

SERFF Tracking Number: AMEQ-126134768 State: Arkansas
 Filing Company: American Equity Investment Life Insurance Company State Tracking Number: 42265
 Company Tracking Number: INDEX-2-09
 TOI: A02I Individual Annuities- Deferred Non- Variable Sub-TOI: A02I.002 Flexible Premium
 Product Name: INDEX-2-09
 Project Name/Number: INDEX-2-09/INDEX-2-09

Filing at a Glance

Company: American Equity Investment Life Insurance Company

Product Name: INDEX-2-09 SERFF Tr Num: AMEQ-126134768 State: Arkansas
 TOI: A02I Individual Annuities- Deferred Non- Variable SERFF Status: Closed-Approved- Closed State Tr Num: 42265
 Sub-TOI: A02I.002 Flexible Premium Co Tr Num: INDEX-2-09 State Status: Approved-Closed
 Filing Type: Form Reviewer(s): Linda Bird
 Authors: Judith Jewett, Kathleen Underwood, Cheryl Parker, Tiffany Meuer Disposition Date: 05/11/2009
 Date Submitted: 05/01/2009 Disposition Status: Approved-Closed
 Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: INDEX-2-09
 Project Number: INDEX-2-09
 Requested Filing Mode: Review & Approval
 Explanation for Combination/Other:
 Submission Type: New Submission
 Overall Rate Impact:
 Filing Status Changed: 05/11/2009

Status of Filing in Domicile: Authorized
 Date Approved in Domicile: 04/27/2009
 Domicile Status Comments:
 Market Type: Individual
 Group Market Size:
 Group Market Type:
 Explanation for Other Group Market Type:
 State Status Changed: 05/11/2009
 Created By: Kathleen Underwood
 Corresponding Filing Tracking Number:

Deemer Date:
 Submitted By: Kathleen Underwood
 Filing Description:

I am filing the enclosed, above referenced form for your review and approval. This is a new flexible premium deferred indexed annuity contract based on the appreciation of the Standard & Poor's 500. It has a Flesch readability score of 50.0. The Iowa Department of Insurance approved this form April 27, 2009. We plan to use this form with our application Form 2000 (Rev), approved by your department March 10, 2000. Due to the nature of an indexed annuity contract, we do not plan to use illustrations. Our method of marketing is through individually licensed agents.

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Variable
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I, as Compliance Officer for American Equity, certify to the following:

- Compliance with Regulation 19§10B, as well as all applicable requirements of the Arkansas Insurance Department.
- Compliance with your External-Indexed Contract Guidelines by enclosing the following information:
 - a. Policy Provisions: INDEX-2-09, Statement of Values (Annual Report).
 - b. Disclosure & Advertising: Disclosure
 - c. Agent Education: We have 50,000 licensed agents, which are trained through National Marketing Organizations also licensed with our company. We provide seminars, teleconferences, marketing materials and agent packages.
 - d. Nonforfeiture: Actuarial memorandum
 - e. Reserves: Actuarial memorandum and Hedging Strategy
- We will provide the Guaranty Association Notice, form #4015-AR, at the time of delivery of the contract, pursuant to Regulation 49.
- As required by Ark. Code Ann. 23-79-138, attached to each contract issued is our form 4016-AR, which includes the agent name and address, our company address and your department of insurance information. Our contract summary for INDEX-2-09 states the agent's name & address and is sent with each contract issued.
- Statement of Variability for an explanation of all variable items.

Upon approval we intend to attach riders below:

FORM # APPROVAL DATE TRACKING #
LIBR-2008 2/5/08 AMEQ-125437883/State #37938
NCR-100 6/18/08 AMEQ-125696846/ State #39316
TIR-100 5/14/08 AMEQ-125641337/State #38928

If we do not receive a response within 30 days, we will Deem this product approved, according to your law Ark. Code Ann. 23-79-109.

Thank you for your review of this submission.

Company and Contact

Filing Contact Information

Judith Jewett, V. P. & Compliance Officer jjewett@american-equity.com
6000 Westown Pkwy 515-457-1722 [Phone]
West Des Moines, IA 50266 515-223-3865 [FAX]

Filing Company Information

American Equity Investment Life Insurance CoCode: 92738 State of Domicile: Iowa

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Company
 5000 Westown Pkwy Group Code: 2658 Company Type:
 Ste 440 Group Name: State ID Number:
 West Des Moines, IA 50266 FEIN Number: 42-1153896
 (515) 221-0002 ext. [Phone]

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: \$50.00 PER FORM
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Equity Investment Life Insurance Company	\$50.00	05/01/2009	27569751

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved- Closed	Linda Bird	05/11/2009	05/11/2009

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document	Hedging		Yes
Supporting Document	Statement of Variability		Yes
Supporting Document	Disclosure		Yes
Supporting Document	Statement of Values		Yes
Form	INDEX-2-09		Yes

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Form Schedule

Lead Form Number: INDEX-2-09

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	INDEX-2-09	Policy/Contract/Fraternal Certificate	INDEX-2-09	Initial		50.000	INDEX-2-09-AR.pdf

AMERICAN EQUITY INVESTMENT LIFE INSURANCE COMPANY

5000 Westown Parkway
West Des Moines, Iowa 50266
(888) 221-1234

A STOCK LIFE INSURANCE COMPANY

We pay the benefits of this Contract, subject to all of its provisions, terms and conditions. We issue this Contract based on the attached Application and payment of the Premium on or before the Contract Date.

15 DAY RIGHT TO EXAMINE CONTRACT

YOU MAY RETURN THIS CONTRACT TO YOUR AGENT OR OUR HOME OFFICE FOR UP TO 15 DAYS AFTER YOU RECEIVE IT. THIS CONTRACT WILL BE VOID UPON OUR, OR OUR AGENT'S, RECEIPT OF YOUR RETURNED CONTRACT. WITHIN 10 DAYS WE WILL REFUND ANY PREMIUM PAID.

Signed for the Company at Des Moines, Iowa, on the Contract Date.



Debra J. Richardson
Secretary



Ronald J. Grensteiner
President

Flexible Premium Deferred Indexed Annuity Contract
Death Benefit Prior to Maturity
Monthly Income at Maturity
No Dividends

This is a legal Contract between You and Us.
READ YOUR CONTRACT CAREFULLY

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CONTRACT SPECIFICATIONS

- 1. Contract Number: [Specimen]
- 2. Contract Date: [January 1, 2009]
- 3. Owner: [John Doe]
- 4. Joint Owner: [N/A]
- 5. Annuitant: [John Doe]
- 6. Annuitant's Issue Age: [35]
- 7. Annuitant's Sex: [Male]
- 8. Initial Premium: [\$100,000.00]
- 9. Bonus: [12%] [\$12,000]
- 10. Planned Premium Amount: [\$4,000.00]
- 11. Planned Premium Mode: [Annual]
- 12. Minimum Contract Value Allowed: \$2,000
- 13. Maturity Date: [January 1, 2088] Age 114
- 14. Tax Status: [Non-qualified]
- 15. Minimum Guaranteed Interest Rate: [1.50%]*

SURRENDER CHARGE PERIOD: 10 CONTRACT YEARS

BONUS VESTING PERIOD: 14 CONTRACT YEARS

End of Contract Yr	Surrender Charge %	Bonus Vesting Schedule %
1	12.5	0.00
2	12.0	0.00
3	12.0	0.00
4	11.0	8.33
5	10.0	16.67
6	9.0	25.00
7	8.0	33.33
8	7.0	41.67
9	6.0	50.00
10	4.0	58.33
11	0.0	66.67
12	0.0	75.00
13	0.0	83.33
14	0.0	91.67
15+	0.0	100.00

*Applies only in calculation of Minimum Guaranteed Surrender Value shown on Page 7.

FIXED VALUE SPECIFICATIONS

- 15. Fixed Value Initial Premium: [\$15,000]
- 16. Allocated Bonus: [\$1,800]
- 17. Fixed Value Guaranteed Initial Interest Rate: [3.50%]
- Fixed Value Initial Interest Rate Guarantee Period: 1st Contract Year
- Fixed Value Minimum Guaranteed Interest Rate(FV-MGIR): 1.00%
- FV-MGIR Guarantee Period: Life of Contract

CONTRACT SPECIFICATIONS

Contract Number: [Specimen]
 Contract Date: [January 1, 2009]
 Owner: [John Doe]
 Joint Owner: [N/A]
 Annuitant: [John Doe]
 Annuitant's Issue Age: [85]
 Annuitant's Sex: [Male]
 Initial Premium: [\$100,000.00]
 Bonus: [6%] [\$6,000]
 Planned Premium Amount: [\$4,000.00]
 Planned Premium Mode: [Annual]
 Minimum Contract Value Allowed: \$2,000
 Maturity Date: [January 1, 2038] Age 114
 Tax Status: [Non-qualified]
 Minimum Guaranteed Interest Rate: [1.50%]*
SURRENDER CHARGE PERIOD: 10 CONTRACT YEARS
BONUS VESTING PERIOD: 10 CONTRACT YEARS

End of Contract Yr.	Surrender Charge %	Bonus Vesting Schedule %
1	10.0	0.00
2	9.0	0.00
3	8.0	0.00
4	7.0	16.67
5	6.0	16.67
6	5.0	33.33
7	4.0	33.33
8	3.0	50.00
9	2.0	66.67
10	1.0	83.33
11+	0.0	100.00

*Applies only in calculation of Minimum Guaranteed Surrender Value shown on Page 7.

