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

FORM 8-K

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

Date of Report (Date of earliest event reported): **August 6, 2015**

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

Iowa	**001-31911**	**42-1447959**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6000 Westown Parkway, West Des Moines, Iowa 50266
(Address of Principal Executive Offices) (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:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On August 6, 2015, American Equity Investment Life Holding Company (the "Company") entered into an underwriting agreement (the "Underwriting Agreement") with RBC Capital Markets, LLC and J.P. Morgan Securities LLC, as Representatives (the "Representatives") of the several Underwriters named therein (the "Underwriters"), RBC Capital Markets, LLC, in its capacity as agent (in such capacity, the "Forward Seller") for Royal Bank of Canada (the "Forward Counterparty"), and the Forward Counterparty, with respect to the offer and sale (the "Offering") by the Company and the Forward Counterparty (or its affiliate) of an aggregate of 8,600,000 shares of the Company's common stock, par value $1 per share ("Common Stock") (plus up to an additional 1,290,000 shares of Common Stock pursuant to an option granted to the Underwriters to purchase additional shares (the "Option")), at a public offering price of $25.25 per share of Common Stock, on the terms set forth therein. In connection with the Offering, on August 6, 2015, the Company also entered into a forward sale agreement (the "First Forward Sale Agreement") with the Forward Counterparty relating to the forward sale of an aggregate of 4,300,000 shares of Common Stock by the Company to the Forward Counterparty. As contemplated by the First Forward Sale Agreement, the Forward Counterparty (or its affiliate) will borrow from third parties and sell 4,300,000 shares of Common Stock to the Underwriters in the Offering.

On August 7, 2015, the Underwriters exercised the Option in full to purchase an additional 1,290,000 shares of Common Stock from the Forward Counterparty (or its affiliate). In connection with such exercise, on August 11, 2015, the Company entered into an additional forward sale agreement (together with the First Forward Sale Agreement, the "Forward Sale Agreements") with the Forward Counterparty on substantially the same terms as the First Forward Sale Agreement, relating to the forward sale of an aggregate of 1,290,000 shares of Common Stock by the Company to the Forward Counterparty.

The closing of the Offering, together with the closing of the sale of the shares to the Underwriters pursuant to the Option, occurred on August 12, 2015. The Company issued and sold 4,300,000 shares of Common Stock pursuant to the Offering. The issuance and sale of the 4,300,000 shares of Common Stock by the Company (shares not subject to the Forward Sale Agreements) resulted in initial net proceeds to the Company of approximately $104.2 million (after deducting fees and estimated expenses related to the Offering). The Company intends to use the net proceeds from the offering for general corporate purposes, including contributions to the capital and surplus of its life insurance subsidiaries. In connection with its hedge of the transactions evidenced by the Forward Sale Agreements, the Forward Counterparty (or its affiliate) borrowed from third parties and sold 5,590,000 shares of Common Stock to the Underwriters in the Offering. The Company has not received any proceeds from the sale of the shares sold by the Forward Counterparty (or its affiliate), but will be entitled to receive payments under the Forward Sale Agreements in the future when the Company issues shares to the Forward Counterparty (or its

affiliate) in settlement of the Forward Sale Agreements (subject to the Company's ability to elect cash or net share settlement of its obligations under the Forward Sale Agreements, as described below).

The Offering was made pursuant to the prospectus supplement dated August 6, 2015 and the accompanying base prospectus dated September 28, 2012, filed with the Securities and Exchange Commission (the "Commission") pursuant to the Company's registration statement on Form S-3 (File No. 333-184162) (the "Registration Statement"), which was initially filed with the Commission on September 28, 2012 and became effective upon filing pursuant to Rule 462(e) of the rules and regulations under the Securities Act of 1933, as amended.

The Forward Sale Agreements generally provide for settlement on one or more settlement dates specified by the Company on or prior to August 11, 2016, subject to acceleration by the Forward Counterparty upon the occurrence of certain events. On any settlement date, if the Company decides to physically settle the Forward Sale Agreements, it will issue Common Stock to the Forward Counterparty at the then-applicable forward sale price. The forward sale price will initially be $24.303125 per share, which is the public offering price per share of Common Stock less the underwriting discount per share. The Forward Sale Agreements provide that the forward sale price will be adjusted on a daily basis based on a floating interest rate factor equal to the federal funds rate less a spread and will be decreased by certain amounts on specified dates set forth in the Forward Sale Agreements. The interest rate factor adjustment will reduce the forward sale price on each day on which the federal funds rate for that day is less than the spread. The forward sale price may also be decreased if the cost to the Forward Counterparty of borrowing shares of Common Stock over a one-month period from third parties exceeds a specified amount.

Except under limited circumstances described below, the Company has the right to elect physical, cash or net share settlement under the Forward Sale Agreements. In connection with cash or net share settlement, the Forward Counterparty (or its affiliate) may purchase shares of Common Stock in open market transactions over a period of time for delivery to stock lenders in order to close its short position (after taking into account, in the case of net share settlement, the shares, if any, that the Company would be required to deliver to the Forward Counterparty) and, if applicable in connection with net share settlement, for delivery of shares to the Company. In connection with cash or net share settlement, if the price at which the Forward Counterparty (or its affiliate) purchases shares of Common Stock in the open market exceeds the applicable forward sale price, then the Company would have to, in the case of cash settlement, pay to the Forward Counterparty a cash amount equal to the difference or, in the case of net share settlement, deliver to the Forward Counterparty a number of shares of Common Stock having a market value equal to the difference. Conversely, in connection with cash or net share settlement, if the price at which the Forward Counterparty (or its affiliate) purchases shares of Common Stock in the open market is less than the applicable forward sale price, then the Forward Counterparty would have to, in the case of cash settlement, pay to the Company a cash amount equal to the difference or, in the case of net share settlement, deliver to the Company a number of shares of Common Stock having a market value equal to the difference. Purchases of the Company's Common Stock in open market transactions by the Forward Counterparty or its affiliate in connection with cash settlement or net share settlement could increase the trading price of the Company's Common Stock. This, in turn, could increase the amount of cash, in the case of cash settlement, or the number of shares, in the case of net share settlement, the Company would owe, if any, to the Forward Counterparty upon settlement of the Forward Sale Agreements.

The Forward Counterparty will have the right to accelerate the Forward Sale Agreements (with respect to all or any portion of the transaction under the Forward Sale Agreements that the Forward Counterparty determines is affected by such event) and require the Company to physically settle on a date specified by the Forward Counterparty if (1) the Forward Counterparty (or its affiliate), in its commercially reasonable judgment, either (i) is unable to hedge its exposure under the Forward Sale Agreements because of the lack of sufficient shares of Common Stock being made available for borrowing by lenders or (ii) would incur a cost to borrow shares of Common Stock to hedge its exposure under the Forward Sale Agreements that exceeds a specified threshold; (2) the Company declares any distribution, issue or dividend on its Common Stock with a record date occurring during the term of the Forward Sale Agreements and payable in either (i) cash in excess of a specified amount, (ii) securities of another company acquired or owned by the Company as a result of a spin-off or other similar transaction or (iii) any other type of securities (other than its Common Stock), rights, warrants or other assets for payment at less than the prevailing market price, as determined by the Forward Counterparty; (3) certain ownership thresholds applicable to the Forward Counterparty are exceeded; (4) certain "Events of Default" or "Termination Events" (as defined in documentation published by the International Swaps and Derivatives Association, Inc.) occur, including, among other things, any material misrepresentation by the Company under the Forward Sale Agreements or certain bankruptcy or insolvency events relating to the Company; or (5) an event is announced that, if consummated, would result in an "Extraordinary Event" (as defined in the Forward Sale Agreements), including, among other things, certain mergers and tender offers, a change in law and certain events involving the Company's nationalization or the delisting of Common Stock, or the Forward Counterparty otherwise has the right to terminate the Forward Sale Agreements as a result of an Extraordinary Event.

