

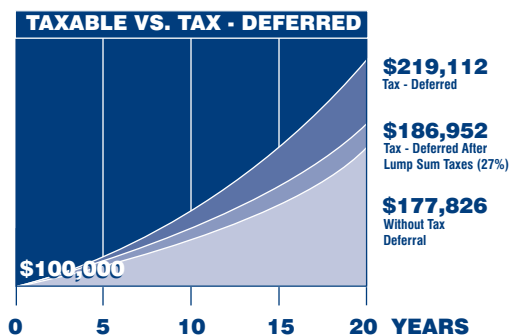
THE PREMIER *Platinum Edition* PRODUCT GUIDE

(Deferred Indexed Annuity Contract Form INDEX-5-05)

TAX DEFERRAL

Triple Compounding solutions!

Interest earned on your American Equity annuity is not currently taxable by the federal or state government until you choose to make a withdrawal. This is the key difference between an annuity and other taxable financial products. A 4% rate may sound good initially, but if you are in a taxable product with a combined 27% tax bracket, the actual rate is 2.92%.



Note: Example assumes 4% annual interest rate and 27% tax bracket.

Example assumes \$100,000 initial premium, 4% annual interest rate for 20 years and a 27% tax bracket.

Annuities feature **Triple Compounding!** You earn interest on your premium, interest on your interest and interest on what you would normally pay in income taxes. You do not pay income taxes on your American Equity annuity interest until you withdraw it. You control when you pay income taxes!

PREMIUM BONUS

We guarantee a 7.5% Premium Bonus for issue ages 0-80, 3.5% for issue ages 81-85 on the total initial premium only. The bonus is allocated on the same basis as your initial premium. Also by current company practice, the bonus applies to additional 1st year premiums.²

EQUITY, BOND-INDEXED AND FIXED INTEREST

Indexed Annuities combine the stability and tax deferral of a traditional fixed annuity with interest rates based on a U.S. Financial Market Index. The Contract Value accumulates without risking loss of premium due to Index volatility. **The Premier Platinum Annuity** provides the potential for earnings through increases in the S&P 500 and Lehman Brothers U.S. Treasury Index. You control how you want your annuity growth to accumulate by choosing from these interest crediting methods:

- **Indexed Value 1:** Annual monthly average increase in The S&P 500 Index during each Contract Year with Participation Rate; and/or
- **Indexed Value 2:** Annual monthly average increase in the S&P 500 Index during each Contract Year with CAP; and/or
- **Indexed Value 3:** Annual Point to Point increase in the S&P 500 Index during each Contract Year with Participation Rate; and/or
- **Indexed Value 4:** Annual Point to Point increase in the S&P 500 Index during each Contract Year with CAP; and/or
- **MPT Value:** Sum of monthly change in the S&P 500 during each Contract Year with a CAP and Asset Fee Rate (AFR); and/or
- **Bond Indexed Value:** Annual Point to Point increase in the Lehman Brothers U.S. Treasury Index during each Contract Year with a CAP; and/or
- **Fixed Value:** Traditional Fixed Value Interest Rate.

• The S&P 500 Index

S&P 500 Index is widely regarded as the premier benchmark for U.S. market performance. The Index contains stocks from leading companies in various industries.

• Lehman Brothers U.S. Treasury Index

Lehman Brothers U.S. Treasury Index is a U.S. dollar denominated index made up of public obligations of the U.S. Treasury that have maturities greater than 1 year, are fixed rate, and have an outstanding issue balance of \$150 million or more.

VALUES

• Contract Value

Your Contract Value equals the sum of Indexed Values plus Fixed Value.

• Indexed Value

Indexed Value is the sum of the Indexed Values 1,2,3,4, MPT Value and Bond Indexed Value. 100% of your money in these Values may earn Index Credits. Once credited, they can never be taken away.

• Indexed Values 1 and 2

To determine Index Credits we calculate the Index Average by adding the Indices on the day before each monthly anniversary and dividing by 12. We then compare the Index Average to the Index at the beginning of the Contract Year to determine the percentage change for the year. We use a Participation Rate (PR) in calculating Indexed Value 1 and a CAP for Indexed Value 2.

• Indexed Values 3 and 4

To determine Index Credits on each Contract Anniversary, we compare the Index to the Index on the previous Contract Anniversary to determine the percentage change for the year. We use a PR in calculating Indexed Value 3 and a CAP for Indexed Value 4.