FIXED VALUE SPECIFICATIONS

Fixed Value Initial Premium: [\$15,000]
 Allocated Bonus: [\$900]
 Fixed Value Guaranteed Initial Interest Rate: [3.50%]
 Fixed Value Initial Interest Rate Guarantee Period: 1st Contract Year
 Fixed Value Minimum Guaranteed Interest Rate(FV-MGIR): 1.00%
 FV-MGIR Guarantee Period: Life of Contract

INDEXED VALUE SPECIFICATIONS

S & P AVERAGED VALUE SPECIFICATIONS - CAP

19.	Index:	[Standard & Poor's 500 Composite Stock Price Index]
20.	Initial Premium:	[\$15,000]
21.	Allocated Bonus:	[\$1,800]
22.	Index on Contract Date:	[900]
23.	Initial Cap:	[5%]
	Cap Guarantee Period:	1 Contract Year
	Guaranteed Minimum Cap:	4%

S & P POINT TO POINT VALUE SPECIFICATIONS-CAP

24.	Index:	[Standard & Poor's 500 Composite Stock Price Index]
25.	Initial Premium:	[\$15,000]
26.	Allocated Bonus:	[\$1,800]
27.	Index on Contract Date:	[900]
28.	Initial Cap:	[5%]
	Cap Guarantee Period:	1 Contract Year
	Guaranteed Minimum Cap:	4%

S & P AVERAGED VALUE SPECIFICATIONS - PR

29.	Index:	[Standard & Poor's 500 Composite Stock Price Index]
30.	Initial Premium:	[\$15,000]
31.	Allocated Bonus:	[\$1,800]
32.	Index on Contract Date:	[900]
33.	Initial Participation Rate:	[65%]
	Participation Rate Guarantee Period:	1 Contract Year
	Guaranteed Minimum Participation Rate (PR):	25%

S & P POINT TO POINT VALUE SPECIFICATIONS-PR

34.	Index:	[Standard & Poor's 500 Composite Stock Price Index]
35.	Initial Premium:	[\$15,000]
36.	Allocated Bonus:	[\$1,800]
37.	Index on Contract Date:	[900]
38.	Initial Participation Rate:	[65%]
	Participation Rate Guarantee Period:	1 Contract Year
	Guaranteed Minimum Participation Rate (PR):	25%

MONTHLY POINT TO POINT (MPT) VALUE SPECIFICATIONS

39.	Index:	[Standard & Poor's 500 Composite Stock Price Index]
40.	Initial Premium:	[\$25,000]
41.	Allocated Bonus:	[\$3,000]
42.	Index on Contract Date:	[900]
43.	Asset Fee Rate:	[2%]
	Asset Fee Rate Guarantee Period:	Life of Contract
44.	MPT Cap:	[3%]
	MPT Guaranteed Minimum Cap:	1%
	Cap Guarantee Period:	1 Contract Year

Index Credits may not be reflected in Your Cash Surrender Value due to the calculation of the Minimum Guaranteed Surrender Value.

Note: You may check current indices in the Wall Street Journal, in Barron's, on the Internet, or with Your financial advisor.

DEFINITIONS

In this Contract, these terms mean:

WE, OUR, US, COMPANY: AMERICAN EQUITY INVESTMENT LIFE INSURANCE COMPANY

OWNER, YOU, YOUR: The person named in the Application as the Owner. The Owner has all rights under this Contract.

ANNUITANT: The person shown on Page 3 whose life is the measuring life for Your Contract. The Annuitant may or may not be the Owner.

PAYEE: The person to whom We pay Proceeds.

BENEFICIARY: The person or persons shown on the Application or by later changes, to whom We pay death Proceeds. You may change a Beneficiary as this Contract allows. However, if the Annuitant is not the Owner and the Owner dies before the Maturity Date, the Annuitant becomes the Beneficiary, unless You specify otherwise in advance.

APPLICATION: The form You filled out to apply for this Contract. We have attached a copy.

NOTICE, NOTIFY, NOTIFYING: Written requests and information We receive at Our Home Office, at address shown on Page 1, that You sign, and We accept.

AGE: The Annuitant's Age last birthday.

CONTRACT DATE, ISSUE DATE: The date this Contract becomes effective. This Contract does not take effect until delivered and You have paid the Initial Premium.

MATURITY DATE: The Maturity Date is the last date this Contract can remain in force, is 1st Contract Anniversary after Annuitant's 114th birthday, and is shown on Page 3. You may not change Your Maturity Date, even under the CONTRACT CHANGES provision on Page 5.

Please Note: Annuitization Option is also available and is shown on Page 10.

CONTRACT YEAR, ANNIVERSARY: We compute Contract Years and Anniversaries from the Contract Date. Example: If the Contract Date is January 1, 2009, the first Contract Year ends on December 31, 2009, and the first Contract Anniversary falls on January 1, 2010.

VESTED, VESTING, VEST: The % of Your Bonus shown on Page 3 which You do not forfeit as a result of Partial Withdrawal or Surrender.

GENERAL PROVISIONS

CONTRACT

This Contract, attached Application, and any attached amendments, riders or endorsements make up the entire Contract.

CONTRACT CHANGES

No one may change any part of this Contract or waive any provision except You or one of Our officers. Both must agree to the change. All changes must be in writing.

CONFORMITY WITH THE LAW

The provisions of this Contract conform to the minimum requirements of the issue state. The laws of the issue state control over any conflicting laws of any other state where the Owner may live on or after the Contract Date.

CHANGES IN THE LAW

We will amend this Contract to comply with any changes in laws governing it or taxation of benefits under it. Any change is subject to Contract Provisions.

OWNERSHIP

This Contract belongs to You. You have all rights, subject to the rights of:

- (1) Any assignee of record with Us;
- (2) Any irrevocable Beneficiary; and
- (3) Any restricted Ownership.

You may change the Owner by Notifying Us. The change will take effect on the date We receive Notice. Any change is subject to any action We take before receiving Notice. A change of Owner does not change the Beneficiary.

INCONTESTABILITY

We will not contest this Contract after it has been in force during the Annuitant's lifetime for 2 years from the Issue Date. In the absence of fraud, statements on the Application are representations and not warranties. Read the Application copy attached. If anything is not true or complete to the best of Your knowledge and belief, Notify Us.

NONFORFEITABILITY

Before the Maturity Date, Your Cash Surrender Value is always nonforfeitable.

INTEREST

Interest includes, Guaranteed Interest, Minimum Guaranteed Interest, current Interest, Fixed Value Interest, and any Index Credits. The rate and duration of the Initial Guaranteed Interest Rate are set at issue and are guaranteed as shown on Page 3. Our Board of Directors declares Guaranteed Interest Rates and current Interest Rates in advance. The declared Interest Rates are always at least the Minimum Guaranteed Interest Rate shown on Page 3. All Interest Rates are calculated 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.

RESERVE BASIS

The reserve method and basis for this Contract is on file with the Insurance Department in Your state.

STATEMENT OF VALUES

At least once each year We will send You a Statement of Values. It will show:

- (1) Premium paid;
- (2) Interest credited;
- (3) Withdrawals, Surrender Charges, and Bonus Vesting; and
- (4) Values as described on Pages 7, 8, & 9.

TERMINATION

This Contract Terminates on the earliest of:

- (1) The date You do not maintain Minimum Value as described on Page 9;
- (2) The date You elect the Annuitization Option described on Page 10;
- (3) The date You Surrender Your Contract;
- (4) The date the Annuitant or Owner dies; or
- (5) The Maturity Date.

PREMIUM PROVISIONS

PAYMENT AND ALLOCATION OF PREMIUMS

The Initial Premium, the amount We receive with Your Application, as shown on Page 3, is due on the Contract Date. You may direct all or any portion of Your Initial Premium, to either Your Fixed Value, any of the Indexed Values, or any combination thereof. You may make additional Premium payments, any payments after the Initial Premium, in any amount and frequency. Your additional Premiums will automatically go into Your Fixed Value as described in Transfer of Additional Premium Payments below. Limitations shown below may apply.

Accrued Premium Amount - To calculate Withdrawal or Surrender Proceeds Your Accrued Premium Amount is the portion of the Contract Value resulting from Your Premiums, plus Interest, less Withdrawal Amounts.

BONUS

The % of the Initial Premium shown on Page 3. We also apply Bonus %, to any Additional Premiums We receive in the first Contract Year. We add the Bonus to Your Contract Value on the date We receive Premiums and allocate it to the same Values as Your Premiums.

