions. As your partner in planning, American Equity has outlined five core considerations for your retirement future:

- Safety of Principal
- Guaranteed Income
- Liquidity
- Income Taxes
- Avoidance of Probate

Safety of Principal

Fixed annuities, by their very nature, are considered a safe money alternative. Your Annuity Contract is between you and the insurance company for guaranteed interest and guaranteed income options. This means your guarantees are backed by the financial strength and claims paying ability of American Equity.

Guaranteed Income

American Equity provides you with a guaranteed income with this tax-deferred annuity. You have the ability to choose from several different options, including payments for a specified number of years or income for life—no matter how long you live.

Liquidity

American Equity provides you with opportunities to withdraw funds at any time (subject to applicable Surrender Charges). Our Annuity Contracts allow Penalty-free Withdrawals of up to 10% after the first Contract Anniversary.

American Equity also has available certain Riders that increase liquidity in the event of confinement to a nursing home, or if diagnosed with a terminal illness. (Riders not available in all states.)

Please note:

You may be subject to a 10% federal 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, annuities grow tax-deferred. An annuity is not required for tax deferral in a qualified plan. Any distribution may cause a taxable event. Neither American Equity nor our agents offer legal, investment or tax advice. Please consult your own personal advisor for these matters.

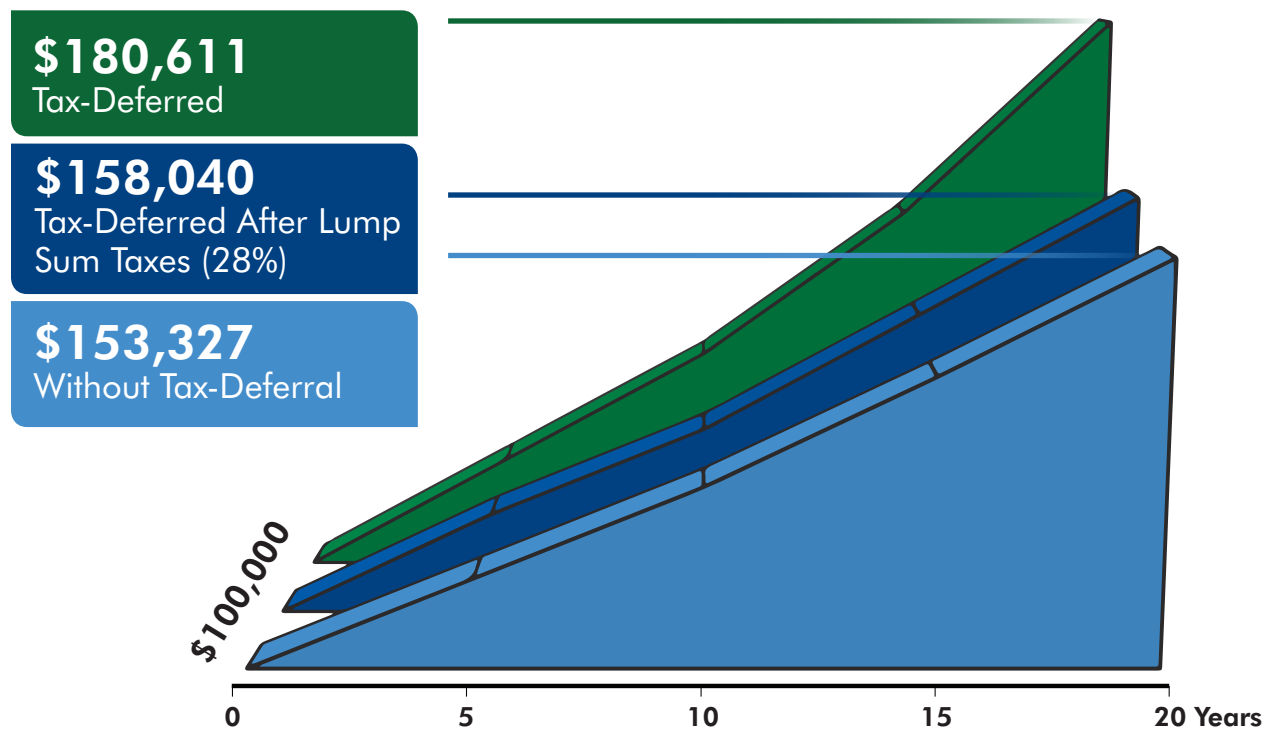
Income Taxes

One of the primary advantages of deferred annuities is the opportunity to accumulate a substantial sum of money by allowing your Premium and interest to grow tax-deferred. Unlike taxable investments, you pay no taxes on your annuity interest until you begin to take withdrawals or receive income. This allows your money to grow faster than in a taxable account.

With our annuities you earn interest on your Premium, interest on your interest and interest on what you would normally pay in income taxes.

The chart below demonstrates how much more your money grows over a 20-year period with a tax-deferred annuity compared to an account that is currently taxed.

Taxable vs. Tax-Deferred



Note: Example assumes 3% annual interest rate and 28% tax bracket.
This hypothetical example is for demonstration only.

Avoidance of Probate

When planning for the future, a central concern is for our loved ones after we are gone. In the case of premature death, your beneficiaries have the accumulated funds within your annuity available to them and may avoid the expenses and delay of probate. Your named beneficiaries can choose to receive the proceeds as monthly income or a lump-sum payment.

