

DATE: November 14, 2011
TO: All American Equity NMO's And Agents in Arkansas, Arizona, and South Dakota
FROM: James Jones, Vice President - Marketing Services

Your feedback is greatly appreciated, so we developed

Heritage Gold (ICC11 IDX2)*

NOW AVAILABLE!

- *Issue Ages 79-85*
- *Flexible Premium Fixed Index Annuity*
 - *5 Year Surrender Charge Period*
 - *\$75,000 Minimum Premium*
 - *Non Qualified Funds Only*

PLUS – THESE ADDITIONAL FEATURES...

- *5% Annual Penalty Free Withdrawals Starting Year 2*
- *Full Death Benefit at death of Owner or Annuitant*

[Click Here for the Heritage Gold brochure.](#)

Call Marketing at 888-647-1371 for more details and to order supplies.

* See Disclosure and Brochure for details. Form number and availability may vary by state.

www.american-equity.com

24/7 Download Forms, Check Contract Status or Commission Statements



Call us at **888-647-1371**

8:00AM-5:30PM CT Monday-Thursday 8:00AM-1:00PM CT Friday

We're the One!
People Service Future

West Des Moines, IA 50266

Heritage Gold Intro - AR, AZ, SD 11/14/2011

For Agent Information Only. Not for use in solicitation or advertising to the public.

CLICK HERE TO OPT OUT OF THESE EMAILS, or call marketing at 888-647-1371, or fax us at 515-225-6314. American Equity's failure to comply with your opt out request within 30 days is unlawful.

American Equity's Gold standard

for a secure Retirement

Heritage Gold

(ICC11-IDX2)*



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may vary by state.



How Will You Create A Lasting Financial Legacy?

ACCUMULATION, SAFETY AND PROTECTION

As Americans, we work hard to earn an income to take care of our families, provide for a secure retirement, and accumulate wealth. Now, we are wise to consider:

- How will we have peace of mind that we will not lose value in our annuity?
- Will growth in our annuity affect our taxes?
- Can we assure our annuity passes to our heirs in a timely manner?
- Is there an opportunity to access our annuity, if needed?

BENEFITS OF ANNUITIES

At American Equity, our innovative tax deferred annuities help you maximize both growth and safety for your hard earned retirement dollars, ultimately offering you the peace of mind you deserve. We understand that creating a retirement nest egg is hard work and while many people take into consideration market risk, there are five other factors you should consider as well:

SAFETY OF PREMIUM

Fixed annuities by their very nature are considered a safe money alternative. It is a contract between you and the insurance company for guaranteed interest and guaranteed income options. All guarantees are based on the financial strength and claims paying ability of American Equity.

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.

AVOIDANCE OF PROBATE

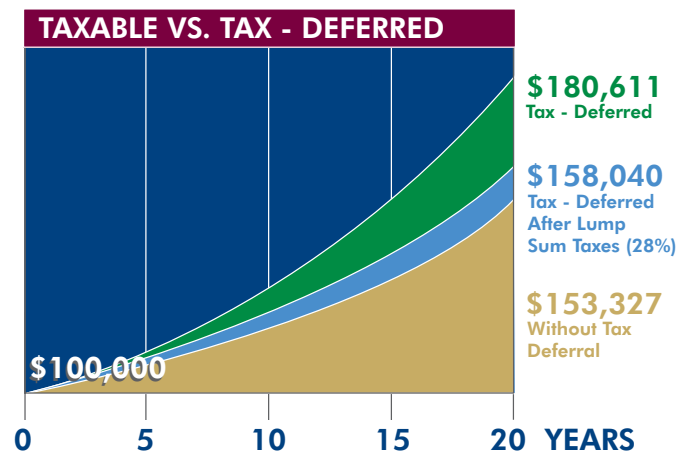
In the case of premature death, your beneficiaries have the accumulated funds within your annuity available to them and may avoid the expense, delay and publicity of probate. Your named beneficiaries can choose to receive the proceeds as monthly income or a lump sum payment.

LIQUIDITY

This annuity contract allows penalty-free withdrawals of up to 5% of your Contract Value, after the first Contract Anniversary.

