

Lifetime Income Benefit Rider

with Optional
Wellbeing Benefit



EAGLE LIFE[®]
INSURANCE COMPANY

Soar Higher[®]

Lifetime Income Benefit Rider

Lifetime Income Benefit Rider Overview

- Available for issue ages 50 to 80
- Provides a lifetime income (subject to certain restrictions)
- You control money remaining in your contract (annuitization not required)
- You choose the Rate/Benefit option that best suits your needs
- Spousal income benefit available

Lifetime Income Benefit Rider Features

The Lifetime Income Benefit Rider (LIBR) allows you to take a lifetime income from your annuity without losing control of your retirement assets. This is possible because the lifetime income is in the form of regular withdrawals from your contract rather than annuitized payments. The amount of your Lifetime Income Benefit (LIB) is determined by multiplying your Income Account Value (IAV) by a benefit payout percentage. The benefit payout percentage is based upon your age at the time you elect payments and is described in more detail below. You may start and stop LIB payments at any time. If restarted, we resume LIB payments based on the original benefit payout percentage applied to the greater of your current Contract Value or your current IAV.

Income Account Value Calculation

The IAV is a value used solely to determine the amount of income you will receive under the LIB. It is not a traditionally accessible value; rather it serves as a measuring value tool for purposes of the rider only. At any one time, the IAV equals the total premiums paid accumulating at the IAV rate. The accumulation of the IAV will continue at the predetermined percentage until one of the following occurs: the end of the IAV period, the date LIB payments begin, or the rider or base contract to which it is attached terminates.

PLEASE NOTE: The IAV is NOT a part of your Contract Value as defined in the base contract – it is not part of the Cash Surrender Value and cannot be accessed by surrender or withdrawal. While your LIB payment will be based upon the value of your IAV, all withdrawals, LIB payments, surrenders and lump-sum distributions are deducted from your Contract Value and IAV Value. The IAV serves as a factor for calculating the LIB only.

Reset of IAV Period

You may reset your IAV period once, on any Contract Anniversary between the third and seventh Contract Anniversaries. You may reset your IAV Period by submitting your request in writing. Your new IAV period will be for the same duration as the original IAV period. Your IAV then becomes the greater of your IAV or your Contract Value at the time of reset.

"Eagle Life is committed to your retirement years and your financial security. We design our products with your future in mind, and understand that you need options when choosing your retirement strategy. Our products can be customized to fit your individual financial needs."

- Ron Grensteiner,
President



Lifetime Income Benefit Options

Eagle Life offers two choices with our LIBR for anyone who is age 50 or above and actively selects to add the Lifetime Income Benefit Rider to their contract at issue. You need to determine which option best suits your needs. If you do not select an option below, there will not be a Rider attached to your Contract.

Option 1: Lifetime Income Benefit Rider

This lifetime income option offers a compounding IAV rate of 6.0%. Your IAV period with this option is seven years and if you reset on the seventh anniversary, your IAV could grow for up to 14 years. There is a rider fee of 0.90% that is based on your Contract Value. This fee is deducted only from your Contract Value on each Contract Anniversary as long as the LIBR remains active. You will have the option to reset your IAV period. The company may, at the time of reset, change the Rider Fee.

Option 2: Lifetime Income Benefit and Wellbeing Rider

This lifetime income option offers a compounding IAV rate of 6.0%. Your IAV period with this option is 7 years and if you reset on the seventh anniversary, your IAV could grow for up to 14 years. There is a Rider Fee of 1.00% that is based on your Contract Value. This fee is deducted only from your Contract Value on each Contract Anniversary as long as the rider remains active. You will have the option to reset your IAV period. The company may, at the time of reset, change the Rider Fee. The Wellbeing Rider is not available in all states.

What is the Optional Wellbeing Benefit?