Retirement Gold

Gold Standard in Retirement Planning

Retirement Gold is a fixed index annuity that allows for the accumulation of money over a long period of time. Because of the Bonus credited on all Premium paid in the first Contract Year, it allows for a more rapid accumulation of interest than other fixed annuities. The Bonus is applied to your Contract Value immediately, but is vested over time. In addition, in the event of death, the Bonus is 100% vested immediately. The beneficiary receives the entire Contract Value, including 100% of the Bonus.

So, just how do the Interest Crediting and Bonus Vesting features of Retirement Gold work, and how do they affect your long-term accumulation of wealth for retirement? Let's take a look.

Premium Payment & Allocation

You may allocate your Initial Premium Payment into any value combination you choose, including into the Fixed Value or any of the Indexed Values. Any additional Premium payments you make after your Initial Premium will automatically go into the Fixed Value. At each Contract Anniversary, you may choose to transfer between the different values, giving you greater flexibility.

Your Contract Value equals the sum of your Fixed Value, plus your Indexed Value. Your Accrued Premium Amount is the portion of the Contract Value resulting from premiums paid plus interest, less withdrawal amounts.

Interest Crediting

You have nine different value options to choose from in determining how we will credit interest to your Contract Values. Additionally, we provide a Minimum Guaranteed Interest Rate which guarantees you a minimum return upon Surrender. We calculate all Interest Rates as effective annual rates, compounded daily.

To calculate Withdrawal or Surrender amounts we track Interest Credits to Accrued Premium Amount and Accrued Bonus Amount on a pro-rata basis.

Bonus

We guarantee an 8% Premium Bonus on all Premiums received in the first Contract Year. We add this Bonus to the Contract Value on the date we receive the Premiums, and we allocate it to the same values as your Premiums.

Accrued Bonus Amount is the portion of the Contract Value resulting from the Bonus, plus interest, less Withdrawal amounts. Surrender Charges do not apply to your Accrued Bonus Amount.

Bonus Vesting

The Bonus vests over a 14-year period. Starting in the fourth Contract Year, you become vested in a percentage of the Bonus, until you become 100% vested at the end of the 14th Contract Year. The vested amounts on the Bonus are the amounts that you do not forfeit as a result of an early Partial Withdrawal or Surrender.