GUARANTEED INCOME

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



Note: Example assumes 3% annual interest rate and 28% tax bracket.

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

TAX TREATMENT

Under current tax laws annuities grow tax deferred. 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.

Heritage Gold

(ICC11-IDX2)

INDEXED ANNUITIES FOR YOUR RETIREMENT PORTFOLIO

Indexed annuities are fixed 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 index. You control how your annuity grows by choosing the index crediting methods on each contract anniversary. The most commonly used index is the S&P 500®.

A very important benefit is that your premium and credited interest can never be lost due to index volatility.

When purchasing an indexed annuity, you own an annuity contract backed by American Equity Investment Life Insurance Company, you are not purchasing shares of stock or indexes.

■ **The S&P 500® Index** contains Stocks from 500 various industry leaders and is widely regarded as the premier benchmark for U.S. stock market performance.

■ **Cap Rate** - An upper limit applied to the Index credit. Cap rates are subject to change, declared each contract anniversary, and guaranteed to never be less than 1% on the Annual Point to Point Crediting Method.

ALLOCATION OPTIONS

American Equity annuities allow for annual transfers between different values (Transfer of Values) allowing you greater flexibility in utilizing the interest crediting methods available. A Transfer of Values (TOV) letter and form are sent one month prior to the contract anniversary as a courtesy.

■ **Fixed Value Rate** - Based on a current declared interest rate guaranteed to never be less than the Fixed Value Minimum Guaranteed Interest Rate stated in the contract.

■ **Annual Point to Point** - On each contract anniversary the index value is compared to the previous years index value. The Index Credit is based on the increase in the index value from point to point. Caps are applied to the Index Credit Calculation.

DEATH BENEFIT

The Death Benefit is the full value of your annuity contract and is paid in a lump sum with no surrender charges to your named beneficiaries. Other income options may also be available.

ACCESSIBILITY - PENALTY-FREE WITHDRAWALS

We understand that access to your money is very important. This annuity offers an annual penalty-free withdrawal of up to 5% of the Contract Value each year, beginning in year 2. In the first year, you may receive systematic withdrawals of interest from the fixed interest account as quickly as 30 days after your contract is issued.*

MINIMUM GUARANTEED SURRENDER VALUE (MGSV)

MGSV is calculated separate from your Contract Value. It equals 87.5% of all premiums, less any withdrawals, at Minimum Guaranteed Interest Rate (MGIR), compounded daily.

CASH SURRENDER VALUE

Cash Surrender Value is equal to the greater of Contract Value minus any applicable surrender charges or MGSV.

SURRENDER CHARGES

Surrender charges are deducted in the event of a full surrender, and apply for the first 5 years, starting at 8% and decreasing. See disclosure for complete schedule.

**Not guaranteed and subject to change.*



Heritage Gold ICC11-IDX2*

INDEXED ANNUITY DISCLOSURE

American Equity's Heritage Gold provides an alternative for your financial future. The design of this product allows for accumulation of money needed for retirement income. Heritage Gold is a flexible premium fixed indexed deferred annuity.

OTHER INFORMATION

- 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 on which the indexes are based 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 and cap 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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The S&P 500® Index does not include dividends.

ISSUE REQUIREMENTS

- \$75,000 Minimum Premium
- Issue ages 79-85
- Non-Qualified Funds only

VALUE CALCULATIONS

Indexed Values are calculated by:

- Adding any premiums paid
- Subtracting any withdrawals, and
- Adding any applicable Index credits to determine an indexed value.

The total **Indexed Value** is comprised of the Point to Point value option. The **Fixed Value** has interest credited based on a fixed interest rate. **The Fixed Value Guaranteed Initial Interest Rate is applicable to Initial Premium only. Additional premiums may be subject to different crediting rates.** The **Contract Value** equals the sum of the Fixed and the Indexed Values. The Contract Value is calculated on each contract anniversary.

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 the Minimum Guaranteed Surrender Value only. The Fixed Value Minimum Guaranteed Interest Rate is 1%.

ACCESSIBILITY

This annuity offers a Penalty-free Withdrawal of up to 5% of your Contract Value once annually after the first contract anniversary. No withdrawals in excess of the Penalty-free Withdrawal are allowed during the surrender charge period.

