

May 6, 2009

Dear Producers,

The financial experts are trying to predict whether the current financial market has reached bottom. Whether it has or not, the effects of this economic event will certainly be long-lasting. American Equity's senior management team has been together a minimum of 20 years and has weathered many storms already—this one is no different. It is important that we take this opportunity to examine our operating and pricing efficiency for continued long term growth and stability.

We feel very strongly that we need to position ourselves so that we can continue to accept your business without reducing commissions, reducing policyholder benefits, pulling popular products or implementing production caps. American Equity has mechanisms available to safely accept increased sales volume without jeopardizing our financial strength and ratings. One approach that offers

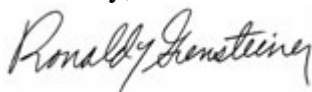
something the health and life insurance industry have done for a long time. This gives American Equity additional sales capacity; and our producers an income stream over several years. With these benefits in mind, we are pleased to introduce American Equity's new commission structure effective June 1, 2009, as follows:

Most of our producers will receive 75% of the current commissions upon policy issue. Considering the time value of money, we will pay one-half of the remaining balance plus 5% interest in the 13th month; and the final balance plus 15% interest in the 25th month. Ultimately, you will receive more commissions over 25 months than the current schedule. We understand this program will mean adjustments for our producers; but felt the alternatives were unacceptable. We want to be your home for fixed annuities for a long time to come. A commission schedule with your exact commission percentages and other requirements and conditions will be mailed to you next week.

The current commission structure is applicable for all original applications received in our Home Office by the close of business on May 29, 2009. No faxes, please. Those of you who are participating in the Commission Increase Program via On-line Training will continue to receive your increase through June 30, 2009. The increase will be added to your commissions outlined under the new structure.

Fixed annuities and Lifetime Income Benefit Riders are striking a chord with consumers looking to safe money alternatives. The opportunity for our business has never been better...American Equity is prepared. Thank you very much for your business and support.

Sincerely,



Ronald J. Grensteiner
President



P.O. Box 71216
Des Moines, IA 50325

Managing General Agent COMMISSION SCHEDULE

Commission listed below in years 2 and 3 are for premiums received in the first year.

	INDEX 6-07	Year 1	Year 2	Year 3
ADVANTAGE GOLD	Age 0 – 75	6.00%	1.05%	1.15%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 – 80	4.50%	0.79%	0.86%
	Additional Money added in Years 2-5 is 2.06%			

	INDEX 5-07	Year 1	Year 2	Year 3
INTEGRITY GOLD	Age 0 – 75	4.13%	0.72%	0.79%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 – 80	3.09%	0.54%	0.59%
	Additional Money added in Years 2-5 is 2.06%			

	INDEX 4-07	Year 1	Year 2	Year 3
FREEDOM GOLD	Age 0 – 75	4.88%	0.85%	0.93%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 - 80	3.65%	0.64%	0.70%
	Additional Money added in Years 2-5 is 2.06%			

INCOME GOLD (All approved states except those below)	INDEX 3-07	Year 1	Year 2	Year 3
	Age 0 - 75	5.63%	0.98%	1.08%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 - 80	4.22%	0.74%	0.81%
Additional Money added in Years 2-5 is 2.06%				
AK	INDEX 3-07	Year 1	Year 2	Year 3
	Age 0 – 57	5.63%	0.98%	1.08%
	Additional Money added in Years 2-5 is 2.75%			
	Age 58 – 75	4.50%	0.79%	0.86%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 - 80	3.38%	0.59%	0.64%
Additional Money added in Years 2-5 is 2.06%				

RETIREMENT GOLD (All approved states except those below)	RG-FIA-09	Year 1	Year 2	Year 3
	Age 0 – 78	6.00%	1.05%	1.15%
	Additional Money added in Years 2-5 is 2.75%			
AK, SC, UT	RG-FIA-09	Year 1	Year 2	Year 3
	Age 0 – 78	5.25%	0.92%	1.01%
	Additional Money added in Years 2-5 is 2.75%			
IN	RG-FIA-09	Year 1	Year 2	Year 3
	Age 0 – 73	6.00%	1.05%	1.15%
	Additional Money added in Years 2-5 is 2.75%			
	Age 74 – 78	4.50%	0.79%	0.86%
Additional Money added in Years 2-5 is 2.06%				