Accrued Bonus Amount - To calculate Withdrawal or Surrender Proceeds Your 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

Your Bonus will Vest as shown on Page 3. If you take a Partial Withdrawal or Surrender, You will receive the Vested portion of Your Bonus which We calculate as follows:

- (1) At Partial Withdrawal, the pro-rata portion of the Partial Withdrawal Amount allocated to Your Accrued Bonus Amount multiplied by the Bonus Vesting % shown on Page 3; or
- (2) At Surrender, Your Accrued Bonus Amount multiplied by the Bonus Vesting % shown on Page 3 minus the non-Vested portion of any Penalty-free Withdrawals taken from Your Accrued Bonus Amount in the preceding 12 months.

TRANSFER OF ADDITIONAL PREMIUM PAYMENTS

We will hold Your additional Premiums and Bonus in Your Fixed Value. We credit Interest as described in the Fixed Value section. Unless You elect otherwise under Transfer of Values Option Your additional Premiums and Bonus will remain in the Fixed Value.

LIMITATIONS

- (1) Initial Premium
 - a. The minimum Total Initial Premium We will accept is \$5,000.
 - b. The minimum required to select allocation to a Value is \$1,000.
- (2) Additional Premiums - You may pay additional Premiums if:
 - a. The Contract is in force;
 - b. The Annuitant and Owner are alive.

If You stop paying Premiums, and make no Withdrawals, the current Contract Value continues to grow.

CONTRACT VALUES PROVISIONS

CONTRACT VALUE

Your Contract Value equals the sum of:

- (1) Your Fixed Value; plus
- (2) Your Indexed Value.

We allocate Your Premiums and Bonus between Your Fixed and/or Indexed Values as You directed. We credit Interest to these Values as described herein.

CASH SURRENDER VALUE

The Cash Surrender Value is the amount of Proceeds payable if You Surrender this Contract during the Bonus Vesting Period, and is equal to 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.

MINIMUM GUARANTEED SURRENDER VALUE

The Surrender Value of Your Contract will never be less than:

- (1) 87.5% of all Premiums We receive; less
- (2) Any Withdrawal Proceeds;
- (3) Accumulated at Minimum Guaranteed Interest Rate shown on Page 3.

SURRENDER CHARGES

We take a Surrender Charge on Partial Withdrawals or Surrenders during the Surrender Charge Period. We calculate Surrender Charges as follows:

- (1) At Partial Withdrawal, the Partial Withdrawal from Your Accrued Premium Amount multiplied by the Surrender Charge Percentage shown on Page 3; 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 shown on Page 3.

TRANSFER OF VALUES OPTION

On each Anniversary, You may transfer Your money between Your Fixed and/or any Indexed Values, subject to a \$1,000 minimum to maintain a Value, and a minimum of 10% of Contract Value to enter a new Value.

FIXED VALUE

Fixed Value on the Contract Date equals the Fixed Value Initial Premium plus Allocated Bonus as shown on Page 3.

At each Anniversary - Fixed Value on last Anniversary*; plus any Premiums paid since last Anniversary; less any Withdrawal Amounts since last Anniversary; plus Interest credited**; plus or minus Any Transferred Values.

Between Anniversaries - Your Fixed Value on last Anniversary*; plus any Premiums paid since last Anniversary; less any Withdrawal Amounts since last Anniversary; plus Interest credited.**

*When calculating Fixed Value on the first Anniversary or during the first Contract Year use Fixed Value on the Contract Date.

**Never less than Our Fixed Value Minimum Guaranteed Interest Rate as shown on Page 3.

INDEX

The Indices on the Issue Date are shown on Page 3a and are the Indices on the last Index Date. If an Index is not available for any Index Date, We will use the Index on the first preceding day for which it is available. Indices are published in the Wall Street Journal. If We substitute a suitable alternative index approved by the Insurance Department of the issue state, We will Notify You.

INDEX AVERAGE

The Index Average is the average of the 12 Indices during each Contract Year.

INDEX CREDITS are added to the Values on the last day of each Contract Year and are calculated as follows:

S & P AVERAGED VALUE - CAP

- (1) The Index Average for the current Contract Year; less
- (2) The Index on the last Anniversary*; divided by
- (3) The Index on the last Anniversary*;
- (4) Result not to exceed Cap; multiplied by
- (5) Averaged Value on the last Anniversary*, plus or minus any Transferred Values, and less any Withdrawal Proceeds and associated Surrender Charges taken during the last Contract Year.

S & P AVERAGED VALUE – PARTICIPATION RATE

- (1) Participation Rate; multiplied by
- (2) The Index Average for the current Contract Year; less Index on the last Anniversary*; divided by
- (3) The Index on the last Anniversary*; multiplied by
- (4) **Averaged Value on the last Anniversary*, plus or minus any Transferred Values, and less any Withdrawal Proceeds and associated Surrender Charges taken during the last Contract Year.**

S & P POINT TO POINT– CAP

- (1) The Index on the last day of the current Contract Year; less
- (2) The Index on the last Anniversary*; divided by
- (3) The Index on the last Anniversary*;
- (4) Result not to exceed Cap; multiplied by
- (5) Point to Point Value on the last Anniversary*, plus or minus any Transferred Values, and less any Withdrawal Proceeds and associated Surrender Charges taken during the last Contract Year.

S & P POINT TO POINT– PARTICIPATION RATE

- (1) Participation Rate; multiplied by
- (2) The Index on the last day of each Contract Year; less Index on last Anniversary*; divided by the Index on last Anniversary*; result multiplied by
- (3) **The Point to Point Value on the last Anniversary*, plus or minus any Transferred Values, and less any Withdrawal Proceeds and associated Surrender Charges taken during the last Contract Year.**

MONTHLY POINT TO POINT

- (1) MPT Value on last Anniversary*; plus or minus
- (2) Any Transferred Values; less
- (3) Any Withdrawal Proceeds and associated Surrender Charges taken during the last Contract Year; multiplied by
- (4) MPT Sum; less MPT Asset Fee Rate.

MPT Ratio :The MPT Ratios are added together to reach the MPT Sum below, and are calculated as follows: MPT Index on each Index Date; less MPT Index on first preceding Index Date; divided by MPT Index on first preceding Index Date; result not to exceed MPT Cap.

MPT Sum:The MPT Sum is the sum of the 12 MPT Ratios during each Contract Year.

*Note: When calculating an Index Credit for the first Anniversary, use the applicable Index on the Contract Date. Each Index Credit will never be less than zero (0).

INDEXED VALUE

Indexed Value equals:

- (1) Averaged Values; plus
- (2) Point to Point Values; plus
- (3) MPT Value.

Averaged Values – Applies to S&P Averaged Values

- (1) On Contract Date = S&P Averaged Value Initial Premium plus Allocated Bonuses shown on Page 3a.
- (2) At each Anniversary =
 - a. Averaged Value on last Anniversary*; less
 - b. Any Withdrawal Amounts since last Anniversary; plus
 - c. Averaged Index Credit; plus or minus
 - d. Any Transferred Values.
- (3) Between Anniversaries** =
 - a. Averaged Value on last Anniversary*; less
 - b. Any Withdrawal Amounts since last Anniversary.

Point to Point Values – Applies to S&P Point to Point Values

- (1) On Contract Date = S&P Point to Point Value Initial Premium plus Allocated Bonuses shown on Page 3a.
- (2) At each Anniversary =
 - a. Point to Point Value on last Anniversary*; less
 - b. Any Withdrawal Amounts since last Anniversary; plus
 - c. Point to Point Index Credit; plus or minus
 - d. Any Transferred Values.
- (3) Between Anniversaries** =
 - a. Point to Point Value on last Anniversary*; less
 - b. Any Withdrawal Amounts since last Anniversary.

MPT Value – Applies to Monthly Point to Point Value

- (1) On Contract Date = MPT Initial Premium plus Allocated Bonus shown on Page 3a.
- (2) At each Anniversary =
 - a. MPT Value on last Anniversary*; less
 - b. Any Withdrawal Amounts; plus
 - c. MPT Index Credit; plus or minus
 - d. Any Transferred Values.
- (3) Between Anniversaries** =
 - a. MPT Value on last Anniversary*; less
 - b. Any Withdrawal Amounts since last Anniversary.

*Note: When calculating Indexed Values for the first Anniversary, and during the first Contract Year, use the applicable Indexed Value on the Contract Date.

**Any Withdrawals from an Indexed Value will not be credited with any Index Credit for that Contract Year. If You Surrender Your Contract between Anniversaries, You will forfeit the Index Credit for that Contract Year.

MINIMUM VALUES

To be maintained, a Value must contain at least \$1,000. If, through Withdrawals or Transfers, You reduce a Value(s) to less than \$1,000, We will automatically close the Value(s) and transfer the remaining funds to Your Fixed Value.

To be maintained, Your Contract must contain at least the Minimum Contract Value Allowed as shown on Page 3. If through Withdrawals You reduce Your Contract Value to less than the Minimum Contract Value Allowed, Your Contract will automatically Terminate, We will apply any applicable Surrender Charges and Bonus Vesting Percentages and pay-out the remaining funds.

CONTRACT PROCEEDS AND PAY-OUT PROVISIONS

MINIMUM BENEFITS

Any Proceed Pay-outs available under this Contract are at least the minimum required by laws of the issue state.

PREMIUM TAXES

If We are required to pay premium taxes, We re-calculate Your Proceeds at Pay-out as if We had deducted premium taxes from Your Premiums as We received them.