• Bond Indexed Value

To determine Index Credits on each Contract Anniversary, we compare the Bond Index to the Bond Index on the previous Contract Anniversary to determine the percentage change for the year with a CAP.

PRs are guaranteed for one Contract Year, never less than 35%¹ and can be adjusted annually. CAPs are guaranteed for one Contract Year, never less than 4%¹, and can be adjusted annually.

• MPT Value

Index Credits are based on the annual sum of the monthly percentage changes in the Index. After we apply a CAP to the monthly MPT Ratios, on each Contract Anniversary, we sum the MPT ratios and subtract an Asset Fee Rate (AFR) to determine the Index Credit. The CAP is guaranteed for the 1st Contract Year, never less than 1%¹ and can be adjusted annually. The AFR is set at issue and guaranteed for the life of the Contract.

• Fixed Value

Interest Credit is based on our current declared interest rate on each Contract Anniversary, which we guarantee never to be less than Minimum Guaranteed Interest Rate. MGIR is set at issue, guaranteed for the life of your contract and is based on the 2 month average of the 5 year Constant Maturity Treasury Rate in October and November of the previous year. See your Contract for your MGIR.

Index and Interest Credits are added to the Values on the last day of each Contract Year.

• Minimum Guaranteed Surrender Value (MGSV)

Minimum Guaranteed Surrender Value (MGSV) for issue ages 0-80 equals 82.5% of all 1st year premium(s) and Premium Bonus, plus 87.5% of any Additional Premiums received after 1st Contract Year, less any Withdrawal Proceeds, accumulated at the MGIR.

Minimum Guaranteed Surrender Value (MGSV) for issue ages 81-85 equals 85% of all 1st year premium(s) and Premium Bonus, plus 87.5% of Additional Premiums received after 1st Contract Year, less any Withdrawal Proceeds, accumulated at the MGIR.

• Transfer of Values Option

You maintain control of your money with the Transfer of Values Option. On each Contract Anniversary, you may transfer money between Values. Please see state specific disclosure for details as some limitations apply.

• Cash Surrender Value

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

SURRENDER CHARGES

Surrender Charges are deducted from your Values in the event of full Surrender or Withdrawals in the first year or in excess of the Penalty-free Withdrawal amount during the Surrender Charge period as follows:

Issue Ages 0-80:

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17+
%	17.5	17	16.5	16	15.5	15	14	13	12	11	10	9	8	6	4	2	0

Issue Ages 81-85:

Year	1	2	3	4	5	6	7	8	9	10+
%	9	8	7	6	5	4	3	2	1	0

Surrender Charges may vary by state. Please see a state specific disclosure for details.

LIQUIDITY OPTIONS

• Penalty Free Withdrawals

You may withdraw up to 10% of the Contract Value once each year after the first Contract Year without Surrender Charges. Any Withdrawals from an Indexed Value do not receive any Index Credit at the end of that year. We also allow systematic withdrawals of interest only, or amounts sufficient to satisfy IRS minimum distribution rules, from the fixed value in the first year.³ Penalty-free Withdrawals processed within 12 months of Surrender are considered part of the Surrender transaction. You may use the Transfer of Values Option to ensure maintenance of your liquidity objectives. Withdrawals prior to age 59½ may be subject to IRS penalties.

• Annuitization Exception Option Rider (AEO)³

For additional liquidity, we include our AEO Rider automatically at no cost, allowing, after 10th contract year, annuitization of greater of Contract Value or MGSV for life with at least 10 years certain.

• Nursing Care Rider (NCR-2)³

For additional peace of mind, our Nursing Care Rider is automatically included, at no cost, for Annuitants under age 75 at issue. This allows an increase in the Penalty-free Withdrawal amount up to 20% of the Contract Value for a qualified nursing care center confinement beginning one year after issue and continuing for at least 90 consecutive days.

• Terminal Illness Rider (TIR-1)³

The Terminal Illness Rider is automatically included, at no cost, for Annuitants under age 75 at issue. After the Contract is in force for one year, this rider allows one Penalty-free Withdrawal up to 75% of the Contract Value for a terminal illness expected to result in death in one year as diagnosed by a qualified Physician.

AMOUNT OF THE PREMIER PLATINUM INDEXED ANNUITY

\$ _____

Amount **Received From**

Owner's Name

Date

Agent's Name - Please Print

Agent's Signature

¹Varies by State.
²Benefit not guaranteed and subject to change.
³Not available in every state.

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The S&P 500 Index does not include dividends.

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