A decision by the Forward Counterparty to accelerate settlement of any Forward Sale Agreement would be made regardless of the Company's interests, including its need for capital, and could result in dilution to the Company's earnings per share and return on equity.

The Underwriters, the Forward Counterparty and/or their respective affiliates have in the past performed commercial banking, investment banking and advisory services for the Company and its affiliates from time-to-time for which they have received customary fees and reimbursement of expenses and may, from time-to-time, engage in transactions with and perform services for us and our affiliates in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

The above summary of the Underwriting Agreement and Forward Sale Agreements does not purport to be complete and is qualified in its entirety by the Underwriting Agreement and Forward Sale Agreements, copies of which are attached to this Current Report on Form 8-K as Exhibit 1.1 and Exhibits 10.1 and 10.2, respectively, and incorporated by reference herein. A copy of the opinion of William R. Kunkel, the Company's Executive Vice President and General Counsel, relating to the legality of the issuance of the shares of Common Stock is attached to this Current Report on Form 8-K as Exhibit 5.1.

This Current Report on Form 8-K is being filed for the purpose of filing Exhibit 1.1, Exhibit 5.1, Exhibit 10.1, Exhibit 10.2 and Exhibit 23.1 as exhibits to the Registration Statement and such exhibits are hereby incorporated by reference into the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
1.1	Underwriting Agreement, dated as of August 6, 2015, among American Equity Investment Life Holding Company, RBC Capital Markets, LLC and J.P. Morgan Securities LLC as Representatives of the several Underwriters named therein, RBC Capital Markets, LLC, in its capacity as agent for Royal Bank of Canada, and Royal Bank of Canada.
5.1	Opinion of William R. Kunkel, the Company's Executive Vice President and General Counsel, as to validity of the shares.
10.1	Confirmation, dated as of August 6, 2015, by and between American Equity Investment Life Holding Company and RBC Capital Markets, LLC, as agent for Royal Bank of Canada.
10.2	Confirmation, dated as of August 11, 2015, by and between American Equity Investment Life Holding Company and RBC Capital Markets, LLC, as agent for Royal Bank of Canada.
23.1	Consent of William R. Kunkel, the Company's Executive Vice President and General Counsel (included in Exhibit 5.1).

SIGNATURE

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.

AMERICAN EQUITY
INVESTMENT LIFE HOLDING COMPANY

Date: August 12, 2015

By: /s/ John M. Matovina
Name: John M. Matovina
Title: Chief Executive Officer and President

EXHIBIT INDEX

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Exhibit 1.1

8,600,000 Shares

AMERICAN EQUITY INVESTMENT LIFE HOLDING COMPANY

Common Stock, par value $1 per share

Underwriting Agreement

August 6, 2015

RBC Capital Markets, LLC
200 Vesey Street, 8th Floor
New York, New York 10281

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

As Representatives of the several Underwriters
named in Schedule I hereto

RBC Capital Markets, LLC
200 Vesey Street, 8th Floor
New York, New York 10281

As the Forward Seller (as defined below)
and agent for Royal Bank of Canada,
as the Forward Counterparty

Royal Bank of Canada
200 Vesey Street, 8th Floor
New York, New York 10281

As the Forward Counterparty

Ladies and Gentlemen:

American Equity Investment Life Holding Company, an Iowa corporation (the "**Company**"), and RBC Capital Markets, LLC, in its capacity as agent for the Forward Counterparty (as defined below) (in such agency capacity, the "**Forward Seller**"), at the request of the Company in connection with the Forward Sale Agreement (as defined below), confirm their respective agreements with RBC Capital Markets, LLC and each of the several Underwriters listed on Schedule I hereto (collectively, the "**Underwriters**"), for whom RBC Capital Markets, LLC and J.P. Morgan Securities LLC are acting as representatives (in such capacity, the "**Representatives**") on the terms set forth herein, with respect to, (i) the issuance and sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the number of shares of common stock, par value $1 per share, of the Company (the "**Common Stock**") set forth opposite the names of the Underwriters in Schedule I hereto under the heading "Number

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of Company Initial Shares To Be Purchased" (the "**Company Initial Shares**"), (ii) subject to Section 19 hereof, the sale by the Forward Seller (as agent for the Forward Counterparty) and the purchase by the Underwriters, acting severally and not jointly, of the number of shares of Common Stock set forth opposite the names of the Underwriters in Schedule I hereto under the heading "Number of Borrowed Initial Shares To Be Purchased" (such number of shares of Common Stock being equal to the "**Borrowed Initial Shares**" (which are the initial shares delivered by the Forward Seller (as agent for the Forward Counterparty) plus any Company Top-Up Initial Shares (as defined in Section 19 hereof)), and (iii) subject to Section 19 hereof, the grant by the Forward Seller (as agent for the Forward Counterparty) to the Underwriters, acting severally and not jointly, of the option described in Section 1(b) hereof to purchase all or any part of 1,290,000 additional shares of Common Stock (the number of additional shares of Common Stock delivered by the Forward Seller (as agent for the Forward Counterparty), the "**Borrowed Option Shares**" and, together with any Company Top-Up Option Shares (as defined in Section 19 hereof), the "**Option Shares**").

The Company Initial Shares, the Borrowed Initial Shares and any Company Top-Up Initial Shares are herein referred to collectively as the "**Initial Shares**." The Company Initial Shares, any Company Top-Up Initial Shares and any Company Top-Up Option Shares are herein referred to collectively as the "**Company Shares**." The Initial Shares and the Option Shares are herein referred to collectively as the "**Shares**."

As used herein, "**Forward Sale Agreement**" means the letter agreement, dated the date hereof, between the Company and Royal Bank of Canada (the "**Forward Counterparty**"), relating to the forward sale by the Company of a number of shares of Common Stock equal to the number of Borrowed Initial Shares, and any other such letter agreement relating to the forward sale by the Company of a number of shares of Common Stock equal to the number of Borrowed Option Shares, as applicable, in each case sold by the Forward Seller to the Underwriters pursuant to this Agreement, subject to the Company's right to elect Cash Settlement or Net Share Settlement (as such terms are defined in the Forward Sale Agreement).

The Company understands that the Underwriters intend to make a public offering of the Shares as soon after the effectiveness of this Underwriting Agreement (the "**Agreement**") as in the judgment of the Representatives is advisable, and initially to offer the Shares on the terms set forth in the Prospectus. The Company has filed an automatic shelf registration statement on Form S-3 (No. 333-184162), including a base prospectus, with the Securities and Exchange Commission (the "**Commission**") for the registration of, among other securities of the Company, the Shares under the Securities Act of 1933, as amended (the "**Securities Act**"), and the rules and regulations thereunder (the "**Securities Act Regulations**"), which became effective upon filing under Rule 462(e) of the Securities Act Regulations ("**Rule 462(e)**"). Such registration statement, at any given time, including the amendments thereto to such time,

the exhibits and any schedules thereto at such time, the documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act at such time and any prospectus supplement relating to the Shares that is filed with the Commission and deemed by virtue of Rule 430B of the Securities Act Regulations to be a part of such registration statement, is hereinafter called the "**Registration Statement**." Each preliminary prospectus (including each preliminary prospectus supplement) relating to the Shares filed with the Commission pursuant to Rule 424(b) of the Securities Act Regulations ("**Rule 424(b)**")), including the base prospectus filed as part of the Registration Statement, is hereinafter called a "**Preliminary Prospectus**." The term "**Prospectus**" means the final prospectus relating to the Shares, as first filed with the Commission pursuant to Rule 424(b), and any amendments thereof or supplements thereto, including the base prospectus filed as part of the Registration Statement. The Commission has not issued any order preventing or suspending the use of any Preliminary Prospectus. Any reference herein to the Registration Statement, the Prospectus or any Preliminary Prospectus shall be

deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 that were filed under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

The term "**Time of Sale Information**" means (i) the Preliminary Prospectus, as most recently amended or supplemented as of the date hereof, (ii) the Issuer Free Writing Prospectuses (as defined below), if any, identified in Schedule II hereto, (iii) any other Free Writing Prospectus (as defined below) that the parties hereto shall hereafter expressly agree to treat as part of the Time of Sale Information, and (iv) the pricing information set forth on Schedule II hereto.

