

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K/A**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **November 20, 2008**

**AMERICAN EQUITY  
INVESTMENT LIFE HOLDING COMPANY**  
(Exact Name of Registrant as Specified in its Charter)

**IOWA**  
(State or Other Jurisdiction  
of Incorporation)

**001-31911**  
(Commission File Number)

**42-1447959**  
(IRS Employer  
Identification No.)

**5000 Westown Parkway, Suite 440, West Des Moines,  
Iowa**  
(Address of Principal Executive Offices)

**50266**  
(Zip Code)

**(515) 221-0002**  
(Registrant's telephone number, including area code)

**NOT APPLICABLE**  
(Former Name or Former Address, if Changed Since Last Report)

**Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:**

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02      Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

As previously reported by American Equity Investment Life Holding Company (the “Company”) in a Form 8-K filed on November 25, 2008, Kevin R. Wingert will resign as a Director of the Company and as the President of the Company’s primary operating subsidiary, American Equity Investment Life Insurance Company (“American Equity Life”), effective January 1, 2009. The following information amends our prior report.

On December 29, 2008, American Equity Life and Mr. Wingert entered into a Separation and Release Agreement, effective January 1, 2009 (the “Separation Agreement”). Subject to the terms and conditions of the Separation Agreement, the Company will pay Mr. Wingert his current base salary of \$350,000 and provide Mr. Wingert with health insurance coverage through December 31, 2010. In addition, Mr. Wingert’s unvested options to acquire shares of the Company’s common stock vested and became exercisable as of December 31, 2008, and each of Mr. Wingert’s options shall be exercisable until the tenth anniversary of its issuance. The Separation Agreement also contains certain restrictive covenants, releases and other customary terms and conditions.

The foregoing summary of the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the Separation Agreement, a copy of which is included as Exhibit 10.1 to this Form 8-K/A and is incorporated by reference herein.

On December 29, 2008, the Compensation Committee of the Board recommended, and the Board approved, an amendment to the Company’s 1996 Stock Option Plan to allow for post-employment option exercise periods of other than sixty (60) days. The first sentence of Sections 2.02(f) and 3.02(f) of the 1996 Stock Option Plan has been deleted and replaced with the following:

Unless otherwise determined by the Committee, upon termination of an Optionee’s employment with the Company, or the relevant Subsidiary, his or her Option privileges shall be limited to the shares purchasable by him or her as of the date that his or her employment was terminated, and such Option privileges shall expire sixty (60) days from the date that his or her employment was terminated.

The amended 1996 Stock Option Plan is attached hereto as Exhibit 10.2 to this Form 8-K/A and is incorporated by reference herein.

**Item 9.01      Financial Statements and Exhibits**

(d)      Exhibits.

10.1      Separation and Release Agreement between Kevin R. Wingert and American Equity Investment Life Insurance Company, dated December 29, 2008

10.2      1996 Stock Option Plan, as amended

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Date:** January 2, 2009

**AMERICAN EQUITY INVESTMENT LIFE  
HOLDING COMPANY**

By: /s/ Wendy L. Carlson

Name: Wendy L. Carlson

Title: Chief Executive Officer and President

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## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation and Release Agreement between Kevin R. Wingert and American Equity Investment Life Insurance Company, dated December 29, 2008
10.2	1996 Stock Option Plan, as amended

**SEPARATION AND RELEASE AGREEMENT**

American Equity Investment Life Insurance Company (the "Company") and Kevin R. Wingert ("Executive") enter into this Separation and Release Agreement (this "Agreement"), which was signed by Executive on the 29<sup>th</sup> day of December, 2008 and is effective on the 1<sup>st</sup> day of January, 2009 (the third day after the date signed by Executive).

**W I T N E S S E T H :**

WHEREAS, Executive has been employed by the Company as its President;

WHEREAS, Executive and the Company have agreed that Executive will resign from his position as the Company's President effective January 1, 2009; and

WHEREAS, Executive and the Company have negotiated and reached an agreement with respect to all rights, duties and obligations arising between them, including, but in no way limited to, any rights, duties and obligations that have arisen or might arise out of or are in any way related to Executive's employment with the Company and the conclusion of that employment.

NOW, THEREFORE, in consideration of the covenants and mutual promises herein contained, it is agreed as follows:

Section 1. Executive hereby resigns from his position as President and from all appointments he holds with the Company and its affiliates, effective as of January 1, 2009, including, without limitation, as a director of the Company and American Equity Investment Life Holding Company. Executive hereby agrees to execute any other documents necessary to effectuate such resignations. Executive understands and agrees that his employment with the Company will continue until the close of business on December 31, 2008 (the "Termination Date"). After the Termination Date, Executive is no longer required to perform any services for the Company and is thus no longer authorized to incur any expenses, obligations or liabilities on behalf of the Company, unless specifically authorized herein or directed by an executive officer of the Company.

Section 2. The Company hereby agrees to continue to provide Executive with his current base salary and benefits during the period from the date hereof until the Termination Date and, provided that Executive does not revoke his release in Section 13 prior to January 1, 2009 and Executive is and remains in compliance with Sections 7-12, to provide Executive with his current or similar health insurance coverage, to the extent such coverage is permitted under such plans, and pay Executive his current base salary for the period from the Termination Date through December 31, 2010 (the "Salary Continuation Period"), through the normal payroll process of bi-weekly payments (collectively, the "Salary Continuation Payments"), less all applicable withholding taxes and other customary payroll deductions. The Salary Continuation Payments will commence on the first payroll date following the Termination Date. In the event of the Executive's death prior to December 31, 2010, the Salary Continuation Payments shall continue to be paid to Executive's spouse and, except to the extent benefits contemplated herein are expressly provided by their terms to heirs and beneficiaries, the Company shall have no further obligations to Executive's heirs or beneficiaries under this Agreement. The Company shall also reimburse Executive for any unpaid business-related expenses, which Executive incurred in accordance with Company policy, that Executive properly submits to the Company for reimbursement within thirty (30) calendar days following the Termination Date.