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Managing General Agent COMMISSION SCHEDULE

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	BONUS GOLD	Year 1	Year 2	Year 3	
Index 1-07 Index 7-05 (OK Only) Index 1-05 (DE Only)	Age 0 - 75	6.00%	1.05%	1.15%	
	Additional Money added in Years 2-5 is 2.75%				
	Age 76 - 80	4.50%	0.79%	0.86%	
	Additional Money added in Years 2-5 is 2.06%				

	INDEX 6-05	Year 1	Year 2	Year 3	
10/10 GOLD	Age 0 - 75	6.00%	1.05%	1.15%	
	Additional Money added in Years 2-5 is 4.25%				
	Age 76 - 80	4.50%	0.79%	0.86%	
	Additional Money added in Years 2-5 is 3.18%				



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Managing General Agent **COMMISSION SCHEDULE**

BONUS 5	INDEX 3-07-WA	Age 0 - 56		Age 57 - 80		
	WA Only	Yr 1 6.00%	Yrs 2-5 2.50%	Yr 1 4.00%	Yrs 2-5 1.75%	
BONUS 5 TRAIL COMMISSION	WA Only	Age 0 - 80 0.50%		Trail is based on the Contract Value at the end of Years 1 thru 5		Payable only in years 2 - 6



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Managing General Agent COMMISSION SCHEDULE

Premier Eagle 10 (FPDA-7-08)					
Year Premium Received (**See chart below for supplemental commission)					
Age at the time of Issue	1	2	3	4	5
Age 0 – 71	6.00%	6.00%	6.00%	6.00%	6.00%
Age 72	6.00%	6.00%	6.00%	6.00%	4.50%
Age 73	6.00%	6.00%	6.00%	4.50%	4.50%
Age 74	6.00%	6.00%	4.50%	4.50%	4.50%
Age 75	6.00%	4.50%	4.50%	4.50%	4.50%
Age 76	4.50%	4.50%	4.50%	4.50%	4.50%
Age 77	4.50%	4.50%	4.50%	4.50%	3.00%
Age 78	4.50%	4.50%	4.50%	3.00%	3.00%
Age 79	4.50%	4.50%	3.00%	3.00%	3.00%
Age 80	4.50%	3.00%	3.00%	3.00%	3.00%

Premier Eagle 10 (FPDA-7-08)					
Year Premium Received (South Carolina and Utah) (**See chart below for supplemental commission)					
Age at the time of Issue	1	2	3	4	5
Age 0 – 71	4.13%	4.13%	4.13%	4.13%	4.13%
Age 72	4.13%	4.13%	4.13%	4.13%	3.09%
Age 73	4.13%	4.13%	4.13%	3.09%	3.09%
Age 74	4.13%	4.13%	3.09%	3.09%	3.09%
Age 75	4.13%	3.09%	3.09%	3.09%	3.09%
Age 76	3.09%	3.09%	3.09%	3.09%	3.09%
Age 77	3.09%	3.09%	3.09%	3.09%	2.06%
Age 78	3.09%	3.09%	3.09%	2.06%	2.06%
Age 79	3.09%	3.09%	2.06%	2.06%	2.06%
Age 80	3.09%	2.06%	2.06%	2.06%	2.06%

** Premiums received in each of the first five contract years will receive a supplemental commission in the second and third year after receipt.					
As Follows if Commission Paid:			As Follows if Commission Paid in South Carolina and Utah:		
Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
6.00%	1.05%	1.15%	4.13%	0.72%	0.79%
4.50%	0.79%	0.86%	3.09%	0.54%	0.59%
3.00%	0.53%	0.58%	2.06%	0.36%	0.40%



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Managing General Agent COMMISSION SCHEDULE

Commission listed below in years 2 and 3 are for premiums received in the first year.