"**Time of Sale**" means 5:45 p.m., New York City time, on August 6, 2015.

The term "**Free Writing Prospectus**" means any free writing prospectus, as defined in Rule 405 of the Securities Act Regulations ("**Rule 405**").

All references in this Agreement to financial statements and schedules and other information that is "contained," "included" or "stated" in the Registration Statement, any Preliminary Prospectus or the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information that is incorporated by reference in the Registration Statement, any Preliminary Prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Exchange Act which is incorporated by reference in the Registration Statement, such Preliminary Prospectus or the Prospectus, as the case may be.

1. Sale and Purchase.

(a) Initial Shares. Upon the basis of the warranties and representations and other terms and conditions herein set forth, (i) the Company agrees to sell to the Underwriters the Company Initial Shares and each Underwriter agrees, severally and not jointly, to purchase from the Company that number of Company Initial Shares set forth opposite the name of such Underwriter in Schedule I hereto under the heading "Number of Company Initial Shares To Be Purchased," and (ii) each of the Forward Seller (as agent for the Forward Counterparty, with respect to the Borrowed Initial Shares) and the Company (with respect to any Company Top-Up Initial Shares), severally and not jointly, agrees to sell to the Underwriters, and each Underwriter agrees, severally and not jointly, to purchase from the Forward Seller (as agent for the Forward Counterparty, with respect to the Borrowed Initial Shares) and the Company (with respect to any Company Top-Up Initial Shares) that number of Initial Shares set forth opposite the name of such Underwriter in Schedule I hereto under the heading "Number of Borrowed Initial Shares To Be Purchased" plus, in each case, any additional number of Initial Shares that such Underwriter may become obligated to purchase pursuant to the provisions of Section 8 hereof, subject in each case, to such adjustments among the Underwriters as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares, in each case, at the purchase price per share of Common Stock of $24.303125.

(b) Option Shares. In addition, upon the basis of the warranties and representations and other terms and conditions herein set forth, each of the Forward Seller (as agent for the Forward Counterparty, with respect to the Borrowed Option Shares) and the Company (with respect to the Company Top-Up Option Shares) hereby grants an option to the Underwriters, acting severally and not jointly, to purchase from the Forward Seller (as agent for the Forward Counterparty, with respect to the Borrowed Option Shares) and the Company (with respect to the Company Top-Up Option Shares) all or any part of the

Option Shares, plus any additional number of Option Shares that such Underwriter may be obligated to purchase pursuant to the provisions of Section 8 hereof, at the purchase price per share set forth in paragraph (a) above, less an amount per share equal to any dividends or distributions declared by the Company and payable on the Initial Shares but not payable on the Option Shares. The option hereby granted will expire 30 days after the date hereof and may be exercised in whole or in part from time to time within such 30-day period upon written notice by the Representatives to the Forward Counterparty, the Forward Seller and the Company setting forth the number of Option Shares as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Shares. Any such time and date of delivery (a "**Date of Delivery**") shall be determined by the Representatives, but shall not be later than five business days after the exercise of such option, nor in any event prior to the Closing Time (as defined below). The number of Option Shares to be purchased by each Underwriter shall be the same percentage of the total number of Option Shares then being purchased as the number of Initial Shares set forth in Schedule I opposite the name of such Underwriter bears to the total number of Initial Shares, subject in each case to such adjustments among the Underwriters as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(c) If (i) any of the conditions to effectiveness of the Forward Sale Agreement set forth therein have not been satisfied (A) with respect to the Initial Shares, at the Closing Time and (B) with respect to the Option Shares, at the Date of Delivery; (ii) the Company has not performed all of the obligations required to be performed by it under this Agreement on or prior to (A) with respect to the Initial Shares, the Closing Time and (B) with respect to the Option Shares, the Date of Delivery; or (iii) any of the conditions set forth in Section 6 hereof have not been satisfied on or prior to (A) with respect to the Initial Shares, the Closing Time and (B) with respect to the Option Shares, the Date of Delivery; (clauses (i) through (iii), together, the "**Conditions**"), the Forward Counterparty, in its sole discretion, may elect not to borrow, and may cause the Forward Seller (as agent for the Forward Counterparty), not to deliver for sale to the Underwriters the Borrowed Initial Shares or the Borrowed Option Shares, as applicable, deliverable by the Forward Seller (as agent for the Forward Counterparty) hereunder.

2. Payment and Delivery.

(a) Initial Shares. The Initial Shares to be purchased by the Underwriters hereunder, in definitive form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight (48) hours' prior notice to the Forward Seller (as agent for the Forward Counterparty, with respect to the Borrowed Initial Shares) or the Company (with respect to the Company Initial Shares and any Company Top-Up Initial Shares) shall be delivered by or on behalf of the Forward Seller or the Company, as the case may be, to the Representatives, including, at the option of the Representatives, through the facilities of The Depository Trust Company ("**DTC**") for the account of the Underwriters, against payment by or on behalf of the Underwriters of the purchase price therefor by wire transfer of federal (same-day) funds to the account specified to the Representatives by the Forward Seller (with respect to the Borrowed Initial Shares) or by the Company (with respect to the Company Initial Shares and any Company Top-Up Initial Shares), in either case, upon at least forty-eight (48) hours' prior notice. The time, date and place of such delivery and payment shall be 9:30 a.m., New York City time, on the third (fourth, if the determination of the purchase price of the Initial Shares occurs after 4:00 p.m., New York City time) business day after the date hereof (unless another time and date shall be agreed to by the Representatives, the Forward Seller and the Company) at the office of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, 425 Lexington Avenue, New York, New York 10017. The time and date at which such delivery and payment are actually made is hereinafter called the "**Closing Time**."

(b) Option Shares. Any Option Shares to be purchased by the Underwriters hereunder, in

definitive form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight (48) hours' prior notice to the Forward Seller (as agent for the Forward Counterparty, with respect to the Borrowed Option Shares) or the Company (with respect to any Company Top-Up Option Shares) shall be delivered by or on behalf of the Forward Seller or the Company, as the case may be, to the Representatives, including, at the option of the Representatives, through the facilities of DTC for the account of the Underwriters, against payment by or on behalf of the Underwriters of the purchase price therefor by wire transfer of federal (same-day) funds to the account specified to the Representatives by the Forward Seller (with respect to the Borrowed Option Shares) or by the Company (with respect to the Company Top-Up Option Shares), as the case may be, upon at least forty-eight (48) hours' prior notice. The time, date and place of such delivery and payment shall be 9:30 a.m., New York City time, on the date specified by the Representatives in the notice given by the Representatives to the Forward Seller or the Company, as the case may be, of the Underwriters' election to purchase such Option Shares or on such other time and date as the Representatives, the Forward Seller and the Company may agree upon in writing at the office of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, 425 Lexington Avenue, New York, New York 10017.

3. Representations and Warranties.

(a) *Representations and Warranties of the Company*. The Company represents and warrants to the Underwriters, the Forward Seller and the Forward Counterparty, as of the date hereof, as of the Closing Time and as of any Date of Delivery that:

(i) *Preliminary Prospectus*. No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, complied in all material respects with the Securities Act and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter, the Forward Seller or the Forward Counterparty furnished to the Company in writing by or on behalf of such Underwriter, the Forward Seller or the Forward Counterparty through the Representatives expressly for use in any Preliminary Prospectus.

(ii) *Time of Sale Information*. The Time of Sale Information, at the Time of Sale did not, and at the Closing Time and at each Date of Delivery (if any) will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter, the Forward Seller or the Forward Counterparty furnished to the Company in writing by or on behalf of such Underwriter, the Forward Seller or the Forward Counterparty through the Representatives expressly for use in the Preliminary Prospectus, the Time of Sale Information or the Prospectus. No statement of material fact included in the Prospectus has been omitted from the Time of Sale Information, and no statement of material fact included in the Time of Sale Information that is required to be included in the Prospectus has been omitted therefrom.