PROCEEDS

Proceeds means the amount payable when:

- (1) You take a Withdrawal;
- (2) You Surrender this Contract;
- (3) You exercise the Annuitization Option;
- (4) The Annuitant or Owner dies; or
- (5) The Contract matures.

PAYMENT OF PROCEEDS

We pay Proceeds in one sum, unless You or Your Beneficiary elect to apply all or part of Death or Maturity Proceeds to provide payments under a Settlement Option. We always pay Withdrawal and Surrender Proceeds in one sum unless You choose the Annuitization Option below. If Pay-out is not immediate, We credit interest to the Proceeds from the date of Withdrawal, Surrender, Maturity, or Death until Pay-out. We add this interest to the Proceeds and pay the greater of:

- (1) The current rate of interest We declare; or
- (2) Any minimum rate required by the laws of the issue state.

ADJUSTMENT OF BENEFIT VALUES

If We find an error in the stated Age or sex of any Payee, after making payments under a Settlement Option, We adjust the benefits to those that the Values of this Contract would have purchased using the correct Age and sex. If We find an error and We have made income payments, We:

- (1) Pay the amount of any under-payments, plus interest, compounded annually; or
- (2) Charge the amount of any over-payments, plus interest, compounded annually, against the next income payments.

ANNUITIZATION OPTION

You may annuitize Your Surrender Proceeds under this Contract after the first Contract Year for a life option with at least 5 years certain.

MATURITY PAY-OUT PROVISIONS

MATURITY BENEFIT

If Annuitant is alive on the Maturity Date, We pay the Maturity Proceeds as described in Payment of Proceeds section. The Maturity Proceeds equal the greater of the Contract Value or Minimum Guaranteed Surrender Value on the Maturity Date. We may change the mode of payment so the payment is at least \$50.00.

WITHDRAWAL AND SURRENDER PAY-OUT PROVISIONS

DEFERRAL OF PAYMENT

We may defer payment of any Surrender Proceeds for up to six months from the date You Notify Us, only after We receive written approval of deferral from the Commissioner of Insurance, and pay interest on the Proceeds as described in the Payment of Proceeds section.

WITHDRAWALS

Withdrawal Amount is the amount we deduct from Your Contract Value to provide the Withdrawal Proceeds, taking into consideration any Penalty-free amount available, any Surrender Charges, and Bonus Vesting. Withdrawals include amounts withdrawn under both the Penalty-free Withdrawal and Partial Withdrawal Options as follows:

(1) **Penalty-free Withdrawal Option**

Each Contract Year, after the first, You may take one Penalty-free Withdrawal of up to 10% of Your Contract Value. Penalty-free Withdrawal Proceeds equal the Penalty-free Withdrawal amount You Request, and is the Withdrawal Amount by which We adjust Your Values. We prorate the Penalty-free Withdrawal Amount between the Accrued Premium Amount and the Accrued Bonus Amount.

(2) **Partial Withdrawal Option**

You may make Partial Withdrawals at any time subject to Surrender Charges and Minimum Values. We apply applicable Surrender Charges to:

- a. Amounts withdrawn in the first Contract Year;
- b. Amounts withdrawn in excess of the Penalty-free Withdrawal Option amount; and
- c. Any Withdrawals taken after taking a Penalty-free Withdrawal in any Contract Year;

Partial Withdrawal Proceeds equal the amount You request. 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 You to forfeit part of Your Accrued Bonus Amount.

We process Penalty-free Withdrawals before Partial Withdrawals. For example, if You request a Withdrawal in excess of the Penalty-free Withdrawal, the Penalty-free Withdrawal Option provision applies to 10% of the Contract Value, without Surrender Charges or Bonus Vesting, and the remaining amount falls under the Partial Withdrawal Option and is affected by Surrender Charges and Bonus Vesting.

REQUIRED MINIMUM DISTRIBUTION AMOUNT

We limit the amount You may Withdraw from this Contract as an IRS-defined required minimum distribution to the amount required under the Internal Revenue Code based on the Value of this Contract only.

SURRENDER

If You Surrender this Contract, We pay You the Surrender Proceeds as follows:

- (1) During the Bonus Vesting period, Surrender Proceeds equal the Cash Surrender Value;
- (2) At the end of the Bonus Vesting Schedule Surrender Proceeds equal the Contract Value.

Some Limitations may apply, see Limitations section below.

LIMITATIONS

- (1) No portion of a Surrender taken during the Surrender Charge Period can be Penalty-free.
- (2) We treat any Penalty-free Withdrawal You take within 12 months of Surrender as having been made in anticipation of Surrender. Therefore, that Penalty-free Withdrawal amount is subject to Surrender Charges and Bonus Vesting. We will subtract Surrender Charges and the non-Vested portion of Your Bonus previously withdrawn from Your Surrender Proceeds.
- (3) You may not take a Withdrawal, unless Your Contract Value is large enough to leave a balance, after the Withdrawal, of at least the Minimum Contract Value Allowed, shown on Page 3.

DEATH PAY-OUT PROVISIONS

DEATH BENEFITS

Annuitant's Death -The Death Proceeds payable equal the greater of Contract Value or Minimum Guaranteed Surrender Value on the Annuitant's date of death.

If the Annuitant dies before the Maturity Date, We pay the Proceeds to Your Beneficiary. If You did not choose a Settlement Option, the Beneficiary may make a selection within 60 days of Our receiving proof of death.

If there are Joint Annuitants, We pay Death Proceeds at second death unless Joint Annuitants are also the Joint Owners, then We pay Proceeds at first death.

If the Annuitant dies after the Maturity Date and before the payment of the entire Death Proceeds, We pay any remaining balance as provided for in the Settlement Option selected, at least as rapidly as under the method of payment in effect at the Annuitant's death.

Owner's Death - The Death Proceeds payable equal the greater of Contract Value or Minimum Guaranteed Surrender Value on the Owner's date of death.

If the Owner, who is not the Annuitant, dies before the Maturity Date, We pay Death Proceeds to the Owner's Beneficiary.

We pay out the entire Death Proceeds in a lump sum unless:

- (1) It is payable to the Beneficiary over a 5 year period. Entire Death Proceeds must be paid within 5 years;
- (2) It is payable over the lifetime, or life expectancy, of a designated Beneficiary. Payment must begin within one year of the date of death; or
- (3) The designated Beneficiary is the Owner's spouse and he or she continues the Contract in his or her name as new Owner.

If there are Joint Owners, We apply these distribution requirements at first death.

Note: Death Proceeds are payable on the death of the first to die of either the Owner or Annuitant.

INTEREST ON DEATH BENEFIT

We pay interest on the Death Proceeds as described in Payment of Proceeds section.

BENEFICIARY

You named the Beneficiary in the Application. While the Annuitant is alive You may change the Beneficiary by Notifying Us. A change will take effect on the date We receive Notice. Any change is subject to payment or other action We take before receiving Notice.

Unless You Notify Us otherwise, these rules apply:

- (1) If You name more than one Beneficiary, and any one Beneficiary dies before the Annuitant, We pay the Death Proceeds to any surviving Beneficiary(ies).
- (2) If any Beneficiary dies within thirty days of the Annuitant and We receive Notice of the Death before We pay the Death Proceeds, We pay it as if the Beneficiary died before the Annuitant.
- (3) If You have not named a Beneficiary when the Annuitant dies, We pay the Death Proceeds to the Annuitant's estate.
- (4) If no named Beneficiary is alive when the Annuitant dies, We pay the Death Proceeds to the Annuitant's estate.
- (5) We pay equal amounts when more than one Beneficiary is to share the Death Proceeds.
- (6) When You do not state Beneficiaries by name (such as "children"), We may find who they are from sworn statements and not wait for court records. The word "child" means only a child born to, or adopted, it does not mean grandchild or stepchild.

SETTLEMENT OPTION PAY-OUT PROVISIONS

These are the guaranteed Pay-out options You may choose at Death or Maturity. You may also choose any other Settlement Option We currently offer by Notifying Us. All Pay-out options are for a minimum of 5 years. We pay interest on the Proceeds as described in Payment of Proceeds section.

OPTION 1 - INCOME FOR SPECIFIED PERIOD

We pay an income for a specific number of years in equal installments. We guarantee these payments to be at least those shown in Table 1.

OPTION 2 - LIFE INCOME

We pay equal monthly payments for a specified period certain and then for life. We guarantee these payments will be at least those shown in Table 2.

OPTION 3 - INCOME OF SPECIFIED AMOUNT

We pay income of the specified amount until the principal and interest are exhausted.

OPTION 4 - JOINT AND SURVIVOR INCOME

We pay equal monthly payments during the joint lifetime of the Annuitant and the named Beneficiary/Payee. We determine the payment by the Age and sex of each person from Table 3.

INTEREST ON SETTLEMENT OPTIONS

We pay at least the minimum rate as required by the state of issue.

EXCESS INTEREST

Excess Interest is the difference between Our current Interest Rate, and the minimum rate required. We determine Excess Interest, if any, on Settlement Option amounts. We pay this excess under Option 1, 2, or 4 and add it to the period of payment under Option 3.