The Wellbeing Benefit increases the amount of your LIB payment by the enhanced LIB withdrawal factor (currently 200% for single life or 150% for joint life) if you or your spouse (if Joint Life Payout is selected) meet all seven of the eligibility requirements, outlined below:

1. This Rider must be in force;
2. The enhanced LIB waiting period (currently 2 years) has elapsed;
3. You (and your spouse, if applicable) are at least age 50 at election;
4. The current Contract Value is greater than zero;
5. You (or your spouse, if applicable) were able to perform all six Activities of Daily Living (ADLs) on the effective date of the rider;
6. The enhanced LIB has not been previously elected; and
7. You (or your spouse, if applicable) provide a licensed doctor's statement, on a form we provide, certifying that you (or your spouse) are now no longer able to perform two of the six ADLs without substantial assistance due to a permanent loss of functional capacity.

The six ADLs include bathing, dressing, transferring, toileting, continence and eating. Your LIB payment will be increased for the duration of the enhanced LIB period (currently five years). The enhanced LIB period will elapse and no further enhanced LIB will be payable after the expiration of the enhanced LIB period.

Lifetime Income Benefit Rider

Lifetime Income Benefit Election

You may elect to receive LIB payments anytime after your first Contract Anniversary. At the time you choose to begin LIB payments, you may select either the single life or joint life payout option. Once your LIB payments begin, these choices are locked in and may not be changed. Your LIB payments will be based on these selections, multiplied by the benefit payout percentage as shown in the table below.

Benefit Payout Percentage

Payee's Minimum Age at election of LIB	Single Life Payout Percentage	Joint Life Payout Percentage
50	3.25%	2.75%
51	3.35%	2.85%
52	3.45%	2.95%
53	3.55%	3.05%
54	3.65%	3.15%
55	3.75%	3.25%
56	3.85%	3.35%
57	3.95%	3.45%
58	4.05%	3.55%
59	4.15%	3.65%
60	4.25%	3.75%
61	4.35%	3.85%
62	4.45%	3.95%
63	4.55%	4.05%
64	4.65%	4.15%
65	4.75%	4.25%
66	4.85%	4.35%
67	4.95%	4.45%
68	5.05%	4.50%
69	5.15%	4.55%
70	5.25%	4.60%
71	5.35%	4.65%
72	5.45%	4.70%
73	5.55%	4.75%
74	5.65%	4.80%
75	5.75%	4.85%
76	5.85%	4.90%
77	5.95%	4.95%
78	6.05%	5.00%
79	6.15%	5.05%
80+	6.25%	5.10%

Single Life and Joint Life Payout

At the time you elect to start receiving LIB payments, you may choose either a Single Life or a Joint Life payout. With the Single Life option, payout factors are determined based on your age at time of payout election. With the Joint Payout option, the Joint Payee must be a legal spouse as defined under federal law and be at least 50 years old. We base LIB payment amounts on the age of the younger joint payee. We will make LIB payments until the death of the last surviving spouse.

LIB payments are considered Withdrawals from your Contract and reduce the IAV and Contract Value on a dollar for dollar basis. LIB payments are guaranteed for your life even if your Contract Value reduces to zero due solely to subtraction of LIB payments.

Excess Withdrawals

Additional withdrawals after LIB payments start are considered Excess Withdrawals (EW) and will reduce future LIB payment amounts and your IAV on a pro-rata basis. If an EW plus LIB payment exceed the Penalty-free Withdrawal amount allowed in any Contract Year, surrender charges will be applied to any amount in excess of the penalty-free amount. Should the EW reduce the Contract Value to below the minimum value as outlined in your Contract, the Rider will terminate and the LIB payments will stop.

For example: If your annual Lifetime Income Benefit payment is \$5,000, you take an EW of \$5,000 which is 5% of your Contract and income account values of \$100,000 at the time of your EW, the new annual Lifetime Income Benefit payment is reduced by 5% to \$4,750 and your Contract and IAV are reduced by \$5,000 to \$95,000.

Required Minimum Distributions

The LIBR is Required Minimum Distribution (RMD) friendly. If the LIB payment does not satisfy the RMD amount for your contract for that year then any amount withdrawn, to bring the LIB payment up to the RMD amount for that year, will not be considered an EW.

