

DATE: August 17, 2009
TO: All American Equity NMO's & Agents
FROM: James Jones, Vice President – Marketing Services

Now Available from American Equity

Introducing the Guarantee Series

(SPDA-MYGA)*

Now offering TWO Fixed Interest Rate Choices!

NEW Guarantee 7

- 4.10%** Fixed Interest Rate for 7 Years
- 7 Year Surrender Charge Period – Market Value Adjustment (MVA) Applies
- \$10,000 Minimum Premium

Guarantee 5

- 4.00%** Fixed Interest Rate for 5 Years
- 5 Year Surrender Charge Period – Market Value Adjustment (MVA) Applies
- \$10,000 Minimum Premium

Effective immediately, both products will begin using the attached disclosure (Form #1122-D 8.17.09). Please discard any previous versions. Please call Marketing at 888-647-1371 or visit our website at www.american-equity.com for more details or to order supplies.

*Form number may vary by state.

** Crediting Rates may vary by state and are subject to change with little advance notice. Please call Marketing for Current Rates. No look backs on rate changes. NO EXCEPTIONS!

Please Note: Premiums for Guarantee 5 and Guarantee 7 (SPDA-MYGA) are not included in Gold Eagle qualification.

[Click Here for the Disclosure](#)

www.american-equity.com

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



West Des Moines, IA 50256

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



INSURANCE MARKETING
STANDARDS BOARD

Form # Guarantee Series 8/17/09

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Financial Markets, Inc.

800-888-2829

www.fm-inc.com - Marketing@fm-inc.com

CERTIFICATE OF DISCLOSURE

Guarantee Series: Guarantee 5 & Guarantee 7

(Single Premium Deferred Annuities with Market Value Adjustment Contract Form SPDA-MYGA*)

PO. Box 71216
Des Moines, IA 50325
888-221-1234
www.american-equity.com



INTEREST RATE GUARANTEE PERIODS

- 5-Year Guarantee Period
- 7-Year Guarantee Period

PENALTY-FREE WITHDRAWALS

Each Contract Year after the 1st, you may take one Penalty-Free Withdrawal of any amount up to Interest credited during that Contract Year. We also allow systematic withdrawals of interest only or amounts sufficient to satisfy IRS minimum distribution rules.**

NCR-3* This rider is automatically included at no cost for Annuitants under age 75 at issue. This allows you to make one Penalty free Withdrawal annually of up to 20% of Your Single Premium after the 1st Contract Anniversary if confinement in a Qualified Nursing Care Center occurs after the end of the 1st Contract Year and continues for at least 90 consecutive days.

TAX TREATMENT

You may be subject to a 10% Federal tax penalty if you make withdrawals, including penalty free withdrawals, or surrender this annuity before age 59½. If this annuity is within a qualified plan all distributions may be taxable. Under current tax laws annuities grow tax deferred and an annuity is not required for tax deferral in a qualified plan. Any distribution may cause a taxable event. When you take payouts or make a withdrawal, you pay ordinary income taxes on the earned interest. Neither American Equity nor our agents offer legal, investment, or tax advice. Please consult a qualified advisor for these matters.

DEATH BENEFIT

Death Benefit is full Contract Value at first to die of Owner or Annuitant.

* Form numbers and availability may vary by state.

** Benefit not guaranteed and subject to change

INTEREST CREDITING

The Guaranteed Interest Rate shown on the Contract Specification Page is set at issue and guaranteed for the remainder of the Guarantee Period chosen. Within 30 days before the end of each Guarantee Period, you can choose one of these options:

- Continue the Contract with another Guarantee Period, that can be different than the preceding Guarantee Period;
- Apply the Contract to a Settlement Option;
- Take a Partial Withdrawal (without a Market Value Adjustment or Surrender Charge) and apply the remaining value to a new Guarantee Period; or
- Surrender the Contract without Market Value Adjustment or Surrender Charges.

If no option is chosen, the Contract will be continued automatically for a new Guarantee Period the same length as the original Guarantee Period with a new Guaranteed Interest Rate. If your Contract is continued for another Guarantee Period, the MVA, applicable Surrender Charges, and Surrender Period apply to the new Guarantee Period.

You may not choose a Guarantee Period that extends beyond your 100th Birthday.

Please Note: Interest is compounded and credited daily to produce the guaranteed annual yield. When a withdrawal is taken each interest check is based on interest credited for the exact number of days in the withdrawal period. For this reason, check amounts may fluctuate. A contract on monthly, quarterly or semiannual interest only withdrawals will produce less total interest than a contract receiving annual distributions.

_____ Owner's Initials

SURRENDER CHARGES

A Surrender Charge (indicated below) is deducted by the Company in the event of Surrender, Withdrawal or Annuitization of the Contract according to the following table (See Contract for full details.):

Guarantee Period	Annuity Contract Year	1	2	3	4	5	6	7
5 Years	%	9	8	7	6	5	--	--
7 Years	%	9	8	7	6	5	4	3

MARKET VALUE ADJUSTMENT

This Contract includes a Market Value Adjustment (MVA) feature applicable to full Surrender and any Partial Withdrawal in excess of the Penalty-free amount during the Surrender Charge Period. The MVA either increases or decreases the Contract Value before Surrender Charges are applied. The amount of this increase or decrease is determined by the relationship between the Constant Maturity Treasury Rate at the time of issue, the Constant Maturity Treasury Rate on the day before the date of Surrender or Withdrawal, and the time remaining to the end of the Guarantee Period. In general, as the Constant Maturity Treasury Rates rise, Cash Surrender Values decrease, and as it falls, Cash Surrender Values increase.

The Minimum Guaranteed Surrender Value is never less than 87.5% of single premium, less Withdrawals, plus Minimum Guaranteed Interest Rate. Nor does the Cash Surrender Value ever exceed the Contract Value.

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.

OTHER INFORMATION

- This annuity is designed for people who are willing to let their assets build for at least 5 to 7 years.
- 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 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.

APPLICANT'S STATEMENT

My agent has explained that Surrender Charges will be deducted from my Contract Value as described above and that the Interest Rates are guaranteed for the Guarantee Period I have selected.

I understand at the end of the initial Guarantee Period I will be able to choose another Guarantee Period, and the length of the new Guarantee Period(s) available may vary but will never be less than 3 years nor greater than 10 years.

- Option 1: 5-Year Guarantee Period
 Option 2: 7-Year Guarantee Period
(Mark **ONE** Guarantee Period Option)

Owner's Signature Date

Joint Owner's Signature Date

AGENT'S STATEMENT

I certify I have provided a copy of this document*** to the Applicant, and I have made no promises or assurances regarding future values of the Contract, nor have I made statements differing from the disclosure.

I certify receipt of \$ _____ given to purchase a Tax-deferred Annuity.

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. A NAIC Buyer's Guide is included with the contract at delivery. After delivery an appropriate free look period is provided.

**ANNUITY CONTRACTS ARE PRODUCTS OF THE INSURANCE INDUSTRY
AND ARE NOT GUARANTEED BY ANY BANK OR INSURED BY THE FDIC.**