SUPPLEMENTARY CONTRACT

When We receive Notice requesting a Settlement Option, We issue a Supplementary Contract in exchange for this Contract, stating the terms under which We make payments. The Supplementary Contract states to whom We pay any remaining Proceeds if the Payee dies. Once a Supplementary Contract is in effect the method of pay-out cannot be changed.

If the Owner dies before payments under the Supplementary Contract are complete, We pay any remaining balance at least as rapidly as under the method of payment in effect on the Owner's date of death.

TABLE 1

INCOME FOR SPECIFIED PERIOD FACTORS

NO. OF YEARS PAYABLE	MONTHLY INSTALLMENTS*	NO. OF YEARS PAYABLE	MONTHLY INSTALLMENTS*
1	N/A	11	8.42
2	N/A	12	7.80
3	N/A	13	7.26
4	N/A	14	6.81
5	17.49	15	6.42
6	14.72	16	6.07
7	12.74	17	5.77
8	11.25	18	5.50
9	10.10	19	5.26
10	9.18	20	5.04

* Monthly installments shown are for each \$1,000 of net Proceeds applied at 2% Interest, which is subject to change as described on Page 13, Interest On Settlement Options.

TABLE 2

LIFE INCOME WITH SPECIFIED PERIOD CERTAIN FACTORS

		120		240		120		240					
Age	Life Only		Months Certain		Months Certain		Life Only		Months Certain		Months Certain		
	Male	Female	Male	Female	Male	Female	Age	Male	Female	Male	Female	Male	Female
15	\$2.28	\$2.21	\$2.28	\$2.21	\$2.28	\$2.21	65	\$5.14	\$4.65	\$4.96	\$4.55	\$4.39	\$4.21
16	\$2.30	\$2.23	\$2.30	\$2.23	\$2.30	\$2.23	66	\$5.32	\$4.79	\$5.10	\$4.68	\$4.45	\$4.29
17	\$2.32	\$2.24	\$2.32	\$2.24	\$2.31	\$2.24	67	\$5.50	\$4.95	\$5.25	\$4.82	\$4.51	\$4.36
18	\$2.34	\$2.26	\$2.34	\$2.26	\$2.33	\$2.26	68	\$5.70	\$5.11	\$5.40	\$4.96	\$4.57	\$4.43
19	\$2.36	\$2.28	\$2.35	\$2.28	\$2.35	\$2.27	69	\$5.91	\$5.29	\$5.56	\$5.11	\$4.63	\$4.50
20	\$2.37	\$2.29	\$2.37	\$2.29	\$2.37	\$2.29	70	\$6.13	\$5.48	\$5.72	\$5.27	\$4.68	\$4.57
21	\$2.39	\$2.31	\$2.39	\$2.31	\$2.39	\$2.31	71	\$6.37	\$5.69	\$5.89	\$5.44	\$4.73	\$4.63
22	\$2.41	\$2.33	\$2.41	\$2.33	\$2.41	\$2.33	72	\$6.62	\$5.91	\$6.06	\$5.61	\$4.78	\$4.69
23	\$2.44	\$2.35	\$2.43	\$2.35	\$2.43	\$2.34	73	\$6.89	\$6.16	\$6.24	\$5.80	\$4.82	\$4.74
24	\$2.46	\$2.37	\$2.46	\$2.37	\$2.45	\$2.36	74	\$7.18	\$6.42	\$6.41	\$5.98	\$4.85	\$4.79
25	\$2.48	\$2.39	\$2.48	\$2.39	\$2.47	\$2.38	75	\$7.49	\$6.70	\$6.59	\$6.18	\$4.89	\$4.83
26	\$2.50	\$2.41	\$2.50	\$2.41	\$2.50	\$2.40	76	\$7.82	\$7.01	\$6.78	\$6.38	\$4.91	\$4.87
27	\$2.53	\$2.43	\$2.53	\$2.43	\$2.52	\$2.42	77	\$8.17	\$7.34	\$6.96	\$6.58	\$4.94	\$4.90
28	\$2.56	\$2.45	\$2.55	\$2.45	\$2.55	\$2.45	78	\$8.55	\$7.70	\$7.14	\$6.79	\$4.96	\$4.93
29	\$2.58	\$2.48	\$2.58	\$2.47	\$2.57	\$2.47	79	\$8.96	\$8.09	\$7.31	\$6.99	\$4.98	\$4.96
30	\$2.61	\$2.50	\$2.61	\$2.50	\$2.60	\$2.49	80	\$9.39	\$8.51	\$7.49	\$7.20	\$4.99	\$4.98
31	\$2.64	\$2.52	\$2.64	\$2.52	\$2.63	\$2.52	81	\$9.86	\$8.97	\$7.65	\$7.40	\$5.00	\$4.99
32	\$2.67	\$2.55	\$2.67	\$2.55	\$2.66	\$2.54	82	\$10.36	\$9.46	\$7.81	\$7.59	\$5.01	\$5.01
33	\$2.70	\$2.58	\$2.70	\$2.58	\$2.69	\$2.57	83	\$10.89	\$10.00	\$7.97	\$7.78	\$5.02	\$5.02
34	\$2.73	\$2.61	\$2.73	\$2.60	\$2.72	\$2.60	84	\$11.46	\$10.59	\$8.11	\$7.95	\$5.03	\$5.02
35	\$2.77	\$2.63	\$2.76	\$2.63	\$2.75	\$2.63	85	\$12.06	\$11.22	\$8.25	\$8.11	\$5.03	\$5.03
36	\$2.80	\$2.67	\$2.80	\$2.66	\$2.78	\$2.65	86	\$12.71	\$11.90	\$8.37	\$8.26	\$5.04	\$5.03
37	\$2.84	\$2.70	\$2.84	\$2.70	\$2.82	\$2.69	87	\$13.40	\$12.63	\$8.49	\$8.39	\$5.04	\$5.04
38	\$2.88	\$2.73	\$2.88	\$2.73	\$2.85	\$2.72	88	\$14.14	\$13.41	\$8.59	\$8.51	\$5.04	\$5.04
39	\$2.92	\$2.77	\$2.92	\$2.76	\$2.89	\$2.75	89	\$14.92	\$14.23	\$8.68	\$8.62	\$5.04	\$5.04
40	\$2.97	\$2.80	\$2.96	\$2.80	\$2.93	\$2.79	90	\$15.75	\$15.11	\$8.77	\$8.71	\$5.04	\$5.04
41	\$3.01	\$2.84	\$3.00	\$2.84	\$2.97	\$2.82	91	\$16.63	\$16.02	\$8.84	\$8.80	\$5.04	\$5.04
42	\$3.06	\$2.88	\$3.05	\$2.88	\$3.01	\$2.86	92	\$17.57	\$16.97	\$8.91	\$8.87	\$5.04	\$5.04
43	\$3.11	\$2.92	\$3.10	\$2.92	\$3.06	\$2.90	93	\$18.56	\$17.97	\$8.97	\$8.93	\$5.04	\$5.04
44	\$3.16	\$2.96	\$3.15	\$2.96	\$3.10	\$2.94	94	\$19.63	\$19.01	\$9.02	\$8.99	\$5.04	\$5.04
45	\$3.21	\$3.01	\$3.20	\$3.00	\$3.15	\$2.98	95	\$20.77	\$20.10	\$9.06	\$9.04	\$5.04	\$5.04
46	\$3.27	\$3.06	\$3.25	\$3.05	\$3.20	\$3.02	96	\$22.01	\$21.26	\$9.10	\$9.04	\$5.04	\$5.04
47	\$3.33	\$3.11	\$3.31	\$3.10	\$3.25	\$3.07	97	\$23.37	\$22.50	\$9.12	\$9.11	\$5.04	\$5.04
48	\$3.39	\$3.16	\$3.37	\$3.15	\$3.30	\$3.12	98	\$24.88	\$23.88	\$9.14	\$9.13	\$5.04	\$5.04
49	\$3.45	\$3.21	\$3.43	\$3.20	\$3.35	\$3.16	99	\$26.60	\$25.43	\$9.16	\$9.15	\$5.04	\$5.04
50	\$3.52	\$3.27	\$3.50	\$3.26	\$3.41	\$3.22	100	\$28.57	\$27.21	\$9.17	\$9.16	\$5.04	\$5.04
51	\$3.59	\$3.33	\$3.56	\$3.32	\$3.47	\$3.27	101	\$30.84	\$29.28	\$9.17	\$9.17	\$5.04	\$5.04
52	\$3.67	\$3.40	\$3.63	\$3.38	\$3.52	\$3.32	102	\$33.48	\$31.70	\$9.18	\$9.18	\$5.04	\$5.04
53	\$3.74	\$3.46	\$3.71	\$3.45	\$3.59	\$3.38	103	\$36.57	\$34.56	\$9.18	\$9.18	\$5.04	\$5.04
54	\$3.83	\$3.53	\$3.79	\$3.51	\$3.65	\$3.44	104	\$40.20	\$37.96	\$9.18	\$9.18	\$5.04	\$5.04
55	\$3.91	\$3.61	\$3.87	\$3.59	\$3.71	\$3.50	105	\$44.50	\$42.00	\$9.18	\$9.18	\$5.04	\$5.04
56	\$4.01	\$3.69	\$3.96	\$3.66	\$3.78	\$3.56	106	\$49.61	\$46.86	\$9.18	\$9.18	\$5.04	\$5.04
57	\$4.10	\$3.77	\$4.05	\$3.74	\$3.84	\$3.63	107	\$55.74	\$52.73	\$9.18	\$9.18	\$5.04	\$5.04
58	\$4.21	\$3.86	\$4.14	\$3.82	\$3.91	\$3.70	108	\$63.15	\$59.88	\$9.18	\$9.18	\$5.04	\$5.04
59	\$4.32	\$3.95	\$4.24	\$3.91	\$3.98	\$3.77	109	\$72.20	\$68.70	\$9.18	\$9.18	\$5.04	\$5.04
60	\$4.43	\$4.05	\$4.35	\$4.01	\$4.05	\$3.84	110	\$83.42	\$79.72	\$9.18	\$9.18	\$5.04	\$5.04
61	\$4.56	\$4.15	\$4.46	\$4.10	\$4.12	\$3.91	111	\$97.59	\$93.78	\$9.18	\$9.18	\$5.04	\$5.04
62	\$4.69	\$4.27	\$4.58	\$4.21	\$4.19	\$3.98	112	\$116.03	\$112.26	\$9.18	\$9.18	\$5.04	\$5.04
63	\$4.83	\$4.39	\$4.70	\$4.32	\$4.25	\$4.06	113	\$141.56	\$138.22	\$9.18	\$9.18	\$5.04	\$5.04
64	\$4.98	\$4.51	\$4.83	\$4.43	\$4.32	\$4.13	114	\$187.79	\$185.87	\$9.18	\$9.18	\$5.04	\$5.04