TAX TREATMENT

Under current tax laws deferred annuities grow tax deferred. Any distribution may cause a taxable event. 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 your own personal advisor for these matters.

DEATH BENEFIT

The Death Benefit offers 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 as defined under Federal law. 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.

Heritage Gold ICC11-IDX2*

SURRENDER CHARGES

Surrender Charges are deducted from your Contract Value in the event of a Full Surrender within the Surrender Charge period as follows:

Issue Ages 79-85

Year	1	2	3	4	5	6+
%	8	7	6	5	4	0

Surrender Charges may vary by state.

The Minimum Guaranteed Surrender Value equals 87.5% of all premiums, minus any withdrawals, all accumulated at the Minimum Guaranteed Interest Rate.

The Cash Surrender Value equals the greater of the Contract Value minus any Surrender Charges or the Minimum Guaranteed Surrender Value. Your Cash Surrender Value can never be lower than the Minimum Guaranteed Surrender Value of the annuity contract.

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 and may be subject to different crediting rates. The annuity contract offers additional flexibility by allowing you to transfer money in or out of any value on each contract anniversary. Additional premiums credited to the Fixed Value can be transferred to other values at that time.

- The minimum initial premium is \$75,000.
- The minimum allocation for each value is \$1,000.
- The minimum transfer to select a new value is 10% of the Contract Value.

For a detailed description of each crediting method refer to page 3 of the guide.

- 1 Traditional Fixed Value Interest Rate
- 2 S&P 500 Annual Pt. to Pt. w/Cap

TOTAL INITIAL PREMIUM ALLOCATION:	
1 _____%	
2 _____%	
	100%

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.

By initialing this statement and signing this disclosure form I am aware this annuity is designed generally for people who are willing and able to let their assets build over an extended period of time. The assets I place in this annuity contract are discretionary funds that I don't anticipate needing access to for the duration of the five year surrender charge period.

Owner's Initials

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 and a copy of the NAIC Buyer's Guide to Indexed Annuities**. 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 taken within the surrender charge period will result in surrender Charges being assessed and potential loss of premium.

Owner's Signature **Date**

Joint Owner's Signature **Date**

Witness Signature (not agent) **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

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

AMOUNT OF PREMIUM RECEIVED

\$ _____
Amount Received From

Owner's Name

Date

Agent's Name - Please Print

Agent's Signature

American Equity Investment
Life Insurance Company
P.O. Box 71216
Des Moines, Iowa 50325
www.american-equity.com
888-221-1234





Heritage Gold ICC11-IDX2*

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Joint Owner's Signature **Date**

Witness Signature (not agent) **Date**

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Agent's State License Number

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AMOUNT OF PREMIUM RECEIVED

\$ _____
Amount Received From

Owner's Name

Date

Agent's Name - Please Print

Agent's Signature

American Equity Investment
Life Insurance Company
P.O. Box 71216
Des Moines, Iowa 50325
www.american-equity.com
888-221-1234



American Equity's Gold standard for a secure Retirement

Heritage Gold (ICC11-IDX2)



It is the American Equity dream to help Americans enjoy their retirement years with financial security. We care about providing products that protect you and your family. Our employee/owners are committed to ensuring peace of mind for your retirement future. Our commitment to unsurpassed service and strong contract owner benefits has allowed American Equity to experience consistent, record growth in our industry. In fact, we're the number 3 all-time producer of indexed annuities.*

When you buy an American Equity annuity, you are buying a promise, a promise that we will always be there when you need us. If you want an annuity that can offer you safety of premium, flexibility, tax advantages, and accessibility when you need it, we have it. "We're the One" to offer you diverse financial planning choices for your retirement dollars.

* Source: *AnnuitySpecs.com*

D.J. Noble, Executive Chairman



1135-SB 11.01.11

A.M. Best uses 15 rating categories ranging from A++ to F and measures performance in the areas of Investment Quality, Capital Adequacy, Policy Reserves, Cost Control and Management Experience. An A- rating from A.M. Best is its fourth highest rating.

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www.american-equity.com



We're the One!
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