(iii) *Issuer Free Writing Prospectus*. The Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to

any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clauses (i) (ii) and (iii) below) being an "**Issuer Free Writing Prospectus**") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act, (ii) the Preliminary Prospectus, (iii) the Prospectus and (iv) the documents listed in Schedule II hereto, any electronic road show or other written communications, in each case approved in writing in advance or used by the Representatives. Each such Issuer Free Writing Prospectus as of its issue date and at all subsequent time through the completion of the offering of Shares under this Agreement or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Preliminary Prospectus, the Time of Sale Information or the Prospectus and has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby). If at any time following the issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Preliminary Prospectus, the Time of Sale Information or the Prospectus, the Company has promptly or will promptly notify the Representatives and has promptly amended or supplemented or will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict. Each such Issuer Free Writing Prospectus, when taken together with the Preliminary Prospectus filed prior to the first use of such Issuer Free Writing Prospectus, did not at the Time of Sale, and at the Closing Time and at each Date of Delivery (if any) will not, contain any untrue

statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus in reliance upon and in conformity with information relating to any Underwriter, the Forward Seller or the Forward Counterparty furnished to the Company in writing by such Underwriter, the Forward Seller or the Forward Counterparty through the Representatives expressly for use in any Issuer Free Writing Prospectus.

(iv) *Registration Statement and Prospectus*. The Registration Statement is an "automatic shelf registration statement" as defined under Rule 405 of the Securities Act that has been filed with the Commission not earlier than three years prior to the date hereof; and no notice of objection of the Commission to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Company. No order suspending the effectiveness of the Registration Statement has been issued by the Commission and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering has been initiated or threatened by the Commission; as of the applicable effective date of the Registration Statement and any amendment thereto, the Registration Statement complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto, the Prospectus and any such amendment or supplement did not, and as of the Closing Time and at each Date of Delivery (if any), the Prospectus will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that the Company makes no

representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter, the Forward Seller or the Forward Counterparty furnished to the Company in writing by or on behalf of such Underwriter, the Forward Seller or the Forward Counterparty through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto.

(v) *Incorporated Documents*. Except with respect to the timeliness of the filing of the Company's Current Report on Form 8-K, dated June 4, 2015 and filed with the Commission on June 16, 2015, the documents incorporated by reference in each of the Registration Statement, the Prospectus and the Time of Sale Information, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Exchange Act, and none of such documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Registration Statement, the Prospectus or the Time of Sale Information, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished to the Company in writing by or on behalf of any Underwriter, the Forward Seller or the Forward Counterparty through the Representatives expressly for use in the Registration Statement , the Prospectus (and any amendment or supplement thereto) and the Time of Sale Information.

(vi) *Financial Statements*. The financial statements and the related notes thereto included or incorporated by reference in each of the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as applicable, and present fairly the financial position of the Company and its subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby except as may be expressly stated in the related notes thereto, and the supporting schedules included or incorporated by reference in each of the Registration Statement, the Prospectus and the Time of Sale Information present fairly the information required to be stated therein; and the other financial information included or incorporated by reference in each of the Registration Statement, the Time of Sale Information and the Prospectus has been derived from the accounting records of the Company and its subsidiaries and presents fairly the information shown thereby. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus and the Time of Sale Information fairly presents the information called for in all material respects and is prepared in all material respects accordance with the Commission's rules and guidelines applicable thereto.

(vii) *No Material Adverse Change*. Since the date of the most recent financial statements of the Company included or incorporated by reference in each of the Registration Statement, the Time of Sale Information and the Prospectus, (i) there has not been any change in the capital stock (except for any issuances, repurchases or redemptions of capital stock related to

the exercise of stock options) or long-term debt of the Company or any of its subsidiaries, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, properties, financial position or results of operations of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except in each case as otherwise disclosed in each of the Registration Statement, the Time of Sale Information and the Prospectus.

(viii) *Organization and Good Standing*. The Company and each of its subsidiaries have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such

qualification, and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified, in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect on the business, properties, financial position or results of operations of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement and the Forward Sale Agreement (a "**Material Adverse Effect**"). The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

(ix) *Capitalization*. The Company has an authorized capitalization as set forth in each of the Registration Statement, the Time of Sale Information and the Prospectus under the heading "Description of Capital Stock," and all the outstanding shares of capital stock of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and all the outstanding shares of capital stock or other equity interests of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party (collectively, "**Liens**"), except where the failure to be so authorized and issued, fully paid and non-assessable, owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim could not reasonably be expected to have a Material Adverse Effect.

(x) *Other Equity Securities.* Except for employee stock options and restricted stock units under plans disclosed in the Registration Statement, the Time of Sale Information and the Prospectus and except as otherwise disclosed in the Registration Statement, the Time of Sale Information and the Prospectus, there are no outstanding (A) securities or obligations of the Company or the subsidiaries of the Company, convertible into or exchangeable for any capital stock of or partnership interests, membership interests or other equity interests, as the case may be, in the Company or any such subsidiary, (B) warrants, rights or options to subscribe for or purchase from the Company or any subsidiary any such capital stock or any such convertible or

exchangeable securities or obligations, or (C) obligations of the Company or any subsidiary to issue any securities or obligations, any such convertible or exchangeable securities or obligations, or any such warrants, rights or options.

(xi) *Due Authorization*. The Company has the power and authority to execute and deliver this Agreement and the Forward Sale Agreement (collectively, the "**Transaction Documents**") and to perform its obligations hereunder and thereunder; and all action required to be taken for the authorization, execution and delivery of each of the Transaction Documents and the consummation of the transactions contemplated thereby has been duly and validly taken.

(xii) *The Forward Sale Agreement*. The Forward Sale Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability (collectively, the "**Enforceability Exceptions**").

(xiii) *The Company Shares*. The Company Shares have been duly authorized and, if and when issued and duly delivered by the Company against payment therefor as contemplated by this Agreement, will be validly issued, fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and the issuance and sale of such shares of Common Stock by the Company is not subject to preemptive or other similar rights arising by operation of law, under the organizational documents of the Company or under any agreement to which the Company is a party or otherwise.

(xiv) *The Shares Issuable Pursuant to Forward Sale Agreement*. The shares of Common Stock issuable upon settlement of the Forward Sale Agreement, including as a result of an Acceleration Event (as defined in the Forward Sale Agreement), have been duly authorized and reserved for issuance upon settlement of the Forward Sale Agreement and, when issued and delivered by the Company to the Forward Counterparty pursuant thereto, against payment of any consideration required to be paid by the Forward Counterparty pursuant to the terms of the Forward Sale Agreement, such shares of Common Stock will be validly issued, fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and the issuance of such shares of Common Stock will not be subject to any preemptive or other similar rights arising by operation of law, under the organizational documents of the Company or under any agreement to which the Company is a party or otherwise.

(xv) *Listing*. The Common Stock has been registered under Section 12(b) of the Exchange Act, and the Company has not applied to delist the Common Stock from the New York Stock Exchange (the "**NYSE**"), nor has the Company received any written notification that the NYSE is contemplating the delisting of the Common Stock.

(xvi) *Form of Common Stock Certificate*. The form of certificate used to evidence the Common Stock, if any, complies in all material respects with all applicable statutory requirements, with any applicable requirements of the organizational documents of the Company and the requirements of the NYSE.

(xvii) *Underwriting Agreement*. This Agreement has been duly authorized, executed and

delivered by the Company.

(xviii) *Descriptions of the Transaction Documents and the Common Stock*. Each Transaction Document and the Common Stock conform in all material respects to the description thereof contained in each of the Registration Statement, the Time of Sale Information and the Prospectus.

(xix) *No Violation or Default*. Neither the Company nor any of its subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property, right or asset of the Company or any of its subsidiaries is subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, have a Material Adverse Effect.

(xx) *No Conflicts*. The execution, delivery and performance by the Company of each of the Transaction Documents, the issuance and sale of the Shares and compliance by the Company with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property, right or asset of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, have a Material Adverse Effect.