Installments shown are monthly and are for each \$1,000 of net Proceeds applied. Based on 2000 Individual Annuity Table, and 2% Interest, which is subject to change as described on Page 13, Interest On Settlement Options.

TABLE 3

JOINT AND SURVIVOR INCOME FACTORS

We will establish values for Age or sex combinations not shown in the table on request. They will be calculated on the same basis as those in this table.

Female Age	Male Age					
	45	50	55	60	65	70
45	\$2.79	\$2.86	\$2.91	\$2.95	\$2.97	\$2.99
50	\$2.89	\$3.00	\$3.09	\$3.15	\$3.20	\$3.23
55	\$2.98	\$3.13	\$3.26	\$3.38	\$3.47	\$3.53
60	\$3.06	\$3.25	\$3.44	\$3.61	\$3.76	\$3.88
65	\$3.11	\$3.34	\$3.59	\$3.84	\$4.08	\$4.28
70	\$3.15	\$3.41	\$3.71	\$4.04	\$4.39	\$4.72

Installments shown are monthly and are for each \$1,000 of net Proceeds applied. Based on 2000 Individual Annuity Table, applied at 2% Interest, and subject to change as described on Page 13, Interest On Settlement Options.

**AMERICAN EQUITY
INVESTMENT LIFE
INSURANCE COMPANY**

P.O. Box 71216
Des Moines, Iowa 50325

**Flexible Premium Deferred Indexed Annuity Contract
Death Benefit Prior to Maturity
Monthly Income at Maturity
No Dividends**

SERFF Tracking Number: AMEQ-126134768 State: Arkansas
 Filing Company: American Equity Investment Life Insurance State Tracking Number: 42265
 Company
 Company Tracking Number: INDEX-2-09
 TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.002 Flexible Premium
 Variable
 Product Name: INDEX-2-09
 Project Name/Number: INDEX-2-09/INDEX-2-09

Supporting Document Schedules

	Item Status:	Status Date:
<p>Satisfied - Item: Flesch Certification Comments: Attachments: AR090430-AR1.pdf AR081216-AR3.pdf</p>		

	Item Status:	Status Date:
<p>Satisfied - Item: Application Comments: Form 2000 (Rev), approved by your department March 10, 2000</p>		

	Item Status:	Status Date:
<p>Satisfied - Item: Hedging Comments: Attachment: HEDGING.pdf</p>		

	Item Status:	Status Date:
<p>Satisfied - Item: Statement of Variability Comments: Attachment: stmtofVariability.pdf</p>		

	Item Status:	Status Date:

SERFF Tracking Number: AMEQ-126134768 State: Arkansas
Filing Company: American Equity Investment Life Insurance State Tracking Number: 42265
Company
Company Tracking Number: INDEX-2-09
TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.002 Flexible Premium
Variable
Product Name: INDEX-2-09
Project Name/Number: INDEX-2-09/INDEX-2-09
Satisfied - Item: Disclosure
Comments:
Attachment:
1119-D--04-21-09(2).pdf

Item Status:

**Status
Date:**

Satisfied - Item: Statement of Values
Comments:
Attachment:
SOV.pdf

CERTIFICATION

TO: ARKANSAS INSURANCE DEPARTMENT

FROM: AMERICAN EQUITY INVESTMENT LIFE INSURANCE COMPANY

This is to certify that the attached Form INDEX-2-09 achieves a Flesch Reading Ease Test Score of 50.0, and complies with the requirements of Ark. Stat. Ann. 23-80-201 through 23-80-308, cited as the Life and Disability Insurance Policy Language Simplification Act.



Judith Z. Karcher, FLMI
Vice President & Compliance Officer

April 30, 2009
Date

CERTIFICATION

Form Number: INDEX-2-09

I have reviewed the guidelines for non-guaranteed costs on Participating and Non-Participating Life Insurance included in Bulletin No. 11-83 and certify that this form is in compliance with those Guidelines.



Judith Z. Karcher, FLMI
Vice President & Compliance Officer

April 30, 2009
Date

HEDGING STRATEGY DESCRIPTION

INDEX-2-09

HEDGE STRATEGY

The “Hedging Strategy” we use for annuity contracts providing benefits derived from S&P 500 (S&P) or other index appreciation is the same strategy we use for our traditional fixed annuities with the exception of the additional purchase of call options on the applicable index. We invest the premium in fixed income investments. The duration of these investments is targeted to the expected duration of the premium. We use the investment income received from the bonds to purchase the notional amount of options needed to meet the embedded crediting liability of the outstanding contracts. We designed this hedging strategy to meet the liability of both the guaranteed and non-guaranteed elements. In the INDEX-2-09, there are six (6) interest crediting methods available. In each of these methods the underlying fixed income investment provide for the guaranteed elements of the contract. These bonds provide the necessary cashflows to meet administrative expenses, minimum interest guarantees, and funds to provide the interest crediting methods available.

The first crediting method is a one-year guaranteed interest rate. After deducting expenses and profits from the underlying investments’ income, we pass a fixed rate of interest on to the contract owner.

The second method is a one-year S&P index average price appreciation with a Cap and Asset Fee. After deducting expenses and profits from the underlying investments’ income, we use the remaining investment income to purchase call options on the S&P index, and pass the pay-out of the call options on to the contract owner at each anniversary.

The third method is a one-year S&P index point to point price appreciation with a Cap and Asset Fee. After deducting expenses and profits from the underlying investments’ income, we use the remaining investment income to purchase call options on the S&P index, and pass the pay-out of the call options on to the contract owner at each contract anniversary.

The fourth method is a one-year S&P index average price appreciation with a Participation Rate. After deducting expenses and profits from the underlying investments’ income, we use the remaining investment income to purchase call options on the S&P index, and pass the pay-out of the call options on to the contract owner at each anniversary.

The fifth method is a one-year S&P index point to point price appreciation with a Participation Rate. After deducting expenses and profits from the underlying investments’ income, we use the remaining investment income to purchase call options on the S&P index, and pass the pay-out of the call options on to the contract owner at each contract anniversary.

The sixth method is a one-year S&P index monthly point to point price appreciation with a monthly Cap and an annual Asset Fee. After deducting expenses and profits from the underlying investments’ income, we use the remaining investment income to purchase call options on the S&P index, and pass the pay-out of the call options on to the contract owner at each anniversary.

Potential “mismatching” risk inherent in this product is a result of the persistency rates being less than we expected. The notional amount of indexed options and swaps are reset annually, hence, the rebalancing of the option/swap portfolio on a one year horizon while achieving the long-term goal of funding liabilities. The “mismatch” risk and interest rate risk relative to the underlying bond portfolio is similar to the risks of the traditional annuity portfolio.

We implemented this policy and its operating procedures for the purpose of ensuring that it complies with 1) the investment restrictions of the State of Iowa or any other applicable state(s) requirements and 2) our stated objectives and guidelines. Our investment officers and actuaries conduct hedge monitoring and counter-party exposure risks quarterly. A hedge committee, consisting of analysts from the investment department, actuarial department and vice chairman, meets twice regularly to ensure the asset exposure meets or exceeds the expected liability exposure.

RISK BASED CAPITAL

Assets for these products will include fixed income investments (bonds, mortgage loans and preferred stocks) and the call options described above. These will be reported in the appropriate asset class in the RBC Formula. We report the call options as derivative instruments in the Miscellaneous assets section which are taken from the Asset Valuation Reserve Default Component line 26 through 32, primarily line 27. Interest Rate risk will be reflected by the addition of annuity reserves in the appropriate category, depending on surrender charges applicable to a given contract. Business risk will increase due to increase in annuity premium taken from Schedule T.