If you take a Partial Withdrawal or Surrender you will receive the vested portion of your bonus according to the following schedule:

- 1. At Partial Withdrawal** – the pro-rata portion of the Partial Withdrawal Amount allocated to your Accrued Bonus Amount multiplied by the Bonus Vesting percentage; or

| Premium Bonus Vesting Schedule | |
|--------------------------------|----------|
| Contract Yr | % Vested |
| 1 | 0.00 |
| 2 | 0.00 |
| 3 | 0.00 |
| 4 | 8.33 |
| 5 | 16.67 |
| 6 | 25.00 |
| 7 | 33.33 |
| 8 | 41.67 |
| 9 | 50.00 |
| 10 | 58.33 |
| 11 | 66.67 |
| 12 | 75.00 |
| 13 | 83.33 |
| 14 | 91.67 |
| 15+ | 100.00 |

2. At Surrender – your Accrued Bonus Amount multiplied by the Bonus Vesting percent minus the non-vesting portion of any Penalty-free Withdrawals taken from your Accrued Bonus Amount in the last 12 months.

The Bonus is always 100% vested in the Death Benefit.

Withdrawals

You may make withdrawals from your Contract Value at any time. Withdrawals include Penalty-free Withdrawals and Partial Withdrawals. We will determine Withdrawal Proceeds taking into consideration any Penalty-free Amount available, any Surrender Charges, and Bonus Vesting.

1. Penalty-free Withdrawals

Once each Contract Year, after the first anniversary you may take one Penalty-free Withdrawal of up to 10% of the Contract Value. Penalty-free Withdrawals are not subject to Surrender Charges and Bonus Vesting.

2. Partial Withdrawals

You may make Partial Withdrawals at any time. We will first determine any amount of the Partial Withdrawal that would be penalty-free. Amounts above the Penalty-free Amount are subject to Surrender Charges and Bonus Vesting Schedule.

All withdrawals are pro-rated between the Accrued Premium Amount and the Accrued Bonus Amount of the Contract Value. We apply a Surrender Charge to your Accrued Premium Amount and vesting to your Accrued Bonus Amount. **Withdrawals in excess of the Penalty-free Withdrawal Amount will cause loss of part of your Accrued Bonus Amount.**

Death Benefit

The Death Benefit is the full Contract Value of your Annuity Contract and is paid in a lump sum with no Surrender Charges, plus 100% Bonus Vesting, to your named beneficiaries. Other payout options may also be available.

Accessibility – 10% Penalty-free Withdrawals

We understand that access to your money is very important. This annuity offers an annual 10% Penalty-free Withdrawal once each year, beginning in year two. In the first year, you may receive Systematic Withdrawals of interest or Required Minimum Distributions from the Fixed Interest Account as quickly as 30 days after your Contract is issued.¹

Nursing Care Rider (NCR-100)²

This Rider is automatically included at no cost, for annuitants under age 75 at issue. This allows you to take a 100% Penalty-free Withdrawal after the third Contract Anniversary if confinement in a qualified nursing care center occurs after the end of the third Contract Year and continues for at least 90 consecutive days. If confinement occurs in the second or third Contract Year, then a 20% Penalty-free Withdrawal is allowed.

Terminal Illness Rider (TIR-100)²

This Rider is automatically included, at no cost, for Annuitants under age 75 at issue. This 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.

Retirement Gold

Indices Used

Retirement Gold offers the following indices:

The S&P 500 Index contains stocks from 500 industry leaders and is widely regarded as a leading benchmark for U.S. stock market performance.

■ **The S&P 500 Dividend Aristocrats Daily Risk Control 5% Index** is a volatility control index that consists of the S&P 500 Dividend Aristocrats Index and a cash component (accruing interest at 3 month LIBOR). The Index is dynamically adjusted between the two components to target a 5% level of volatility. The S&P 500 Dividend Aristocrats Index is made up of S&P 500 members that have followed a policy of consistently increasing dividends every year for at least 25 consecutive years. This Index is well diversified across all market sectors.

■ **10-Year U.S. Treasury Bond** is a government-issued debt designed to mirror general market interest rates.

Index Crediting Method

To allow you greater flexibility in utilizing our interest crediting methods, American Equity offers eight index choices and one fixed value choice. The annuity structure allows for annual transfer between different values. A Transfer of Values (TOV) letter and form are sent one month prior to the Contract Anniversary as a courtesy to you.

■ **Annual Monthly Average** – Index Credits are based on 12 dates during the year. The average is calculated by adding the 12 monthly Index amounts and dividing by 12. Caps or Participation Rates are applied to the Index Credit Calculation.