Section 3. Executive acknowledges and agrees that other than as specifically set forth in this Agreement, he is not and will not be due any compensation, including, but not limited to, compensation for unpaid salary (except for amounts, if any, of accrued or unused but earned vacation time or vacation pay from the Company or any of its affiliates), unpaid bonus, and severance, and following the Termination

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Date, except as expressly provided herein, he will not be eligible to participate in any of the benefit plans of the Company or any of its affiliates, whether currently existing or not. Executive also acknowledges and agrees that no provision in this Agreement shall limit the authority of the Company, including but not limited to a committee or administrator of the Company, to interpret the terms and conditions of the Company's benefit plans and policies.

Section 4. The Company hereby acknowledges and agrees that Executive shall continue to participate in the Company's Deferred Compensation Plan through the Termination Date. Executive's interests in the Deferred Compensation Plan and his Deferred Compensation Agreement with the Company, including but not limited to the amount and timing of distributions under each plan or agreement, shall be made in accordance with the terms and conditions of each such plan or agreement, as such plan or agreement is in effect from time to time.

Section 5. To the extent unvested, all of Executive's options to acquire shares of the Company's common stock ("Common Stock") under the 1996 Stock Option Plan and the 2000 Employee Stock Option Plan shall fully vest and become exercisable as of the Termination Date and, notwithstanding anything to the contrary in any specific option agreement, all options under such plans may be exercised until the expiration of the term of each specific option as set forth in Executive's applicable option agreements, and shall thereafter terminate to the extent not previously exercised.

Section 6. The Company shall indemnify, in accordance with and to the fullest extent permitted by applicable law, statutes and regulations as they may exist from time to time, Executive if he becomes a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative ("Claim"), by reason of the fact that he was a director, officer, employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation (including but not limited to a subsidiary or affiliate of the Company), partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with the action, suit or proceeding. Expenses of Executive incurred in defending a civil or criminal action, suit or proceeding will be paid by the Company as they are incurred upon receipt of an undertaking by or on behalf of Executive to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the Company. The Company's obligations described in the paragraph shall continue for a period of not less than five (5) years after the Termination Date; provided, however, that all rights to indemnification in respect of any Claim asserted or made within such period shall continue until the final disposition of such claim.

Section 7. At all times after the Termination Date, Executive will maintain the confidentiality of all information in whatever form concerning the Company or any of its affiliates relating to its or their businesses, agents, marketing organizations, policyholders, product development, finances, strategic or other plans, marketing, employees, trade practices, trade secrets, know-how or other matters which are not generally known outside the Company, and Executive will not, directly or indirectly, make any disclosure thereof to anyone, or make any use thereof, on his own behalf or on behalf of any third party, unless specifically requested by or agreed to in writing by an executive officer of the Company. Executive has returned or will immediately return to the Company all reports, files, memoranda, records, computer equipment and software, credit cards, cardkey passes, door and file keys, computer access codes or disks and instructional manuals, and other physical or personal property which he received or prepared or helped prepare in connection with his employment with the Company, its subsidiaries and affiliates, and Executive has not retained and will not retain any copies, duplicates, reproductions or excerpts thereof.

Section 8.

(a) At the request of the Company, Executive agrees to cooperate fully with the Company in any litigation, administrative proceeding or inquiry that involves the Company, any of its affiliates or any of the Company's or its affiliates' then-current or former officers, directors, employees or agents, about which Executive may have knowledge or information. Executive also agrees to cooperate fully with any investigation or inquiry conducted by or on behalf of the Company. Such cooperation will

include, but not be limited to, the following: (i) if Executive is asked to appear for an interview, Executive will do so within ten (10) calendar days of the request; (ii) Executive will answer all questions truthfully concerning the Company and Executive's work for the Company; (iii) Executive will produce all documents in his possession or control that Executive is asked to produce; (iv) Executive will appear for depositions and/or at trial related to any claim, action or litigation in which the Company, its affiliates or the Company's or its affiliates' then-current or former officers, directors, employees or agents are, or may become, a party; and (v) Executive will meet with representatives of the Company, their counsel or, at the request of the Company, with the Company's or its affiliates' then-current or former officers, directors, employees or agents and their respective counsel, to assist in preparation for such depositions and/or trials.

(b) If Executive is participating at the Company's request and legal counsel is required, the Company will provide such legal counsel only to the extent permissible by law.

(c) The Company will reimburse Executive for any out-of-pocket expenses incurred by Executive in fulfilling the obligations set forth in this Section 8.

(d) Executive represents and agrees that Executive will fully cooperate with, and provide truthful testimony in, any governmental or regulatory investigation involving the Company, its affiliates or the Company's or its affiliates' then-current or former officers, directors, employees or agents, or Executive's employment with the Company.

(e) Nothing in this Agreement shall prohibit Executive from responding to a valid subpoena, court order or similar legal process; provided, however, that prior to making any such disclosure, Executive shall provide the Company with written notice of the subpoena, court order or similar legal process sufficiently in advance of such disclosure to afford the Company a reasonable opportunity to challenge the subpoena, court order or similar legal process.