RESPONSIBILITIES WITHIN THE COMPANY

Mr. Bryan Borchert is the individual primarily responsible for managing American Equity's Investment Department. Mr. Borchert is a consultant who spends the vast majority of his time working directly with American Equity's portfolio. His primary duties include managing two corporate bond portfolio managers, a hedging specialist, and three financial analysts. Five of these six individuals have their CFA designations and the other one is working towards completion of the program. This investment team is primarily responsible for managing the Company's Corporate Bonds, Mortgage Backed Securities and derivative investments. Mr. Borchert has 23 years of investment experience, primarily with insurance companies. He has been consulting with American Equity for 8 years. Prior to consulting, Mr. Borchert spent 13 years with ING/Equitable of Iowa as a High Yield Bond Portfolio Manager, Managing Director of the Research Department and as the Senior Research Analyst. Mr. Borchert also spent two years as an Investment Banker. At Equitable of Iowa, he was the Investment Company's representative on the Asset/Liability Committee. He also assisted in the product development of Equity Indexed Annuity Products.

STATUTORY VALUE OF OTC OPTIONS

We hold all call options used in the investment strategy to support indexed annuities at market value. The market value of the call options is determined using an analytical approximation of the value of the option based on Edgeworth expansion of the probability distribution of the undetermined component of the average. This is a fast and reliable technique and can be considered accurate. All of the options used for this strategy have a European exercise and use arithmetic averages and discrete sampling over a regular period of one month. Each closing price has equal weighting. Sampling periods begin one month from the start date and the end date corresponds to the option expiration date.

CREDIT RISK ASSOCIATED WITH COUNTERPARTY DEFAULTS

Following is a list of counterparties and their Securities Valuation Office Ratings:

Counterparty	Moodys	S&P	NAIC/SVO
Bank of America N.A.	Aa2	AA-	1
BNP Paribas	Aa1	AA+	1
JP Morgan Chase Bank N.A.	AAA	AA	1
Sun Trust Bank	A1	A+	1
Barclays Capital Inc.	Aa1	AA	1
Bank of New York	Aa2	AA-	1
Credit Suisse USA	Aa1	AA-	1

MARKET RISK DUE TO CHANGES IN MARKET VALUES OF ASSETS AND LIABILITIES

We perform asset adequacy on at least an annual basis using the Tillinghast Actuarial Software, or TAS. TAS is designed to handle cash flow testing for these products. For 12/31/07 cash flow testing, we tested our liabilities against the New York 7 interest rate scenarios, as well as 100 randomly generated scenarios. As information on cash flow testing for indexed products continues to become available, we will adjust our methodologies as necessary.

PRICING RISK

We set our Participation Rates, Caps, and Asset Fee Rates frequently enough to minimize pricing risk relative to the cost of options as follows:

For the Averaged and Point to Point methods

- * We set the Participation Rate at issue, guarantee for 1 Contract Year, adjust annually as needed, and guarantee never less than 25%.
- * We set the Cap at issue, guarantee for 1 Contract Year, adjust annually as needed, and guarantee never less than 4%.

For the Monthly Point to Point method

We set the Asset Fee Rate at issue, guarantee it for the life of the Contract, and adjust as needed for new issues. We set the Cap at issue, guarantee for 1 Contract Year, adjust annually as needed, and guarantee never less than 1%.

LEGAL RISK ASSOCIATED WITH LEGAL AGREEMENTS WITH DERIVATIVE DEALERS

We enter into trading agreements using an International Swap Dealer Association (ISDA) agreement and perform a credit review of the counterparty and do not do business with dealers who are not investment grade. The documentation consists of a Master Swap Agreement between us and the counterparty and a separate Swap Confirmation documenting each individual transaction, with all the documents comprising a single legal contract. Many of the details of these agreements are minor, such as an agreement to combine offsetting payments due on the same day into a single net payment. More significant from the perspective of risk are the agreements as to the circumstance under which all transactions may be terminated. These circumstances are limited to default or bankruptcy of one of the parties, but a material drop in the credit rating may also be included. Also, typically, all transactions are "market to market" and a single net termination payment is due from one party to another. If the party with the obligation to make payment is unable to do so then one party may face a lengthy process, either in arbitration or the courts, with an uncertain outcome in obtaining payment. As stated earlier, we perform a regular credit review of the counterparties with which we are involved.

INVESTMENT RISK

The possibility that sufficient investment would not be available to hedge the company's long term liability is deemed to be nil. The contract benefits are designed to imitate the U.S equity market. If the S&P were no longer published, other measures are available or could be developed which could be replicated via various asset strategies. These strategies include exchange traded options which have become more varied and voluminous in recent years (a thicker market) and options structured by investment bankers which will always be necessary to hedge their trading portfolios. More hypothetical strategies to react to some supposed future discontinuity include unitizing baskets of stocks or securitizing groups of stocks that have been poured into a trust or mutual fund.

OPERATIONS RISK

To achieve our objective of reducing the operational risk of issuing and investing for fixed and indexed annuities, we focused on efficiency and control. We wrote operational procedures that preclude fraud, malfeasance and repeated errors. Documentation of operational procedures is a vital element of our internal control system. We use employee training and cross training to enhance written procedures. For control purposes we automated as many procedures as possible including step by step transactions and related fund transfer to ensure proper auditing and cash control processes. We have duplicated our information systems to ensure redundancy and avoid catastrophic events. Implementation of our written and automated operations procedures to check each step of the hedging and investment process has not only reduced the overall number of errors, it has also resulted in early detection and correction of any errors made.

STATEMENT OF VARIABILITY

INDEX-2-09

I certify only items within brackets on page 3, 3a and the signatures on page 1 are variable. They will vary as follows:

Page 1

Signatures are variable and will change only as officers change.

Page 3

Items 1 through 8, 10, 11, 12 and 13 on Page 3 are self-explanatory based on the specifics of the applicant as provided in the application.

9. **Bonus:** Contract form Index-2-09 is a flexible premium deferred indexed annuity contract, with a bonus on all premiums received in the first contract year of [8% to 12%] for issue ages [0 to 78] and [3% to 6%] for issue ages [66 to 85]. We intend to have one bonus available up to a specified issue age and a reduced bonus for issue ages above that age.

We are filing issue age ranges and bonus percentage ranges as variable to allow for flexibility as market conditions change. We guarantee all contracts issued on any specified date will have the same issue age ranges and bonuses and will vary only as market conditions demand.

14. **Minimum Guaranteed Interest Rate:** MGIR is set at issue, based on the average of five year Constant Maturity Treasury Rate for October 2008, and guaranteed for the Guarantee Period. (1% - 3%)

Fixed Value Specifications

15. **Fixed Value Initial Premium:** Based on amount of Initial Premium and applicant's allocation of Initial Premium as shown on Disclosure.
16. **Allocated Bonus:** Based on applicant's issue age, current bonus %, amount of Initial Premium, and allocation choices made by applicant on Disclosure.
17. **Fixed Value Guaranteed Initial Interest Rate:** Range 1% to 12%, based on market conditions as directed by management.

Page 3a

S&P Averaged Value Specifications

19. **Index:** currently S&P 500 or any suitable alternative Index should the S&P 500 no longer be available as described on Page 8.
20. **Initial Premium:** See # 15 above.
21. **Allocated Bonus:** See #16 above
22. **Index on Contract Date:** At issue of each new contract, based on S&P 500 on the Contract Date.
23. **Initial Cap:** (4-12%) Varies on market conditions

S&P Point to Point Value Specifications-Cap

- 24. **Index:** currently S&P 500 or any suitable alternative Index should the S&P 500 no longer be available as described on Page 8.
- 25. **Initial Premium:** See # 15 above
- 26. **Allocated Bonus:** See #16 above
- 27. **Index on Contract Date:** See #22 above
- 28. **Initial Cap:** See #23 above

S & P Averaged Value Specifications – PR

- 29. **Index:** currently S&P 500 or any suitable alternative Index should the S&P 500 no longer be available as described on Page 8.
- 30. **Initial Premium:** See # 15 above
- 31. **Allocated Bonus:** See #16 above
- 32. **Index on Contract Date:** See #22 above
- 33. **Initial Participation Rate:** (25%-100%)

S&P Point to Point Value Specifications-PR

- 34. **Index:** currently S&P 500 or any suitable alternative Index should the S&P 500 no longer be available as described on Page 8.
- 35. **Initial Premium:** See # 15 above
- 36. **Allocated Bonus:** See #16 above
- 37. **Index on Contract Date:** See #22 above
- 38. **Initial Participation Rate:** (25%-100%)

Monthly point to Point (MPT) Value Specifications

- 39. **Index:** currently S&P 500 or any suitable alternative Index should the S&P 500 no longer be available as described on Page 8.
- 40. **Initial Premium:** See #15 above
- 41. **Allocated Bonus:** See #16 above
- 42. **Index on Contract Date:** See #22 above
- 43. **Asset Fee Rate:** (0% - 2%)
- 44. **MPT Cap:** (1% - 6%)



Judith Z. Karcher, FLMI
Vice President & Compliance Officer
April 21, 2009

Index-2-09

FIXED INDEXED ANNUITY DISCLOSURE

American Equity's Index-2-09 deferred annuity allows for long-term accumulation of money you don't anticipate needing in the short term. Index-2-09 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.