■ **Annual Point to Point** – On each Contract Anniversary the Index Value is compared to the previous year's Index Value. The Index Credit is based on increase in the Index Value from point to point. Caps or Participation Rates are applied to the Index Credit Calculation.

■ **Monthly Point to Point** – Each month a percentage of change is calculated. Caps are applied to any increase. The sum of the resulting monthly values, less a spread, is the Index Credit applied on each Contract Anniversary.

■ **Performance Triggered (PT)** – On each Contract Anniversary the PT Index Price is compared to the previous anniversary's PT Index Price. The PT Rate is credited if the PT Index Price on the current Contract Anniversary is equal to or greater than the previous Contract Anniversary's Index Price. The minimum PT Rate is 1%.

| | Annual Monthly Average | Annual Point to Point | Monthly Point to Point |
|--|---|--|--|
| Interest Credit Calculation | Average sum of Index closes on monthly Contract Anniversary | Percentage of annual increase in the Index | Annual sum of monthly changes in the Index |
| Index Availability | S&P 500 | S&P 500 & 10-Year U.S. Treasury Bond | S&P 500 |
| Frequency of Interest Credit | Annually | Annually | Annually |
| Cap, Spread or Participation Rate Available | Choice of Cap or Participation Rate | Choice of Cap or Participation Rate (S&P 500 only) | Cap & Spread |

- **Bond Yield with Cap (BYC)** – On each Contract Anniversary the Bond Price is compared to the Bond Price on the previous anniversary. The Index Credit is based on the decrease in the Bond Price. The BYC Interest Credit Calculation is determined by first applying the Cap followed by the spread.
- **Volatility Control Index** – On each Contract Anniversary the Index Value is compared to the previous year’s Index Value. The Index Credit is based on the increase in the Index Value from point to point, less a spread.
- **Fixed Interest** – This is based on a current declared interest rate guaranteed to never be less than the Fixed Value Minimum Guaranteed Interest Rate stated in the Annuity Contract.

Calculation Information:

- **Cap Rate** – Applies to Annual Monthly Average and Annual Point to Point Crediting Methods.
 - An upper limit is applied to the Index Credit. Cap rates are subject to change, declared each Contract Anniversary, and guaranteed to never be less than 1%. –OR–
- **Cap Rate/Spread** – Applies to the Monthly Point to Point and Bond Yield with Cap Crediting Methods.
 - **Cap Rate** – An upper limit is applied to the Index Credit. Cap rates are subject to change, declared each Contract Anniversary, and guaranteed to never be less than 1%. (and)
 - **Spread** – A deduction used in calculation of Index Credit. Spread is the same as Asset Fee as described in the Contract. Spread is set at issue, and guaranteed for the life of the Annuity Contract. –OR–
- **Participation Rate (PR)** – Applies to Annual Monthly Average or Annual Point to Point Crediting Methods.
 - The stated percentage of any Index increase credited to the Annuity Contract. PRs are subject to change, declared annually and guaranteed to never be less than 10%. –OR–
- **Spread Only** – Applies only to Volatility Control Index Crediting Method.
 - A deduction used in calculation of Index Credit. Spread is the same as Asset Fee as described in the Contract. The Spread is subject to change, declared each Contract Anniversary and guaranteed to never be more than 10%.

| | Performance Triggered (PT) | Bond Yield with Cap | Volatility Control Index | Fixed Interest |
|--|---|---|--|------------------------------|
| | PT Index Price equal to or greater than the previous anniversary’s PT Index Price | Percentage of annual decrease in the Bond Price | Percentage of annual increase in the index less a spread | Fixed Interest Rate Declared |
| | S&P 500 | 10-Year U.S. Treasury Bond | S&P 500 Dividend Aristocrats Daily Risk Control 5% Index | Not Applicable |
| | Annually | Annually | Annually | Daily |
| | Not applicable | Cap & Spread | Spread only | Not Applicable |

Retirement Gold

Minimum Guaranteed Surrender Value (MGSV)

At no time will the Surrender Value of the Contract be less than 87.5% of Premium received, less any withdrawals, accumulated at Minimum Guaranteed Interest Rate stated in the Contract. The MGSV is a separate calculation from Contract Value.