Section 9. Executive shall not counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints on behalf of any private third party against the Company, its affiliates or any of the Company's or its affiliates' officers, directors, employees, agents, representatives, stockholders or attorneys, unless under a subpoena or other court order to do so; provided, however, that prior to making any disclosures required by a subpoena or other court order, Executive shall provide the Company with written notice of the subpoena, court order or similar legal process sufficiently in advance of such disclosure to afford the Company a reasonable opportunity to challenge the subpoena, court order or similar legal process.

Section 10. Unless waived in writing by the Company, from the date Executive signs this Agreement until December 31, 2010,

(a) Executive will not, directly or indirectly, solicit, entice, persuade or induce (or authorize or assist in the taking of any such actions by any third party) any person that is, or was within the sixty day period immediately preceding the Termination Date, an employee of the Company or its affiliates for the purpose of being hired by Executive or any other person or entity;

(b) Neither Executive nor any entity in which Executive invests in, or participates in the management (with or without pay) of, will hire any person that is, or was within the sixty day period immediately preceding the Termination Date, an employee of the Company or its affiliates; and

(c) Executive will not, directly or indirectly, solicit, entice, persuade or induce (or authorize or assist in the taking of any such actions by any third party) any person or entity who is known to Executive to be or have been an agent, marketer, policyholder or consultant of the Company within the two-year period immediately preceding the Termination Date to terminate his, her or its relationship with the Company or initiate or materially expand his, her or its relationship with a competitor of the Company; provided, however, that this provision shall not preclude Executive from initiating a NMO relationship with

an agent that has, at the time of such initiation, existing contracts with one or more competitors of the Company.

(d) Notwithstanding anything to the contrary contained herein, Executive agrees and acknowledges that any failure by Executive to comply with the covenants set forth in Sections 7-12 will result in the forfeiture by Executive of the benefits set forth in Section 2 herein and the Company shall have the right to recover from Executive all base salary payments previously made to Executive pursuant to Section 2 during the Salary Continuation Period and the cost of the health insurance coverage previously provided to Executive.

Section 11. Unless waived in writing by the Company, from the date Executive signs this Agreement until December 31, 2010, Executive will not directly or indirectly engage in, invest in, participate in the management (with or without pay) of, or act as a consultant (with or without pay) for or employee of, any business or operation of any enterprise if such operation or business significantly competes with the business of the Company in the sale of annuity policies in the United States of America.

Section 12. At all times after the date Executive signs this Agreement,

(a) Executive will not disparage or criticize, orally or in writing, the business, products, policies, decisions, directors, officers or employees of the Company or any of its operating divisions, subsidiaries or affiliates to any person and

(b) the Company will not disparage or criticize, orally or in writing, Executive.

Section 13.

(a) In consideration for the payments and benefits provided herein, Executive, on behalf of himself, his heirs, executors, administrators, assigns, affiliates and agents do hereby knowingly and voluntarily release, acquit and forever discharge the Company and any affiliates, successors, assigns and past, present and future directors, officers, employees, trustees and shareholders (the "AEL Released Parties") from and against any and all charges, complaints, claims, cross-claims, third-party claims, counterclaims, contribution claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, foreseen or unforeseen, matured or unmatured, which, at any time up to and including the date that Executive signs this Agreement, exists, have existed, or may arise from any matter whatsoever occurring, including, but not limited to, any claims arising out of or in any way related to Executive's employment with the Company or its affiliates and the conclusion thereof, which Executive, or any of his heirs, executors, administrators and assigns and affiliates and agents ever had, now has or at any time hereafter may have, own or hold against the AEL Released Parties. Executive acknowledges that, in exchange for this release, the Company is providing Executive with a total consideration, financial and otherwise, which exceeds what Executive would have received had Executive not given this release.

(b) Except to the extent that such waiver is precluded by law, order, or regulation, the Executive further agrees forever that he will not file, initiate, or cause to be filed or initiated, any claim, charge, suit, complaint, grievance, action, or cause of action based upon, arising out of, or relating to any claim, demand, or cause of action released herein, nor shall he participate, assist or cooperate in any claim, charge, suit, grievance, complaint, action or proceeding regarding any of the AEL Released Parties, whether before a court or administrative agency or otherwise. Furthermore, Executive agrees that he will waive the right to seek or be entitled to any award of equitable or monetary relief in any action or proceeding brought on his behalf, that arises out of the matters released by him under this Agreement. If Executive is identified in any action related in any way to the matters released or waiver herein, he agrees that he shall permanently opt out of the class at the first available opportunity.



(c) By executing this Agreement, Executive is waiving all claims against the AEL Released Parties arising under federal, state and local labor and anti-discrimination laws and any other restriction on the right to terminate employment, including, without limitation, claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act of 1990, the Employee Retirement Income Security Act of 1974, and the Iowa Civil Rights Act of 1965, all as amended.