PREMIER EAGLE 12	FX-RG-09	Year 1	Year 2	Year 3
	Age 0 – 78	6.00%	1.05%	1.15%
	Additional Money added in Years 2-5 is 2.75%			

FPDA-1 OR Only	FPDA-1	Year 1	Year 2	Year 3
	Age 0 - 75	5.25%	0.92%	1.01%
	Additional Money added in Years 2-5 is 3.00%			
	Age 76 - 80	3.94%	0.69%	0.75%
Additional Money added in Years 2-5 is 2.25%				

FPDA-12	FPDA-12	Year 1	Year 2	Year 3
	Age 0 - 75	5.25%	0.92%	1.01%
	Additional Money added in Years 2-5 is 4.25%			
	Age 76 - 80	3.94%	0.69%	0.75%
Additional Money added in Years 2-5 is 3.18%				

(All approved states except those below)	FPDA-11	Year 1	Year 2	Year 3
	Age 0 - 75	3.75%	0.66%	0.72%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 - 80	2.81%	0.49%	0.54%
Additional Money added in Years 2-5 is 2.06%				
CA, KY, MA, MD, MO, ND, OK, SC, TX, VA	FPDA-11	Year 1	Year 2	Year 3
	Age 0 - 75	3.75%	0.66%	0.72%
	Additional Money added in Years 2-5 is 2.75%			
	Age 76 - 80	2.45%	0.43%	0.47%
Additional Money added in Years 2-5 is 1.79%				
IN and PA	FPDA-11	Year 1	Year 2	Year 3
	Age 0 - 75	3.00%	0.53%	0.58%
	Additional Money added in Years 2-5 is 2.18%			
	Age 76 - 80	2.25%	0.39%	0.43%
Additional Money added in Years 2-5 is 1.63%				



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Managing General Agent COMMISSION SCHEDULE

Commission listed below in years 2 and 3 are for premiums received in the first year.

	FPDA-10	Year 1	Year 2	Year 3
(All approved states except those below)	Age 0 - 75	7.50%	1.31%	1.44%
	Additional Money added in Years 2-5 is 3.75%			
	Age 76 - 80	5.63%	0.98%	1.08%
	Additional Money added in Years 2-5 is 2.81%			
AL,CA,KY,MA,MD,MO, ND,OK,SC,TX,VA	FPDA-10	Year 1	Year 2	Year 3
	Age 0 - 75	7.50%	1.31%	1.44%
	Additional Money added in Years 2-5 is 3.75%			
	Age 76 - 80	4.69%	0.82%	0.90%
Additional Money added in Years 2-5 is 2.34%				
IN and PA	FPDA-10	Year 1	Year 2	Year 3
	Age 0 - 75	6.75%	1.18%	1.29%
	Additional Money added in Years 2-5 is 3.75%			
	Age 76 - 80	3.94%	0.69%	0.75%
Additional Money added in Years 2-5 is 2.34%				
WA	FPDA-10	Year 1	Year 2	Year 3
	Age 0 - 53	6.38%	1.11%	1.22%
	Additional Money added in Years 2-5 is 4.25%			
	Age 54 - 80	4.25%	0.74%	0.81%
Additional Money added in Years 2-5 is 2.83%				



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Managing General Agent COMMISSION SCHEDULE

GUARANTEE 5	SPDA-MYGA	Age 0 - 75	Age 76 – 80
	All approved states	Single Premium	Single Premium
		3.00%	2.00%
	SPDA-MYGA (NO MVA)	Age 0 - 75	Age 76 – 80
All approved states	Single Premium	Single Premium	
	2.50%	1.50%	

SPIA-1	SPIA-1	Age 0 - 90
	All approved states	4.00%

1. If the annuitant and owner are different, commissions will be based on the older age.
2. Commissions will be charged back on all Deferred Annuities if the annuitant/owner dies of natural causes or suicide in the first contract year and contract value is taken out in a lump sum as determined **by the date of death, not the date of payout**. The charge back is equal to 100% in the first policy month and reduced by 1/12 each month thereafter. Except for the Premier Eagle 10 (FPDA-7-08), if a spousal continuation is done and the spouse subsequently decides to take a full surrender there will be a charge back if processed in:
 - 1st Contract Year – 100% of the pro-rata amount based on date of death
 - 2nd Contract Year – 75% of the pro-rata amount based on date of death
 - 3rd Contract Year – 50% of the pro-rata amount based on date of death
 - 4th Contract Year – 25% of the pro-rata amount based on date of death
3. Commissions will not be paid on premiums received after the date of death of an owner or annuitant.
4. To receive the Supplemental Commission in the second and third year, the contract must be active and the agent must be in good standing with the company.