Death Of Owner

The LIBR terminates at the death of the Owner/Annuitant. The Rider continues if the spouse is the sole beneficiary and meets the following conditions:

- If the Owner/Annuitant dies before LIB payments begin, the spouse may step in to the contract and the LIB will continue with the contract; or
- If LIB payments have already begun, the surviving spouse is eligible to receive:
 - a) The current Contract Value in a lump-sum or any other payout option available; or
 - b) The remaining IAV in a series of payments of up to 6% of the IAV, each based on the spouse's age at date of step-in, until IAV is depleted to zero; or
 - c) May stop LIB payments and choose to restart them later based on the spouse's age at date of restart, up to a maximum of 6% of the remaining IAV annually, until the IAV is zero.

Tax Treatment

All LIB payments are considered a withdrawal from the Contract Value. Any withdrawal is subject to income taxation as outlined by the Internal Revenue Code. Additionally, the taxable portion of any withdrawal taken prior to age 59½ may be subject to a 10% penalty by the Internal Revenue Service for early withdrawal of deferred interest. Please contact your tax professional for additional information.

Lifetime Income Benefit Rider

A Case Study

Let's explore a hypothetical case to see how the rider can provide for a lifetime income.

Stan White

- 55-year-old male
- Savings: \$200,000
- Company sponsored pension starts age 65
- Expecting Social Security payments age 65
- No major expenses; no mortgage payments; daily living costs only

Goals

- Wants to retire at age 62 without his money running out
- Doesn't want to start Social Security payments until age 65
- Have enough income to supplement his savings, which he plans to live on from age 62 until Social Security and his pension payments start at age 65

Assumptions for all scenarios:

- No EWs are taken
- \$100,000 single premium
- No withdrawals prior to electing income
- Income is elected at the end of year seven when Stan turns age 62
- For the 6.0% compounding IAV rate, assumed reset at year seven with no fee change





How prepared are you?

- Nearly half of American families have no retirement account savings (Economic Policy Institute, 2016).
- More than 50 percent of Americans are afraid of outliving their income or their inability to pay for basic necessities like healthcare (Indexed Annuity Leadership Council, 2016).
- About one out of every four 65-year olds today will live past age 90, and one out of 10 will live past 95 (Social Security Administration, 2016).

Lifetime Income Benefit Rider

Scenario #1

After completing a fact-finding analysis of Stan's financial situation and goals, Stan's representative recommends taking \$100,000 of his savings to purchase an annuity with the LIBR, explaining that the guaranteed lifetime income he can receive starting at age 62, coupled with his remaining savings should be enough to get him to age 65. After that, the guaranteed income the LIBR provides will help supplement his pension and Social Security income. Stan listens to what his agent says and feels this may be a good solution for his needs. However, he wants to see how the LIBR works.

Stan's representative explains how LIB payments are calculated. Stan's potential income is based on the increase in the IAV and his age at election of lifetime income. Stan's representative reminds him that the IAV is not an actual value in the traditional sense, rather a value used to determine the amount of his LIB. Stan's IAV is calculated by taking:

- \$100,000 single premium; compounding at
- 6.0% annually until payments begin.

The longer Stan waits to start LIB payments, the greater the accumulation of the IAV. Of course, if LIB payments are not elected, and the IAV period is reset, the IAV will continue to accumulate until the end of the reset IAV period. **Stan's representative also explains to him that the IAV is only accessible if Stan elects to start taking a lifetime income. Stan will not be able to withdraw a lump sum based on the IAV.**

Stan wanted to see what options the LIB provides him at his expected retirement at age 62. He also wants to know what the difference is between the accumulation options. He asked his representative to show him his:

- IAV
- LIB payments
- Contract Value
- Rider fees paid for the IAV accumulation of 6.0%

Years IAV Compounds	IAV @ 6.0%
1	\$106,000
2	\$112,360
3	\$119,101
4	\$126,248
5	\$133,823
6	\$141,852
7	\$150,363

Scenario #1 – Lifetime Income Benefit Rider

Option #1 –

- End of 7th Contract Year
- IAV accumulation option 6.0% compounding
- Rider Fee 0.90% of contract value annually*
- Contract Value accumulates 3% annually*

IAV	Cumulative Rider Fee Charged	Contract Value	Guaranteed Income %	Annual LIB Payment (IAV x 4.45%)
\$150,363	\$5,858	\$116,494	4.45%	\$6,691