(d) EXECUTIVE SPECIFICALLY WAIVES AND RELEASES THE AEL RELEASE PARTIES FROM ALL CLAIMS EXECUTIVE MAY HAVE AS OF THE DATE EXECUTIVE SIGNS THIS AGREEMENT REGARDING CLAIMS OR RIGHTS ARISING UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, 29 U.S.C. § 621 (“ADEA”). EXECUTIVE FURTHER AGREES: (i) THAT EXECUTIVE’S WAIVER OF RIGHTS UNDER THIS RELEASE IS KNOWING AND VOLUNTARY AND IN COMPLIANCE WITH THE OLDER WORKER’S BENEFIT PROTECTION ACT OF 1990; (ii) THAT EXECUTIVE UNDERSTANDS THE TERMS OF THIS RELEASE; (iii) THAT THE SALARY CONTINUATION PAYMENTS AND OTHER BENEFITS CALLED FOR IN THIS AGREEMENT WOULD NOT BE PROVIDED TO ANY EMPLOYEE TERMINATING HIS OR HER EMPLOYMENT WITH THE COMPANY WHO DID NOT SIGN A RELEASE SIMILAR TO THIS RELEASE, THAT SUCH PAYMENTS AND BENEFITS WOULD NOT HAVE BEEN PROVIDED HAD EXECUTIVE NOT SIGNED THIS RELEASE, AND THAT THE PAYMENTS AND BENEFITS ARE IN EXCHANGE FOR THE SIGNING OF THIS RELEASE; (iv) THAT EXECUTIVE HAS BEEN ADVISED IN WRITING BY THE COMPANY TO CONSULT WITH AN ATTORNEY PRIOR TO EXECUTING THIS RELEASE; (v) THAT THE COMPANY HAS GIVEN EXECUTIVE A PERIOD OF AT LEAST TWENTY-ONE (21) DAYS WITHIN WHICH TO CONSIDER THIS RELEASE OF HIS RIGHTS UNDER ADEA, ALTHOUGH HE MAY SIGN THIS AGREEMENT SOONER IF HE SO DESIRES; (vi) THAT EXECUTIVE REALIZES THAT HE HAS SEVEN (7) DAYS FROM THE DATE HE SIGNS THIS AGREEMENT IN WHICH TO REVOKE THIS RELEASE BY WRITTEN NOTICE TO THE UNDERSIGNED; AND (vii) THAT THIS ENTIRE AGREEMENT SHALL BE VOID AND OF NO FORCE AND EFFECT IF EXECUTIVE CHOOSES TO SO REVOKE, AND IF EXECUTIVE CHOOSES NOT TO SO REVOKE, THAT THIS AGREEMENT AND RELEASE THEN BECOME EFFECTIVE AND ENFORCEABLE.

Section 14. Executive represents to the Company that in executing this Agreement he does not rely and has not relied upon any representation or statement not set forth herein made by the Company or by any of the Company’s agents, representatives or attorneys with regard to the subject matter, basis or effect of this Agreement or otherwise.

Section 15. Executive acknowledges by signing this Agreement that Executive has read and understands this document, that Executive has conferred with or had opportunity to confer with Executive’s attorney regarding the terms and meaning of this Agreement, that Executive has had sufficient time to consider the terms provided for in this Agreement, that no representations or inducements have been made to Executive except as set forth in this Agreement, and that Executive has signed the same KNOWINGLY AND VOLUNTARILY.

Section 16.

(a) This Agreement will be governed by and construed and enforced under the laws of the State of Iowa, without regard to its conflict of laws rules. Except for any action brought by the Company to specifically enforce the provisions of this Agreement, any proceeding relating to this Agreement shall be brought in a state or federal court located in Des Moines, Iowa. The Company and Executive hereby consent to personal jurisdiction in any such action and to service of process by mail at the addresses set forth herein and waive any objection to venue in any such Iowa court.

(b) At the Company’s option, all disputes arising under or relating to this Agreement, or the breach, termination or validity thereof, shall be submitted to binding arbitration. The arbitration will be held in Des Moines, Iowa in accordance with the Commercial Arbitration Rules of the

American Arbitration Association then in effect and the arbitral panel will consist of three neutral and impartial arbitrators. In rendering an award, the arbitral tribunal will be required to follow the laws of the State of Iowa. The award will be final and binding upon the parties and shall be the sole and exclusive remedy between the parties regarding any claims, counterclaims, issues or accounting presented to the arbitrator(s).

(c) If any legal action or any arbitration is brought for the enforcement of this Agreement or because of an alleged dispute, controversy, breach, or default in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and all other reasonable costs and expenses incurred in that action or proceeding, in addition to any other relief to which it may be entitled.

Section 17. In the event that any one or more of the provisions of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby. Moreover, if any one or more of the provisions contained in this Agreement is held to be excessively broad as to duration, scope, activity or subject, such provisions will be construed by limiting and reducing them so as to be enforceable to the maximum extent compatible with applicable law.

Each party acknowledges and agrees that the other party will or would suffer irreparable injury in the event of a breach or violation or threatened breach or violation of any provision of this Agreement and therefore agrees that, in the event of an actual or threatened breach or violation of such provisions, the other party shall be awarded injunctive relief in a court of appropriate jurisdiction to prohibit or remedy any such violation or breach or threatened violation or breach, without the necessity of posting any bond or security, and such right to injunctive relief shall be in addition to any other right or remedy available to the other party.

Section 18. Any notice to be given hereunder shall be in writing and shall be deemed given when mailed by certified mail, return receipt requested, addressed as follows:

To Executive at:

Kevin R. Wingert  
6882 Panorama Road  
Panora, IA 50216

To the Company at:

American Equity Investment Life Insurance Company  
5000 Westown Parkway  
West Des Moines, Iowa 50266  
Attention: Debra Richardson

with a copy to:

William R. Kunkel  
Skadden, Arps, Slate, Meagher & Flom LLP  
333 West Wacker Drive  
Suite 2100  
Chicago, Illinois 60606

Section 19. This Agreement sets forth the entire agreement between the parties hereto and may not be changed without the written consent of the parties. This Agreement supersedes all prior agreements, understandings and proposals, whether oral or written, by either party or by any officer,

employee or representative of either party hereto. The parties may execute this Agreement in two or more counterparts each of which shall be deemed an original and all of which shall constitute one and the same instrument. Executive also acknowledges and agrees that Executive's Change of Control Agreement, dated as of June 5, 2003 shall terminate effective as of December 31, 2008, and thereafter shall be null and void.