(xxi) *No Consents Required*. No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of each of the Transaction Documents, the issuance and sale of the Shares and compliance by the Company with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents, except for (i) the registration of the Shares under the Securities Act, (ii) the listing of the Shares on the NYSE and (iii) such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the Financial Industry Regulatory Authority, Inc. ("**FINRA**") and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters, the Forward Seller and the Forward Counterparty.

(xxii) *Legal Proceedings*. Except as described in each of the Registration Statement, the Time of Sale Information and the Prospectus, there are no legal, governmental or regulatory

investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("**Actions**") pending to which the Company or any of its subsidiaries is or may be a party or to which any property, right or asset of the Company or any of its subsidiaries is or may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, could reasonably be expected to have a Material Adverse Effect; no Actions are threatened or, to the best knowledge of the Company, contemplated by any governmental or regulatory authority or threatened by others that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, could reasonably be expected to have a Material Adverse Effect; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement or the Prospectus that are not so described in the Registration Statement, the Time of Sale Information and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement and the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Time of Sale Information and the Prospectus.

(xxiii) *Independent Accountants*. KPMG LLP, who have audited certain financial statements (including the related notes thereto and supplemental schedules) of the Company and its subsidiaries, are an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(xxiv) *Statutory Financial Statements*. The 2014 statutory annual statements of each of the Company's U.S. subsidiaries which is regulated as an insurance company (collectively, the "**Insurance Subsidiaries**") and the statutory balance sheets and income statements included in such statutory annual statements together with related schedules and notes, have been prepared, in all material respects, in conformity with statutory accounting principles or practices required or permitted by the appropriate insurance department of the jurisdiction of domicile of each such subsidiary, and such statutory accounting practices have been applied on a consistent basis throughout the periods involved, except as may otherwise be indicated therein or in the notes thereto, and present fairly, in all material respects, the statutory financial position of the Insurance Subsidiaries as of the dates thereof, and the statutory basis results of operations of the Insurance Subsidiaries for the periods covered thereby.

(xxv) *Title to Real and Personal Property*. The Company and its subsidiaries have good and marketable title in fee simple to, or have valid rights to lease or otherwise use, all items of real and personal property that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(xxvi) *Intellectual Property*. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company and its subsidiaries taken as a whole, (i) the Company and its subsidiaries own or have the right to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, domain names and other source indicators, copyrights and copyrightable works, know-how, trade secrets, systems, procedures, proprietary or confidential information and all

other worldwide intellectual property, industrial property and proprietary rights (collectively, "**Intellectual Property**") used in the conduct of their respective businesses; (ii) the Company and its subsidiaries' conduct of their respective businesses does not infringe, misappropriate or otherwise

violate any Intellectual Property of any person; (iii) the Company and its subsidiaries have not received any written notice of any claim relating to Intellectual Property; and (iv) to the knowledge of the Company, the Intellectual Property of the Company and their subsidiaries is not being infringed, misappropriated or otherwise violated by any person.

(xxvii) *No Undisclosed Relationships*. No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, or other affiliates of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Time of Sale Information.

(xxviii) *Investment Company Act*. The Company is not, and after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in each of the Registration Statement, the Time of Sale Information and the Prospectus, will not be an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "**Investment Company Act**").

(xxix) *Taxes*. The Company and its subsidiaries have paid all federal, state, local and foreign taxes and filed all material tax returns required to be paid or filed through the date hereof, except for any such tax that is currently being contested in good faith or as would not have a Material Adverse Effect on the Company and its subsidiaries taken as a whole; and except as otherwise disclosed in each of the Registration Statement, the Time of Sale Information and the Prospectus, there is no material tax deficiency that has been, or could reasonably be expected to be, asserted against the Company or any of its subsidiaries or any of their respective properties or assets.

(xxx) *Licenses and Permits*. The Company and its subsidiaries possess all licenses, sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in each of the Registration Statement, the Time of Sale Information and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, have a Material Adverse Effect; and except as described in each of the Registration Statement, the Time of Sale Information and the Prospectus and except for any notices which would not, individually or in the aggregate, have a Material Adverse Effect, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, sub-license, certificate, permit or authorization.

(xxxi) *No Labor Disputes*. No labor disturbance by or dispute with employees of the Company or any of its subsidiaries which are likely to have a Material Adverse Effect exists or, to the best knowledge of the Company, is threatened. Neither the Company nor any of its subsidiaries has received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(xxxii) *Compliance With Environmental Laws*. (i) The Company and its subsidiaries (x)

are in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, requirements, decisions and orders relating to the protection of human health or safety, the environment, natural resources, hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "**Environmental Laws**"); (y) have received and are in compliance with all permits, licenses, certificates or other authorizations or approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (z) have not received notice of any actual or potential liability under or relating to any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, and have no knowledge of any event or condition that would reasonably be expected to result in any such notice and (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company or its subsidiaries, except in the case of each of (i) and (ii) above, for any such failure to comply, or failure to receive required permits, licenses or approvals, or cost or liability, as would not, individually or in the aggregate, have a Material Adverse Effect.

(xxxiii) *Compliance with ERISA*. (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), for which the Company or any member of its "Controlled Group" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the "**Code**")) would have any liability (each, a "**Plan**") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) or "endangered status" or "critical status" (within the meaning of Section 305 of ERISA); (v) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (vi) no "reportable event" (within the meaning of Section 4043(c) of ERISA) has occurred or is reasonably expected to occur; (vii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification and (viii) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guarantee Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan," within the meaning of Section 4001(a)(3) of ERISA), except in each case with respect to the events or conditions set forth in (i) through (viii) hereof, as would not, individually or in the aggregate, have a Material Adverse Effect.

(xxxiv) *Disclosure Controls*. The Company and its subsidiaries maintain an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's

management as appropriate to allow timely decisions regarding required disclosure. The Company and its subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

(xxxv) *Accounting Controls*. The Company and its subsidiaries maintain systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that comply with the requirements of the Exchange Act and have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company and its subsidiaries maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus and the Time of Sale Information is prepared in accordance with the Commission's rules and guidelines applicable thereto. There are no material weaknesses or significant deficiencies in the Company's internal controls.

(xxxvi) *No Unlawful Payments*. Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977; (iv) violated or is in violation of any provision of the Bribery Act 2010 of the United Kingdom; or (v) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(xxxvii) *Compliance with Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse effect.

(xxxviii) *No Conflicts with Sanctions Laws*. None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury), the United Nations Security

Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, "**Sanctions**"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory (currently, Cuba, Iran, North Korea, Sudan, and Syria) (collectively, "**Sanctioned Countries**" and each, a "**Sanctioned Country**"); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund any activities of or business with any person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is a person that is, or is 50% or more owned or otherwise controlled by a person that is: (i) the subject of any Sanctions; or (ii) located, organized or resident in a Sanctioned Country (such person, a "**Sanctioned Person**"). Except as has been disclosed to the Underwriters or is not material to the analysis under any Sanctions, neither the Company nor any of its subsidiaries has engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding 5 years, nor does the Company or any of its subsidiaries have any plans to increase its dealings or transactions with Sanctioned Persons, or with or in Sanctioned Countries.

(xxxix) *No Restrictions on Subsidiaries*. No subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock or similar ownership interest, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's properties or assets to the Company or any other subsidiary of the Company, except for (a) any such restrictions contained in the credit agreement governing our revolving credit facility in existence on the date hereof, or (b) that are otherwise permitted by the indenture governing the Company's senior notes due 2021.

(xl) *No Stabilization*. The Company has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(xli) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(xlii) *Status under the Securities Act*. The Company is not an ineligible issuer and is a well-known seasoned issuer, in each case as defined under the Securities Act, in each case at the times specified in the Securities Act in connection with the offering of the Shares.