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 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

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.

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 CONTRACT 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.

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

Index-2-09

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 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).

"Standard & Poor's®", "S&P®", "S&P 500®", "Standard & Poor's 500", and "500" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by American Equity Investment Life Insurance Company. This product is not sponsored, endorsed, sold or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of purchasing this product. The S&P 500® Index does not include dividends.

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, CO, HI, 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.
- Like any annuity issuer, American Equity incurs expenses to sell and issue our contracts, including commissions to our agents. We take these expenses into consideration when we establish and set interest rates, caps and participation rates. 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.

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.

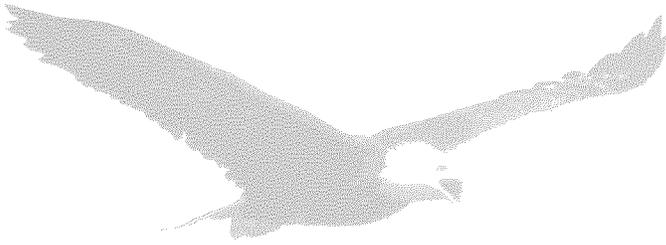
Agent's Signature _____ Date _____

Agent's State License Number _____



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





Annual Statement

Effective July 1, 2009

INDEX-2-09

Contract #: XXXXXX

Tax Status: NONQ

Issue Date: 07/01/2009

PHILIP J HIGDON
600 WINDWARD LANE
PLAINFIELD, IN 46168

Your American Equity Agent

R DAVID WILLIAMS
20 N GRANT ST
BROWNSBURG, IN 46112
317-852-6143

CURRENT YEAR CONTRACT SUMMARY

(07/01/2009 to 07/01/2010)

Premiums Received: _____	\$100,000.00
Bonus: _____	\$12,000.00
Vested Bonus (0.00%): _____	\$0.00
Withdrawals: _____	\$0.00
Total Interest Credited (0.00%): _____	\$0.00
Contract Value (1): _____	\$112,000.00
Minimum Guaranteed Surrender Value (2): _____	\$88,812.50
Cash Surrender Value (3): _____	\$88,812.50

Lifetime Income Benefit Rider (5%)

Income Account Value (IAV) (4): _____	\$117,600.00
Approx. Payment Amount if elected today: _____	\$490.00 monthly
Approx. Payment Amount if elected:	
In Year 5 (07/01/2014): _____	\$567.24 monthly
In Year 10 (07/01/2019): _____	\$723.95 monthly

- (1) Contract Value is the total value of Your Contract and equals the sum of Your Fixed Value and Your Indexed Value.
- (2) Minimum Guaranteed Surrender Value equals 87.5% of all Premiums received; less any Withdrawal Proceeds, accumulated at the Minimum Guaranteed Interest Rate.
- (3) Cash Surrender Value is the amount of Proceeds payable if You Surrender this Contract during the Bonus Vesting Schedule Period, and is equal to 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
- (4) Income Account Value is used to calculate Lifetime Income Benefit payments and equals all Premiums plus Bonus, less any withdrawals, accumulated at 5% annual interest. Must be age 50 or over to begin Lifetime Income Benefit payments. Approximate payments quoted above assume no future withdrawals. Call for actual monthly payments.

Note: Please see your contract for detailed definitions and explanations.

SPECIFICATIONS

CURRENT YEAR SPECIFICATIONS:

Strategy	Beginning Value	Ending Value	Withdrawals	Transfers	Current Allocations	% Earned	\$ Credited	Asset Fee	CAP	PR
FIXED	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	3.25%	\$0.00	N/A	N/A	N/A
S&PAVG(CAP)	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	N/A	8.00%	N/A
S&PAVG(PR)	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	N/A	N/A	70.00%
S&PAPTP(CAP)	\$112,000.00	\$112,000.00	\$0.00	\$0.00	100.00%	0.00%	\$0.00	N/A	6.25%	N/A
S&PAPTP(PR)	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	N/A	N/A	45.00%
S&P MPTP(CAP)	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	0.00%	2.20%	N/A
Total	\$112,000.00	\$112,000.00	\$0.00				\$0.00			

LIBR Fee \$0.00
Contract Value \$112,000.00

If you exercise the Transfer of Values Option as described in Your Contract, the values will be transferred on the day after your Contract Anniversary. The Transferred Values and associated Interest &/or Index Credits will be reflected in the values shown on the Annual Statement we issue on the next Contract Anniversary.

SPECIFICATIONS FOR NEXT YEAR

Caps:
 S&P AVERAGED VALUE (CAP): 7.00%
 S&P ANNUAL PT. TO PT. VALUE (CAP): 6.25%
 S&P MONTHLY PT. TO PT. VALUE (CAP): 2.20%
 S&P ANNUAL PT. TO PT. VALUE (CAP): 0.00%

Asset Fee Rates:
 S&P MONTHLY PT. TO PT. VALUE (CAP): 0.00%

Participation Rates:
 S&P AVERAGED VALUE (PARTICIPATION): 60.00%
 S&P ANNUAL PT. TO PT. VALUE (PARTICIPATION): 35.00%

New premiums under this contract currently earn 3.25%, subject to change.

CALCULATIONS

S&P MONTHLY INDEX ON INDEX DATES

DEC:	1488.41	MAR:	1315.48	JUN:	1360.03	SEP:	1251.70
JAN:	1401.02	APR:	1332.83	JUL:	1239.49	OCT:	1003.35
FEB:	1367.21	MAY:	1403.04	AUG:	1285.83	NOV:	911.29
S&P Beginning Index:				1481.05			
Index Average:				1279.97			
Year End Index:				911.29			

S&P AVERAGED (PARTICIPATION) Calculation:

1. Beginning Value is the Ending Value on last day of previous Contract Year.
2. Index Credit = Participation Rate ($\frac{\text{Index Average} - \text{Beginning Index}}{\text{Beginning Index}}$) * (Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges)
3. Ending Value is the Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges, plus Index Credit.

S&P AVERAGED (CAP) Calculation:

1. Beginning Value is the Ending Value on last day of previous Contract Year.
2. Index Credit = [($\frac{\text{Index Average} - \text{Beginning Index}}{\text{Beginning Index}}$)] * (Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges)
*** Not to Exceed Cap Rate**
3. Ending Value is the Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges, plus Index Credit.

S&P ANNUAL PT. TO PT. (PARTICIPATION) Calculation:

1. Beginning Value is the Ending Value on last day of previous Contract Year.
2. Index Credit = Participation Rate ($\frac{\text{Year End Index} - \text{Beginning Index}}{\text{Beginning Index}}$) * (Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges)
3. Ending Value is the Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges, plus Index Credit.

S&P ANNUAL PT. TO PT. (CAP) Calculation:

1. Beginning Value is the Ending Value on last day of previous Contract Year.
2. Index Credit = [($\frac{\text{Year End Index} - \text{Beginning Index}}{\text{Beginning Index}}$)] * (Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges)
*** Not to Exceed Cap Rate**
3. Ending Value is the Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges, plus Index Credit.

CALCULATIONS

S&P MONTHLY POINT TO POINT (CAP) Calculation:

1. Beginning Value is the Ending Value on last day of previous Contract Year.
(Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges)
2. Index Credit = (MPT Sum - Asset Fee Rate)
3. Ending Value is the Beginning Value, plus or minus any Transferred Values, less Withdrawal Proceeds and associated Surrender Charges, plus Index Credit.

DETAILED CALCULATIONS OF MPT VALUE

End Date	Beginning Index	Ending Index	(4) MPT Ratio %
12/13/2007	1481.05	1488.41	0.49694
01/13/2008	1488.41	1401.02	5.87136-
02/13/2008	1401.02	1367.21	2.41324-
03/13/2008	1367.21	1315.48	3.78361-
04/13/2008	1315.48	1332.83	1.31891
05/13/2008	1332.83	1403.04	2.20000
06/13/2008	1403.04	1360.03	3.06548-
07/13/2008	1360.03	1239.49	8.86303-
08/13/2008	1239.49	1285.83	2.20000
09/13/2008	1285.83	1251.70	2.65431-
10/13/2008	1251.70	1003.35	19.84101-
11/13/2008	1003.35	911.29	9.17526-

MPT Sum = 49.45-

4. $MPT\ Ratio = \frac{(Ending\ Index - Beginning\ Index)}{Beginning\ Index} *$

* Not to Exceed Cap Rate

SINCE INCEPTION CONTRACT SUMMARY

(07/01/2009 to 07/01/2010)

Total Premium Received:	\$100,000.00	Total Interest Credited:	\$0.00
Bonus:	\$12,000.00	Interest Since Inception:	0.00%
Vested Bonus (0.00%):	\$0.00	Total Withdrawals:	\$0.00

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