Section 20. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise. In the event that a successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company fails to perform this Agreement, Executive shall be entitled to recover any legal fees and expenses incurred in enforcing this Agreement against such successor.

Section 21. The Company and Executive agree that neither this Agreement nor the performance by the parties hereunder constitutes an admission by any of the parties released in Section 11 of any violation of any federal, state or local law, regulation, common law, breach of any contract or any other wrongdoing of any type.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the signing date set forth above.

AMERICAN EQUITY INVESTMENT  
LIFE INSURANCE COMPANY

/s/ Kevin R. Wingert

Kevin R. Wingert

By: /s/ Debra J. Richardson

Name: Debra J. Richardson

Title: Senior Vice President

**EXHIBIT A**

<b>Grant Date</b>	<b>Expiration Date</b>	<b>Option Price</b>	<b>Number of Options Exercisable at 12/31/08</b>
4/14/1999	4/14/2009	7.33	17,069
5/5/2000	5/5/2010	9.67	15,000
12/29/2000	12/29/2010	9.67	45,000
12/4/2003	12/4/2013	9.00	20,000
6/10/2004	6/10/2014	11.00	20,000
12/31/2004	12/31/2014	10.77	20,000
6/11/2008	6/11/2018	10.85	40,000

— Executive also is entitled to receive 4,500 shares of common stock pursuant to a non-qualified Deferred Compensation Agreement.

AMERICAN EQUITY INVESTMENT  
1996 STOCK OPTION PLAN

(Amended December 29, 2008)

WHEREAS, the Board of Directors of the Company deems it in the best interest of the Company that certain employees and officers of the Company and its Subsidiary be given an opportunity to acquire an interest in the operation and growth of the Company as a means of assuring their maximum effort and continued association with the Company; and

WHEREAS, the Board believes that the Company can best obtain these and other benefits by granting incentive or nonqualified stock options to employees and officers designated from time to time, pursuant to this Plan; and

WHEREAS, the Board has determined to grant certain directors of the Company compensation in the form of nonqualified stock options pursuant to separate provisions within this Plan;

NOW, THEREFORE, the Board does hereby adopt this Stock Option Plan, subject to approval, within twelve (12) months of the date of adoption, by at least a majority of the shares voting at a shareholder's meeting, and subject to any necessary authorizations from any governmental authority.

**ARTICLE I**

**GENERAL**

1.01 Purpose. American Equity Investment 1996 Stock Option Plan (the "Plan") is intended to advance the interests of American Equity Investment Life Holding Company (the "Company"), its shareholders and its Subsidiary by encouraging and enabling selected employees and officers upon whose judgment, initiative and effort the Company is largely dependent for the successful conduct of its business, to acquire and retain a proprietary interest in the Company by ownership of its stock. The Plan also contains separate provisions under which directors are entitled to acquire stock ownership through options granted on a formula basis.

1.02 Definitions.

- (a) "Board" means the Board of Directors of the Company.
  - (b) "Code" shall mean the Internal Revenue Code of 1986, as amended.
  - (c) "Committee" means the body administering the Plan.
  - (d) "Common Stock" means shares of common stock, \$1 par value, of the Company.
  - (e) "Date of Grant" means the date on which an option is granted under the Plan.
  - (f) "Incentive Stock Option" means an option granted under Article II of the Plan. Incentive Stock Options granted under the Plan are intended to be options which meet the requirements of Section 422A of the Internal Revenue Code of 1986 (the "Code"), as amended.
  - (g) "Option" means any option granted under the Plan.
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(h) "Optionee" means a person to whom an Option, which has not expired, has been granted under the Plan.

(i) "Participant" means a person to whom one or more Options have been granted that have not been forfeited or terminated under the Plan.

(j) "Nonqualified Stock Option" means an option granted under Article III of the Plan.

(k) "Subsidiary" or "Subsidiaries" means a subsidiary corporation or corporations of the Company as defined in Section 424 of the Code.

(l) All personal pronouns used herein are intended to be gender neutral.

### 1.03 Administration of Plan.

(a) The Plan shall be administered by the Board, if all members of the Board are disinterested persons, as hereinafter defined, or by a Committee of two or more members of the Board, each of whom is a disinterested person. If the Plan is administered by a Committee, it shall report all action taken by it to the Board. The Committee shall have full and final authority in its discretion, subject to the provisions of the Plan, to determine the individuals to whom and the time or times at which Options shall be granted; to determine the number of shares and the purchase price of the Common Stock covered by each such Option; to construe and interpret the Plan; to determine the terms and provisions of the Option agreements, which need not be identical, including, but without limitation, the time and manner in which each Option shall be exercisable, and the terms covering the payment of the Option price; and to make all other determinations and take all other actions deemed necessary or advisable for the proper administration of the Plan. All such actions and determinations shall be conclusively binding for all purposes and upon all persons.

(b) For purposes of this Agreement, the term "disinterested person" shall mean a member of the Board who was not, during the one-year period prior to service as an administrator of the Plan, or during such service, granted or awarded equity securities pursuant to the Plan or any other plan of the Company, or any of its affiliates, except that:

(i) participation in a formula plan meeting the conditions of Rule 16b-3(c)(2)(ii) (formula awards) promulgated by the Securities and Exchange Commission ("SEC") shall not disqualify a director from being a disinterested person;

(ii) participation in an ongoing securities acquisition plan meeting the conditions of Rule 16b-3(d)(2)(i) (thrift and savings plans) shall not disqualify a director from being a disinterested person;

(iii) an election to receive an annual retainer fee either in cash or in an equivalent amount of securities, or partly in cash and partly in securities, shall not disqualify a director from being a disinterested person;

(iv) administering another plan that does not permit participation by members of the Board shall not disqualify a director from administering this Plan.