Scenario #2 – Lifetime Income Benefit Rider with Wellbeing Option

Stan then thought that the income from this portion of his money was important and wondered what would happen if he needed more income because of additional medical costs. Stan's representative explained the lifetime income benefit with wellbeing option. This option gives Stan the IAV growth at 6.0% compounding as well as an increase in his LIB payments if certain requirements are met. This option has an annual fee of 1.00% of the Contract Value. Stan must weigh the cost with the benefits. Stan's representative explains to him that if sometime after the waiting period of two years Stan is unable to do two of the six activities of daily living, his LIB payment percentage will increase 200% for up to five years (the enhanced LIB period). After five years or if his eligibility requirements are no longer met, Stan's LIB payments will go back to the original calculation. Stan's representative showed him an example of what those enhanced LIB payments could look like if turned on at various ages. (Assumes IAV period is reset.)

End of Contract Year	Age	IAV	Guaranteed annual Payment	Wellbeing Payment
5	60	\$133,823	\$5,687	\$11,374
10	65	\$179,085	\$8,507	\$17,014

Riders issued under form series ICC14 E-R-LIBR, 14 E-R-LIBR-W and state variations thereof. Availability may vary by product and state. Ask representative for details.

* Hypothetical return; for demonstration purposes only. Not a prediction of future performance.

+ The Rider Fee will continue to be taken against the contract value as long as the contract is in force or until the rider terminates.

Guarantees are based on the claims paying ability of the issuing company.

Eagle Life is a wholly owned subsidiary of American Equity Investment Life Insurance Company®

Neither Eagle Life Insurance Company®, nor any of our Representatives give legal, tax, or investment advice. The information here is a summary of our understanding of current tax laws as they relate to this insurance product. This communication (including attachments) was not intended or written to be used to avoid tax penalties or promote, market or recommend any tax plan or arrangement. You should seek advice based on your particular circumstances from your tax advisor.

Annuities are long-term investments designed for retirement planning purposes, such as asset accumulation and income, and may not be suitable for meeting short-term investment objectives. All guarantees are based upon the financial strength and claims-paying ability of the issuing company, which is solely responsible for the obligations under its contracts.

Not FDIC/NCUA
Insured

May Lose Value

No Bank/Credit
Union Guarantee

Not a Deposit

Not Insured by any
Federal Government Agency

Lifetime Income Benefit Rider

Eagle Life - Soar Higher

Eagle Life specializes in designing secure, innovative retirement solutions and providing financial stability with our broad product line of fixed and indexed annuities. We have a strong commitment to superior customer service, product integrity and secure retirement planning. Based in the heart of the Midwest, West Des Moines, Iowa, we are one of the few American-owned, American-operated insurance companies in our industry.

"Our business philosophy is simple: Through sound financial management, prudent planning and development of innovative products, we position ourselves as one of the leaders within the insurance industry."

- David J. Noble
Founder and Chairman



Eagle Life Insurance Company *Soar Higher*

- A- (Excellent) Rating From A.M. Best*
- 98.4% Investment Grade**
- Financial Stability and Product Integrity
- A Promise of Superior Customer Service
- Committed to Excellence

* A.M. Best has assigned Eagle Life an "A-" (Excellent) rating, reflecting their current opinion of Eagle Life's financial strength and its ability to meet its ongoing contractual obligations relative to the norms of the life/health insurance industry. A.M. Best utilizes 15 rating categories ranging from A++ to F. An "A-" rating from A.M. Best is its fourth highest rating. For the latest rating, access www.ambest.com. Rating effective 1/31/2011, affirmed 4/14/2016.

** As of December 31, 2016.

Notes:



Eagle Life Insurance Company

Helping Americans Enjoy a Secure Retirement

It is a key focus for Eagle Life Insurance Company to help Americans enjoy their retirement years with financial security. We care about providing products that protect your retirement savings. Our employee/owners are committed to ensuring confidence for your retirement future. Our commitment to unsurpassed service and strong policy benefits is the cornerstone of the Eagle Life business model.

When you purchase an Eagle Life annuity, you are buying the promise that we will always be there when you need us. If you feel that safety, flexibility, tax deferral, accessibility and liquidity during some of life's crises, and the ability to access income for the rest of your life are important, we have it.

We are pleased to offer diverse planning choices for your retirement dollars.



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