(b) *Representations and Warranties of the Forward Seller and Forward Counterparty*. The Forward Seller and the Forward Counterparty each hereby represents, warrants and covenants to each of the Company and the Underwriters, as of the date hereof, as of the Closing Time and as of any Date of Delivery on which the Forward Seller is to deliver Borrowed Option Shares that:

(i) this Agreement has been duly authorized, executed and delivered by each of the Forward Seller and the Forward Counterparty and, at the Closing Time and at each Date of Delivery (if any) at which each of the Forward Seller and the Forward Counterparty is to deliver Borrowed Option Shares, each of the Forward Seller and the Forward Counterparty will have full right, power and authority to sell, transfer and deliver the number of Borrowed Initial Shares or Borrowed Option Shares, as applicable, to the extent that it is required to sell, transfer and deliver such Borrowed Initial Shares or Borrowed Option Shares, as applicable, hereunder;

(ii) the Forward Sale Agreement has been duly authorized, executed and delivered by the Forward Counterparty and constitutes a valid and binding agreement of the Forward Counterparty, enforceable against the Forward Counterparty in accordance with its terms, except as the enforcement thereof may be limited by the Enforceability Exceptions;

(iii) each of the Forward Seller and the Forward Counterparty, as applicable, will, at the Closing Time or the Date of Delivery, as the case may be, have the free and unqualified right to transfer the number of Borrowed Initial Shares or Borrowed Option Shares, as applicable, that it is required to deliver to the extent that it is required to transfer such Borrowed Initial Shares or Borrowed Option Shares, as applicable, hereunder, free and clear of any security interest, mortgage, pledge, lien, encumbrance, restriction on voting or transfer or any other claim of any third party; and upon delivery of such Borrowed Initial Shares or Borrowed Option Shares, as applicable, and payment of the purchase price therefor, as herein contemplated, assuming each of the Underwriters has no notice of any adverse claim, each of the Underwriters will have the free and unqualified right to transfer any such Borrowed Initial Shares or Borrowed Option Shares, as applicable, purchased by it from the Forward Seller, free and clear of any security interest, mortgage, pledge, lien, encumbrance, restriction on voting or transfer or any other claim of any third party; and

(iv) the Forward Seller is acting as an agent for the Forward Counterparty in connection with the transactions contemplated hereby.

4. Certain Covenants.

The Company agrees with the Underwriters, the Forward Seller and the Forward Counterparty:

(a) to furnish such information as may be required and otherwise to cooperate in each case qualifying the Shares for offering and sale under the securities or blue sky laws of such jurisdictions (both domestic and foreign) as the Representatives may reasonably designate and to maintain such qualifications in effect as long as reasonably requested by the Representatives for the distribution of the Shares; *provided* that the Company shall not be required to qualify to do business in any jurisdiction in which it is not then so qualified, to file any general consent to service of process or to take any other action which would subject it to general service of process or to taxation in any such jurisdiction where it is not then so subject. The Company will promptly advise the Representatives and the Forward Seller of the receipt by the Company of any written notification with respect to (i) the suspension of the qualification of the Shares for sale in any jurisdiction or (ii) the initiation or threatening of any proceeding for such purpose;

(b) if, at the time this Agreement is executed and delivered, it is necessary for a post-effective amendment to the Registration Statement to be declared effective before the offering of the Shares may

commence, the Company will endeavor to cause such post-effective amendment to become effective as soon as possible and will advise the Representatives and the Forward Seller, promptly and, if requested by the Representatives or the Forward Seller, will confirm such advice in writing, when such post-effective amendment has become effective;

(c) to prepare the Prospectus in a form approved by the Underwriters and the Forward Seller and file such Prospectus with the Commission pursuant to Rule 424(b) under the Securities Act within the time period set forth in Rule 424(b) and to furnish promptly (and with respect to the initial delivery of such Prospectus, not later than the second business day following the date of determination of the price per Share to be paid by the public in connection with the offering of the Shares or on such other day as the parties may mutually agree) to the Underwriters and the Forward Seller copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) in such quantities and at such locations as the Underwriters and the Forward Seller may reasonably request for the purposes contemplated by the Securities Act Regulations, which Prospectus and any amendments or supplements thereto furnished to the Underwriters and the Forward Seller will be identical to the version created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T;

(d) to advise the Representatives and the Forward Seller promptly (and if required by the Representatives, to confirm such advice in writing) when any post-effective amendment to the Registration Statement has become effective under the Securities Act Regulations;

(e) to furnish a copy of each proposed Free Writing Prospectus to the Representatives and the Forward Seller and counsel for the Underwriters and obtain the reasonable consent of the Representatives and the Forward Seller prior to referring to, using or filing with the Commission any Free Writing Prospectus pursuant to Rule 433(d) under the Securities Act, other than the Issuer Free Writing Prospectuses, if any, identified in Schedule II hereto;

(f) to comply with the requirements of Rules 164 and 433 of the Securities Act Regulations applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission, legending and record keeping, as applicable;

(g) to advise the Representatives, the Forward Seller and the Forward Counterparty immediately and, if requested by the Representatives, confirming such advice in writing, of (1) the receipt of any comments from, or any request by, the Commission for amendments or supplements to the Registration Statement, the Preliminary Prospectus, the Prospectus, the Time of Sale Information, or any Issuer Free Writing Prospectus, or for additional information with respect thereto, or (2) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of the Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus, or of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes and, if the Commission or any other government agency or authority should issue any such order, to make every reasonable effort to obtain the lifting or removal of such order as soon as possible and to advise the Representatives, the Forward Seller and the Forward Counterparty promptly of the lifting or removal of such order; to advise the Representatives promptly of any proposal to amend or supplement the Registration Statement, the Preliminary Prospectus, the Prospectus or any Issuer Free

Writing Prospectus and to file no such amendment or supplement to which the Representatives, the Forward Seller and the Forward Counterparty, upon advice of counsel after discussion with the Company and counsel for the Company, shall reasonably object in writing;

(h) to pay the required Commission filing fees relating to the Shares within the time required by Rule 456(b)(1)(i) of the Securities Act Regulations and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations, except to the extent such filing fees have been paid prior to the date hereof;

(i) unless otherwise publicly available in electronic format on the website of the Company or the Commission, to furnish (i) to the Underwriters for a period of two (2) years from the date of this Agreement and (ii) to the Forward Seller and the Forward Counterparty, until expiration or termination of the Forward Sale Agreement, (1) as soon as available, copies of all annual, quarterly and current reports or other communications supplied to holders of shares of Common Stock and (2) as soon as practicable after the filing thereof, copies of all reports filed by the Company with the Commission or any national securities exchange on which any class of securities of the Company are listed;

(j) to advise the Underwriters, the Forward Seller and the Forward Counterparty promptly of the happening of any event known to the Company within the time during which a Prospectus relating to the Shares (or in lieu thereof the notice referred to in Rule 173(a) under the Securities Act Regulations) is required to be delivered under the Securities Act or the Securities Act Regulations which, in the judgment of the Company, (1) would result in the Prospectus or the Time of Sale Information containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (2) would result in any Issuer Free Writing Prospectus conflicting with the information contained in the Registration Statement relating to the Shares or the Prospectus, or (3) would make it necessary to amend or supplement the Prospectus or the Time of Sale Information to comply with the Securities Act and the Securities Act Regulations and, during such time, to promptly prepare and furnish to the Underwriters, the Forward Seller and the Forward Counterparty copies of the proposed amendment or supplement before filing any such amendment or supplement with the Commission and thereafter promptly furnish at the Company's own expense to the Underwriters, the Forward Seller and the Forward Counterparty and to dealers, copies in such quantities and at such locations as the Representatives may from time to time reasonably request of an appropriate amendment or supplement to the Prospectus or the Time of Sale Information so that the Prospectus or the Time of Sale Information as so amended or supplemented will not, in the light of the circumstances when it (or in lieu thereof the notice referred to in Rule 173(a) under the Securities Act Regulations) is so delivered, be misleading, or, in the case of any Issuer Free Writing Prospectus, conflict with the information contained in the Registration Statement or the Prospectus, or so that the Prospectus or the Time of Sale Information will comply with the Securities Act and the Securities Act Regulations;