The foregoing definition of a "disinterested person" is intended to comply with the requirements of Rule 16b-3(c)(2) and shall be deemed automatically amended to comply with any changes in such Rule which may hereafter be adopted by the SEC.

(c) Administration of the Plan by the Committee is applicable only to grants and awards of Options made pursuant to Articles II and III below. Directors who are not otherwise employed by the Company are not entitled to participate in grants and awards made under such Articles.

1.04 Stock Subject to Options. The maximum number of shares of Common Stock which may be issued upon the exercise of Options granted under the Plan shall be 400,000, subject to adjustment under the provisions of Section 5.03. The shares of Common Stock to be issued upon the exercise of Options may be authorized but unissued shares, shares issued and reacquired by the Company or shares bought on the market for the purposes of the Plan. In the event any Option shall, for any reason, terminate or expire or be surrendered without having been exercised in full, the shares subject to such Option but not purchased thereunder shall again be available for Options to be granted under the Plan.

1.05 Participants. Except with respect to Directors Options granted pursuant to Article IV below, Participants in the Plan shall be selected by the Committee from the officers and other key employees of the Company and/or its Subsidiaries who occupy responsible managerial or professional positions and who have the capability of making a substantial contribution to the success of the Company. In making this selection and in determining the form and amount of awards, the Committee shall consider any factors deemed relevant, including the individual's functions, responsibilities, value of services to the Company in the past and potential contributions to the Company's profitability and sound growth. The Committee's determinations under the Plan (including without limitation determinations of the persons to receive awards, the form, amount and timing of such awards, the terms and provisions of such awards and the agreements evidencing same) need not be uniform and may be made by it selectively among persons who receive or are eligible to receive awards under the Plan whether or not such persons are similarly situated.

1.06 Types of Awards under Plan. Awards under the Plan may be in the form of any one or more of the following:

- (a) Incentive Stock Options as described in Article II;
- (b) Nonqualified Stock Options as described in Article III;

The formula grant of Options to Directors under Article IV shall be treated as a separate part of this Plan.

## **ARTICLE II**

### **INCENTIVE STOCK OPTIONS**

2.01 Award of Incentive Stock Options. The Committee may, from time to time and subject to the provisions of the Plan and such other terms and conditions as the Committee may prescribe, grant to any Participant in the Plan one or more Incentive Stock Options (intended to qualify as such under the provisions of Section 422A of the Code) to purchase the number of shares of Common Stock designated in the Options allotted by the Committee. Any Option granted pursuant to this Article II shall be designated as an "Incentive Stock Option."

2.02 Terms and Conditions of Incentive Stock Options. Any Incentive Stock Option granted under the Plan shall be evidenced by an agreement executed by the Company and the applicable employee and shall contain such terms and be in such form as the Committee may from time to time approve, subject to the following limitations and conditions:

(a) Option Price. The option price per share with respect to each Incentive Stock Option shall be determined by the Committee but shall in no instance be less than 100% of the fair market value of a share of Common Stock on the Date of Grant and shall be paid in either cash or Common Stock. For the purpose hereof, fair market value shall be the last sale price on any national exchange or



quotation system on the Date of Grant or, if the shares are not so traded, a similar measure of value as may be determined by the Committee in its sole discretion.

(b) **Exercise of Options.** An Option shall be exercised by a Participant by giving written notification to the Secretary of the Company (or other person designated by the Committee to receive such notice) of the Participant's exercise of such Option. Such notice shall specify the number of shares and the Date of Grant of the Option being exercised.

(c) **Option Term.** Options may be granted for a ten (10) year term. Each Option may be exercisable from time to time over a period commencing six (6) months after the Date of Grant and ending ten (10) years after the Date of Grant.

(d) **Limitation on Exercise of Options.** No Option may be exercised for less than ten (10) shares, subject to adjustment under Section 5.03. The aggregate fair market value (determined as of the time the Option is granted) of all shares of Common Stock which may be acquired upon the exercise of Options which first become exercisable in any calendar year pursuant to the terms of an Incentive Stock Option granted to an Optionee under the Plan or any other incentive stock option plan of the Company, shall not exceed \$100,000, as set forth in §422A of the Code, as amended. In addition, the Committee may, in its discretion, set additional restrictions with respect to the exercise of Options.

(e) **Nontransferability of Options.** No Option shall be transferable or assignable by an Optionee, otherwise than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code. Each Option shall be exercisable, during the Optionee's lifetime, only by the Optionee, his guardian or legal representative. No Option shall be pledged or hypothecated in any way and no Option shall be subject to execution, attachment or similar process except with the express consent of the Committee.

(f) **Termination of Employment.** Unless otherwise determined by the Committee, upon termination of an Optionee's employment with the Company, or the relevant Subsidiary, his or her Option privileges shall be limited to the shares purchasable by him or her as of the date that his or her employment was terminated, and such Option privileges shall expire sixty (60) days from the date that his or her employment was terminated. Nothing contained herein shall be construed to extend the ultimate term of the Option beyond the period of time as set out above in Section 2.02(c).

(g) **Disability or Death of Optionee.** If an Optionee's employment with the Company is terminated because of his death or disability, his Option privileges shall expire unless exercised within one (1) year after the date that his employment was terminated. In the event of the death of the Optionee, his Options may be exercised by the Optionee's designated beneficiary. Nothing contained herein shall be construed to extend the ultimate term of the Option beyond the period of time as set out above in Section 2.02(c).

