

2 TWO RULES WORTH KNOWING

The “Rule of 72” estimates how long it takes tax-free and tax-deferred money to double given an anticipated growth rate. Simply divide the anticipated growth rate into 72 to determine the number of years. For example, tax-deferred money growing at 6% would double in approximately 12 years (see table).

The other rule worth considering is the “Rule of 108.” This estimates the time needed for a taxable account to double, assuming an anticipated growth rate. Taxable money will double in approximately 22 years at a 5% growth rate.

Growth Rate	Rule of 72* (Tax deferred)	Rule of 108 (Taxable @ 33%)
2%	36 years	54 years
3%	24 years	36 years
4%	18 years	27 years
5%	14 years	22 years
6%	12 years	18 years
7%	10 years	16 years
8%	9 years	14 years

Would you prefer to double your money
in 14 years or 22?!

* Once funds are withdrawn from a tax deferred annuity they become taxable.

The Rule of 72 works for estimating annuity growth. Any withdrawals, taxes, and surrender charges are not considered in these rules.

Neither American Equity Investment Life Insurance Company, nor any of its agents give legal, tax or investment advice. Consult a qualified advisor.

Benefits of
AMERICAN EQUITY'S
Fixed Annuities

-  Tax-Deferred
-  May Avoid Probate
-  Guaranteed Income
-  Guaranteed Interest
-  Penalty-free Withdrawals
-  Nursing Care (NCR-2) &
Terminal Illness Riders
(TIR-1)

Available in Most States.



AMERICAN EQUITY
Investment Life Insurance Company

5000 Westown Parkway, Suite 440
West Des Moines, IA 50266
(515) 221-0002 - FAX (515) 221-9947
WATS: (888) 221-1234
www.american-equity.com