(k) except with respect to filings by the Company under the Exchange Act, during the period of time a Prospectus is required to be delivered in connection with the sale of Shares hereunder, (i) prior to filing with the Commission any amendment or supplement to the Registration Statement, any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus, to furnish a copy thereof to the Underwriters and counsel for the Underwriters and obtain the reasonable consent of the Representatives to the filing and (ii) to file promptly with the Commission any amendment or supplement to the Registration Statement, any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus that may, in the judgment of the Company, be required by the Securities Act or requested by the Commission;

(l) to cooperate with the Representatives in permitting the Shares to be eligible for clearance and settlement through the facilities of DTC;

(m) to apply the net proceeds from the sale of the Company Shares and the net proceeds due upon settlement of the Forward Sale Agreement in accordance with the statements under the caption "Use of Proceeds" in the Prospectus and the Time of Sale Information;

(n) to make generally available to its security holders and to deliver to the Representatives and the Forward Seller as soon as practicable, but in any event not later than eighteen (18) months after the effective date of the Registration Statement, an earnings statement (which need not be audited) complying with the provisions of Section 11(a) of the Securities Act (in such form, at the option of the Company, as complies with the provisions of Rule 158 of the Securities Act Regulations); *provided*, *however*, *that*; (i) such delivery requirements to the Company's security holders shall be deemed met by the Company's compliance with its reporting requirements pursuant to the Exchange Act if such compliance satisfies the conditions of Rule 158 and (ii) such delivery requirements to the Representatives, the Forward Seller and the Forward Counterparty shall be deemed met by the Company if the related reports are available on the Commission's Electronic Data Gathering Analysis and Retrieval System.

(o) (1) to have the Company Initial Shares and the Company Top-Up Initial Shares, if applicable, to be issued and sold by the Company accepted for listing, subject to notice of issuance by the NYSE, prior to the Closing Time, (2) to have the Company Top-Up Option Shares to be issued and sold by the Company accepted for listing, subject to notice of issuance by the NYSE, prior to the Date of Delivery, as applicable, and (3) to apply to list the shares of Common Stock, if any, to be issued upon settlement of the Forward Sale Agreement on the NYSE prior to the date such shares of Common Stock are to be issued upon such settlement and to have such shares accepted for listing, subject to notice of issuance by the NYSE, prior to the delivery thereof, and, in either case, to file with the NYSE all documents and notices required by the NYSE to effect and maintain the listing of the Initial Shares and the Option Shares on the NYSE as soon as practicable after the date of this Agreement;

(p) to engage and maintain, at its expense, a registrar and transfer agent for the Common Stock;

(q) in connection with the offer and sale of the Shares, not to offer shares of Common Stock or any other securities convertible into or exchangeable or exercisable or redeemable for Common Stock in a manner in violation of the Securities Act;

(r) not to distribute any prospectus or other offering material, other than the Registration Statement, the Prospectus and the Time of Sale Information, in connection with the offer and sale of the Shares;

(s) to refrain during a period of 60 days from the date of the Prospectus (the "**Lock-Up Period**"), without the prior written consent of the Representatives, from, directly or indirectly, (1) offering, pledging, selling, contracting to sell, selling any option or contract to purchase, purchasing any option or contract to sell, granting any option, right or warrant for the sale of, lending or otherwise disposing of or transferring, directly or indirectly, any

equity securities of the Company or any securities convertible into or exercisable or exchangeable for equity securities of the Company, or filing any registration statement under the Securities Act with respect to any of the foregoing (except for (i) a registration statement on Form S-3 relating to a proposed dividend reinvestment plan or employee stock purchase plan of the Company, (ii) a universal shelf registration statement on Form S-3 and/or Form S-4 relating to securities that may be offered or sold by the Company, provided that the Company will not sell any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock pursuant to any such registration statement within 60 days from the date of the Prospectus and (iii) a registration statement on Form S-8 with respect to grants of stock options, restricted stock or other stock based awards to employees, consultants or directors pursuant to an employee benefit plan in existence on

the date hereof, (2) entering into any swap or other agreement that transfers, in whole or in part, directly or indirectly, any of the economic consequence of ownership of equity securities of the Company, whether any such swap or transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise or (3) publicly announce the intention to enter into any transaction or take any action of the type described in clause (1) or (2) above that has not been previously disclosed. The foregoing sentence shall not apply to (A) any Company Shares to be issued or sold hereunder, (B) any shares of Common Stock issuable upon settlement of the Forward Sale Agreement or pursuant to an Acceleration Event (as defined in the Forward Sale Agreement), (C) any shares of Common Stock issued by the Company in connection with employee benefit plans, stock option plans, long-term incentive plans, direct stock purchase plans or distribution reinvestment plans existing at the date of this Agreement, (D) any securities issued by the Company upon the exercise of an option, warrants or rights outstanding on the date hereof and referred to directly or indirectly in the Time of Sale Information and the Prospectus, (E) grants of stock options, Common Stock, restricted stock or restricted stock units to employees, consultants, independent insurance agents or directors of the Company or its subsidiaries pursuant to an employee benefit plan of the Company in existence on the date hereof and described in the Time of Sale Information and the Prospectus, provided that the grantees thereof agree not to sell, offer, dispose of or otherwise transfer any such stock options (or the shares of Common Stock underlying such options), Common Stock restricted stock or restricted stock units during such 60-day period without the prior written consent of the Representatives, (F) the issuance of Common Stock in connection with the acquisition of assets in a transaction exempt from the requirements of the Securities Act, *provided that* (x) the aggregate number of shares or securities issued pursuant to this clause (F) shall not exceed 5% of the total number of outstanding shares of Common Stock immediately following the issuance and sale of the Initial Shares pursuant hereto and (y) the beneficial owner of any such shares or securities shall sign a lock-up agreement substantially in the form of Annex A hereto, or (G) any shares of Common Stock issued upon exchange of any convertible senior notes in existence on the date hereof; notwithstanding the foregoing, if (i) the Company issues an earnings release or material news, or a material event relating to the Company occurs, during the last 17 days of the Lock-Up Period, or (ii) prior to the expiration of the Lock-Up Period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the Lock-Up Period, the restrictions imposed by this clause (v) shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event, unless the Representatives waive, in writing, such extension; the Company agrees to provide written notice of any event that would result in an extension of the Lock-Up Period to the Representatives and each stockholder subject to the Lock-Up Period;

(t) not to, and to use its commercially reasonable best efforts to cause its officers, directors and affiliates not to, (1) take, directly or indirectly prior to termination of the underwriting syndicate contemplated by this Agreement, any action designed to stabilize or manipulate the price of any security of the Company, or which may cause or result in, or which might in the future reasonably be expected to cause or result in, the stabilization or manipulation of the price of any security of the Company, to facilitate the sale or resale of any of the Shares, (2) sell, bid for, purchase or, except as provided herein, pay anyone any compensation for soliciting purchases of the Shares or (3) pay or agree to pay to any person any compensation for soliciting any order to purchase any other securities of the Company; and

(u) to comply with all of the provisions of any undertakings in the Registration Statement and to file with the Commission such reports as may be required pursuant to Rule 463 of the Securities Act Regulations.