### **ARTICLE III**

#### **NONQUALIFIED STOCK OPTIONS**

3.01 **Award of Nonqualified Stock Options.** The Committee may, from time to time, and subject to the provisions of the Plan, and such other terms and conditions as the Committee may prescribe, grant to any Participant in the Plan one or more Nonqualified Stock Options to purchase the number of shares of Common Stock designated in the Options allotted by the Committee. Any Option granted pursuant to this Article III shall be designated as a "Nonqualified Stock Option."

3.02 **Terms and Conditions of Nonqualified Stock Options.** Any Nonqualified Stock Option granted under the Plan shall be evidenced by an agreement executed by the Company and the applicable employee and shall contain such terms and be in such form as the Committee may from time to time approve, subject to the following limitations and conditions:

(a) Option Price. The option price per share with respect to each Option shall be determined by the Committee but shall in no instance be less than 100% of the fair market value of a share of Common Stock on the Date of Grant and shall be paid in either cash or Common Stock. For the purpose hereof, fair market value shall be the last sale price on any national exchange or quotation system on the Date of Grant or, if the shares are not so traded, a similar measure of value as may be determined by the Committee in its sole discretion.

(b) Exercise of Options. An Option shall be exercised by a Participant by giving written notification to the Secretary of the Company (or other person designated by the Committee to receive such notice) of the Participant's exercise of such Option. Such notice shall specify the number of shares and the Date of Grant of the Option being exercised.

(c) Option Term. Options may be granted for a ten (10) year term. Each Option may be exercisable from time to time over a period commencing six (6) months after the Date of Grant and ending ten (10) years after the Date of Grant.

(d) Limitation on Exercise of Options. No Option may be exercised for less than ten (10) shares, subject to adjustment under Section 5.03. In addition, the Committee may, in its discretion, set additional restrictions with respect to the exercise of the Options.

(e) Nontransferability of Options. No Option shall be transferable or assignable by an Optionee, otherwise than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code. Each Option shall be exercisable, during the Optionee's lifetime, only by the Optionee, his guardian or legal representative. No Option shall be pledged or hypothecated in any way and no Option shall be subject to execution, attachment or similar process except with the express consent of the Committee.

(f) Termination of Employment. Unless otherwise determined by the Committee, upon termination of an Optionee's employment with the Company, or the relevant Subsidiary, his or her Option privileges shall be limited to the shares purchasable by him or her as of the date that his or her employment was terminated, and such Option privileges shall expire sixty (60) days from the date that his or her employment was terminated. Nothing contained herein shall be construed to extend the ultimate term of the Option beyond the period of time as set out above in Section 3.02(c).

(g) Disability or Death of Optionee. If an Optionee's employment with the Company is terminated because of his death or disability, his Option privileges shall expire unless exercised within one (1) year after the date that his employment was terminated. In the event of the death of the Optionee, his Options may be exercised by the Optionee's designated beneficiary. Nothing contained herein shall be construed to extend the ultimate term of the Option beyond the period of time as set out above in Section 3.02(c).

## **ARTICLE IV**

### **DIRECTORS OPTIONS**

4.01 Grant of Options to Directors. Any person who is a Director of the Company but not also an employee of the Company shall be entitled to receive a grant of nonqualified stock options for -0- shares of Common Stock per year, subject to adjustment under Section 5.03. Each grant of such Options shall be made on the first business day of the month following the month in which the Company's Annual Meeting of Stockholders is held.

4.02 Terms and Conditions of Options. Any Option granted under the Plan shall be evidenced by an agreement executed by the Company and the applicable Director and shall contain the following limitations and conditions:

(a) Option Price. The option price per share with respect to each Option shall be the fair market value of a share of the Common stock on the Date of Grant and shall be paid in either cash or Common Stock. For the purpose hereof, fair market value shall be the last sale price on any national exchange or quotation system on the Date of Grant or, if not so traded, a similar measure of value as determined by the Committee in its sole discretion.

(b) Option Term. Options may be granted for a ten (10) year term. Each Option may be exercisable from time to time over a period commencing six (6) months after the Date of Grant and ending ten (10) years after the Date of Grant.

(c) Limitation on Exercise of Options. No Option may be exercised for less than ten (10) shares.

(d) Nontransferability of Option. No Option shall be transferable or assignable by an Optionee, otherwise than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code. Each Option shall be exercisable, during the Optionee's lifetime, only by the Optionee, his guardian or legal representative. No Option shall be pledged or hypothecated in any way and no Option shall be subject to execution, attachment or similar process except with the express consent of the Board.

(e) Termination of Directorship. Upon termination of an Optionee's directorship with the Company for any reason, including without limitation the Optionee's death or disability, his Option privileges shall expire one (1) year from such date. In the event of the death of the Optionee, his Options may be exercised by Optionee's designated beneficiary. Nothing contained herein shall be construed to extend the ultimate term of the Option beyond the period of time as set out above in Section 4.02(b).

## ARTICLE V

### MISCELLANEOUS

#### 5.01 Acceleration of Vesting.

(a) If an Option contains a vesting schedule or has not become totally exercisable as of the date of any of the following events, such vesting schedule may be accelerated, and/or any other restrictions to exercise may be removed upon delivery to the Committee of a written election of such acceleration by the Optionee (or the designated beneficiary of a deceased Optionee):

- (i) The death of the Optionee;
- (ii) The disability of the Optionee;
- (iii) A "change of control" as hereinafter defined.