Cash Surrender Value

The Cash Surrender Value is the amount we pay if you surrender the Contract. It equals the greater of the Accrued Premium Amount minus any Surrender Charges, plus the vested portion of the Accrued Bonus Amount, or the Minimum Guaranteed Surrender Value.

Surrender Charges

We deduct a Surrender Charge on Partial Withdrawals or Surrenders during the Surrender Charge Period according to the following schedule:

1. At Partial Withdrawal, the Partial Withdrawal from your Accrued Premium Amount multiplied by the Surrender Charge percentage; or
2. At Surrender, your 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 Charge | |
|------------------|---------------------------------|
| Contract Yr | Surrender Charge % Age 18-78 |
| 1 | 12.5 |
| 2 | 12.0 |
| 3 | 12.0 |
| 4 | 11.0 |
| 5 | 10.0 |
| 6 | 9.0 |
| 7 | 8.0 |
| 8 | 7.0 |
| 9 | 6.0 |
| 10 | 4.0 |
| 11+ | 0.0 |

Annuitization

You may annuitize your Surrender Proceeds at any time after the first Contract Year, for a Life Option, with at least five years certain.

Other Information

- 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, spreads 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 Annuity Contract after delivery to confirm the number of days you have.

American Equity The One Who Works for You!

- \$41 Billion in Assets
- 35,000 Active Agents
- 540,000 Active Contract Owners
- 500+ Employees
- #3 All-Time in Indexed Annuity Sales³
- A- (Excellent) Rating From A.M. Best⁴
- A- (Strong) Rating From S&P 500⁵
- American Owned and Operated

Liabilities as of 12/31/15 are \$39 Billion



Notes:

Annuity Contract issued under form series INDEX-2-09 and state variations thereof. Product and availability may vary by state.

- ¹ Not guaranteed and subject to change.
- ² Rider Benefits and form numbers may vary by state. NCR and TIR not available in MA.
- ³ Source: <http://www.looktowink.com/2016/03/30418/>
- ⁴ A.M. Best has assigned American Equity an "A-" (Excellent) rating, reflecting their current opinion of the financial strength and operating performance of American Equity relative to the norms of the life/health insurance industry. A.M. Best utilizes 15 rating categories ranging from A+ + to F. An A- rating from A.M. Best is its fourth highest rating. For the latest rating, access www.ambest.com.
- ⁵ Standard and Poor's rating service has recognized American Equity Investment Life Insurance Company® with an "A-" rating. An insurer rated "A" has strong financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. Rating effective 8/5/15.

The "S&P®" is a product of S&P Dow Jones Indices LLC ("SPDJ"), and has been licensed for use by American Equity Investment Life Insurance Company®. Standard & Poor's® and S&P® 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"); Standard & Poor's® and S&P® are trademarks of the SPDJI; and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by American Equity Investment Life Insurance Company®. American Equity Investment Life Insurance Company's® Retirement Gold is 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.

Retirement Gold

American Equity Gold Standard for a Secure Retirement

American Equity is committed to your retirement years and your financial security. We design our products with your future in mind, and customize our service to assist you in leading the life you have planned. All of our employee-owners are committed to ensuring your retirement-planning peace of mind.

Our commitment to quality service and strong Contract Owner benefits is unsurpassed in our industry. Our steadfast focus on our Contract Owners has led us to record growth in our industry, and we are the number three producer of fixed index annuities in the market.³

When you purchase an American Equity annuity, you are buying more than a product—you are buying a promise. We guarantee that we will be there for you when you need us. If you want an annuity that can offer you **safety of principal, flexibility, tax advantages, access when you need it** and a chance to have a **lifetime income**—we are the one who works for you.



Ron Grensteiner, President



life.american-equity.com

Call us at **888-221-1234**

6000 Westown Pkwy, West Des Moines, IA 50266