(b) For purposes of this Agreement, a "change in control" shall be deemed to have occurred on such date if:

- (i) any person, organization or association of persons or organizations acting in concert, excluding affiliates of the Company itself, shall acquire more than twenty percent (20%) of the outstanding voting stock of the Company in whole or in part by means of an offer made publicly to the holders of all or substantially all of the outstanding shares of any one or more classes of the voting securities of the Company to acquire such shares for cash, other property or a combination thereof; or

(ii) any person, organization or association of persons or organizations acting in concert shall succeed in electing two or more directors in any one election in opposition to those proposed by management; or

(iii) the Company transfers all or substantially all of its operating properties and assets to another person, organization or association of persons or organizations, excluding affiliates of the Company itself; or

(iv) the Company shall consolidate with or merge into any person, firm or corporation unless the Company or a Subsidiary shall be the continuing corporation or the successor corporation;

5.02 Individuals With More than 10% Ownership. No Option will be granted to an individual who at the time of the grant owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company.

5.03 Adjustments.

(a) In the event that the outstanding shares of Common Stock of the Company are hereafter increased or decreased or changed into or exchanged for a different number or kind of shares or other securities of the Company or of another corporation, by reason of a recapitalization, reclassification, stock split-up, combination of shares, reorganization, tender offer or dividend or other distribution payable in capital stock, appropriate adjustment shall be made by the Committee in the number and kind of shares on which Options may be granted under the Plan, including without limitation, the number of shares on which Options are to be granted annually to Directors under Section 4.01. In addition, the Committee shall make appropriate adjustment in the number and kind of shares as to which Options, or portions thereof are then unexercised, to the end that the proportionate interest of the holder of the Option shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustment in outstanding Options shall be made without change in the total price applicable to the unexercised portion of the Option but with a corresponding adjustment in the Option price per share.

(b) In the event of the dissolution or liquidation of the Company, any Option granted under the Plan shall terminate as of a date to be fixed by the Committee, provided that not less than thirty (30) days written notice of the date so fixed shall be given to each Optionee and each such person shall have the right during such period to exercise his Options as to all or any part of the shares covered thereby including shares as to which such Options would not otherwise be exercisable by reason of an insufficient lapse of time.

(c) Adjustments and determinations under this Section 5.03 shall be made by the Committee, whose decisions as to what adjustments or determinations shall be made, and the extent thereof, shall be final, binding and conclusive.

5.04 Restrictions on Issuing Shares. The exercise of each Option shall be subject to the condition that if at any time the Company shall determine in its discretion that the satisfaction of withholding tax or other withholding liabilities, or that the listing, registration or qualification of any securities exchange or under any state or federal law, or that the consent or approval of any regulatory body, is necessary or desirable as a condition of, or in connection with, such exercise or the delivery or purchase of shares pursuant thereto, then in any such event, such exercise shall not be effective unless such withholding, listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

5.05 Use of Proceeds. The proceeds received by the Company from the sale of Common Stock pursuant to the exercise of Options granted under the Plan shall be added to the Company's general funds and used for general corporate purposes. If stock is received, it shall be held in the treasury and used as the Company decides.

5.06 Right to Terminate Employment. Nothing in the Plan or in any agreement entered into pursuant to the Plan shall confer upon any Participant the right to continue in the employment of the Company or to affect any right which the Company may have to terminate the employment of such Participant.

5.07 Amendment, Suspension and Termination of Plan. The Board may at any time suspend or terminate the Plan or may amend it from time to time in such respects as the Board may deem advisable in order that the Options granted thereunder may conform to any changes in the law or in any other respect which the Board may deem to be in the best interests of the Company; provided, however, that the Plan may not be amended more than once during any six-month period, except if necessary to comply with the Code or ERISA, and that, without approval by the shareholders of the Company representing a majority of the voting power present at a duly called meeting, no such amendment shall (a) except as specified in Section 5.03, increase or decrease the number of shares for which Options may be granted under the Plan; (b) change the provisions of Section 1.05 relating to whom may be granted Options; (c) change the provisions of Sections 1.02(a), 1.02(k), 2.02(a) and 3.02(a) relating to the establishment of the Option price; (d) change the provisions of Sections 2.02(c) or 3.02(b) relating to the expiration date of each Option; (e) change the provisions of this Section relating to the term of this Plan, or (f) otherwise materially increase the benefits accruing to Participants under the Plan. Unless the Plan shall theretofore have been terminated by the Board, the Plan shall terminate on the 18th day of January, 2006. No Option may be granted during any suspension or after the termination of the Plan. No amendment, suspension, or termination of the Plan shall, without a Participant's consent, alter or impair any of the rights or obligations under any Option theretofore granted to such Participant under the Plan.

5.08 Cash or Property Bonus. The Board, in its sole and absolute discretion, may at any time including but not limited to the time of exercise, authorize a taxable cash or property bonus to be paid a Participant who is not a Director. The amount of the bonus, if any, shall be determined by the Board. The property transferred at exercise is subject to Section 61 and Section 83 of the Code, as amended.

5.09 Effective Date of Plan and Shareholder Approval. The effective date of the Plan is the 18th day of January, 1996, the date of its approval by the Board; however, if the Plan is not approved and ratified by the shareholders of the Company within twelve (12) months from the date the Plan was adopted and approved by the Board, the Plan shall terminate and any Options granted thereunder shall be void and have no force or effect.

Dated this 18th day of January, 1996.

By: /s/ D.J. Noble  
D.J. Noble, President

ATTEST:

/s/ Wendy L. Carlson