5. Payment of Expenses.

(a) The Company agrees to pay the costs and expenses relating to the following matters: (i) the preparation, printing or reproduction and filing with the Commission of the Registration Statement (including financial statements and exhibits thereto), each Preliminary Prospectus, the Prospectus and each Issuer Free Writing Prospectus, and each amendment or supplement to any of them; (ii) the printing (or reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of such copies of the Registration Statement, each Preliminary Prospectus, the Prospectus and each Issuer Free Writing Prospectus, and all amendments or supplements to any of them, as may, in each case, be reasonably requested for use in connection with the offering and sale of the Shares; (iii) the preparation, printing, authentication, issuance and delivery of certificates, if any, for the Shares, including any stamp or transfer taxes in connection with the original issuance and sale of the Shares; (iv) the printing (or reproduction) and delivery of this Agreement, any blue sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the offering of the Shares; (v) the registration of the Shares under the Exchange Act and the listing of the Shares on the NYSE; (vi) any registration or qualification of the Shares for offer and sale under the securities or blue sky laws of the several states (including filing fees and the reasonable fees and expenses of counsel for the Underwriters relating to such registration and qualification); (vii) any filings required to be made with FINRA (including filing fees and the reasonable fees and expenses of counsel for the Underwriters relating to such filings, which shall not exceed an aggregate of $15,000 when taken together with the fees and expenses of counsel set forth in clause (vi) above); (viii) all expenses incurred by or on behalf of the Company in connection with any “road show” presentations to prospective purchasers of the Shares; (ix) the fees and expenses of the Company’s accountants and the fees and expenses of counsel (including local and special counsel) for the Company; and (x) all other costs and expenses incident to the performance by the Company of its obligations hereunder. Notwithstanding the foregoing, it is understood and agreed that, except as expressly provided in Sections 9 and 5(b), the Underwriters will pay all of their own costs and expenses, including without limitation, fees and disbursements of their counsel (other than for blue sky and FINRA matters provided above in this Section 5(a)) and transfer taxes on the resale by them of any of the Shares. The Underwriters, severally and not jointly, agree to reimburse the Company for a portion of expenses described in this Section 5(a) in an amount set forth in the expense reimbursement letter agreement between the Company and the Representatives on behalf of the Underwriters.

(b) If (i) this Agreement is terminated pursuant to Section 7, (ii) the Company for any reason fails to tender the Company Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Initial Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses (including the fees and expenses of their counsel) reasonably incurred by the Underwriters in

connection with this Agreement and the offering contemplated hereby, and the Company shall not in any event be liable to any of the Underwriters for any other amount, including, without limitation, damages on account of loss of anticipated profits from the sale of the Shares.

6. Conditions of the Obligations of the Underwriters and the Forward Seller.

The obligations of the Forward Seller hereunder to sell and deliver the Borrowed Initial Shares and the Borrowed Option Shares and of the Underwriters hereunder to purchase and pay for the Shares, in each case at the Closing Time or on each Date of Delivery, as applicable, are subject to the performance by the Company of its obligations hereunder to be performed at or prior to the Closing Time or the relevant Date of Delivery, as the case may be, and to the satisfaction of the following further conditions:

(a) *Registration Compliance; No Stop Order*. No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose, pursuant to Rule 401(g)(2)

or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(c) and 4(f) hereof, as applicable; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties*. The representations and warranties of the Company contained herein shall be true and correct on the date hereof, at and as of the Closing Time and on each Date of Delivery, as if made on the date hereof, at the Closing Time and on each Date of Delivery, as applicable.

(c) *No Downgrade*. Subsequent to the earlier of (A) the Time of Sale and (B) the execution and delivery of this Agreement, (i) no downgrading shall have occurred in the rating accorded any debt securities or preferred stock issued or guaranteed by the Company or any of its subsidiaries by any "nationally recognized statistical rating organization," as such term is defined under Section 3(a)(62) of the Exchange Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of any debt securities or preferred stock issued or guaranteed by the Company or any of its subsidiaries (other than an announcement with positive implications of a possible upgrading).

(d) *No Material Adverse Change*. No event or condition of a type described in Section 3(a)(vii) hereof shall have occurred or shall exist, which event or condition is not described in each of the Time of Sale Information (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Prospectus.

(e) *Officer's Certificate*. The Representatives and the Forward Seller shall have received on and as of the Closing Time and on each Date of Delivery, as applicable, a certificate of an executive officer of the Company who has specific knowledge of the Company's financial matters and is satisfactory to the Representatives (i) confirming that, to the best knowledge of such officer, the representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Time or such Date of Delivery, as applicable and (ii) to the effect set forth in paragraphs (a), (c) and (d) above.

(f) *Comfort Letters*. On the date of this Agreement and at the Closing Time and on each Date of Delivery, as applicable, KPMG LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained or incorporated by reference in each of the Registration Statement, the Time of Sale Information and the Prospectus; *provided* that the letter delivered at the Closing Time and on such Date of Delivery shall use a "cut-off" date no more than three business days prior to the Closing Time or such Date of Delivery, as the case may be.

(g) *Opinion and 10b-5 Statement of Counsel for the Company*. Skadden, Arps, Slate, Meagher & Flom LLP, counsel for the Company, shall have (i) furnished to the Representatives and the Forward

Seller, at the request of the Company, their written opinion, dated the Closing Time and on each Date of Delivery, as applicable, and addressed to the Underwriters, the Forward Seller and the Forward Counterparty, in form and substance reasonably satisfactory to the Representatives and (ii) furnished to the Representatives and the Forward Seller, at the request of the Company, their 10b-5 Statement, dated the Closing Time and on each Date of Delivery, as the case may be, and addressed to the Underwriters, the Forward Seller and the Forward Counterparty, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion of the General Counsel*. William R. Kunkel, Executive Vice President and General Counsel of the Company and its subsidiaries, shall have furnished to the Representatives and the Forward Seller, at the request of the Company, his written opinion, dated the Closing Time and on each Date of Delivery, as applicable, and addressed to the Underwriters, the Forward Seller and the Forward Counterparty, in form and substance reasonably satisfactory to the Representatives.

(i) *Opinion and 10b-5 Statement of Counsel for the Underwriters*. The Representatives and the Forward Seller shall have received on and as of the Closing Time and on each Date of Delivery an opinion and 10b-5 statement, as applicable, of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, with respect to such matters as the Representatives and the Forward Seller may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(j) *DTC*. The Shares shall be eligible for clearance and settlement through DTC.

(k) *Listing*. The Company shall have submitted an application to list the Company Initial Shares and, if applicable, the Company Top-Up Initial Shares and, if applicable, the Company Top-Up Option Shares, on the NYSE, subject to official notice of issuance.

(l) *Lock-Up Agreements*. The Representatives shall have received the lock-up agreements substantially in the form of Annex A hereto signed by the persons listed on Schedule III hereto.

(m) *Additional Documents*. On or prior to the Closing Time and each Date of Delivery, the Company shall have furnished to the Representatives, the Forward Seller and the Forward Counterparty such further certificates and documents as the Representatives, the Forward Seller or the Forward Counterparty may reasonably request.

7. Termination.

This Agreement shall be subject to termination in the absolute discretion of the Representatives, by notice given to the Company prior to delivery of and payment for the Initial Shares, if at any time prior to such delivery and payment (i) trading in the Company's Common Stock shall have been suspended by the Commission or the NYSE, or trading in securities generally on the NYSE shall have been suspended or limited or minimum prices shall have been established on such exchange, (ii) a banking moratorium shall have been declared either by federal or New York State authorities or (iii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war, or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Representatives, impractical or inadvisable to proceed with the offering or delivery of the Shares as contemplated by the Preliminary Prospectus or the Prospectus (exclusive of any supplement thereto).

8. Default by an Underwriter.

If, at the Closing Time or any Date of Delivery, any one or more Underwriters shall fail to purchase and pay for any of the Shares agreed to be purchased by such Underwriter or Underwriters hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Underwriters shall be obligated severally to take up and pay for (in the respective proportions which the number of Shares set forth opposite their names in Schedule I hereto bears to the aggregate number of Shares set forth opposite the names of all the remaining Underwriters) the Shares which the defaulting Underwriter or Underwriters agreed but failed to purchase; *provided*, *however*, that in the event that the aggregate number of Shares which the defaulting Underwriter or Underwriters agreed but failed to purchase shall exceed 10% of the aggregate number of Shares set forth in Schedule I hereto, the remaining Underwriters shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Shares, and if such non-defaulting Underwriters do not purchase all of the Shares, this Agreement or, with respect to any Date of Delivery, the obligation of the non-defaulting Underwriters to purchase Option Shares on such Date of Delivery, will terminate without liability to any non-defaulting Underwriter, the Forward Seller or the Company. In the event of a default by any Underwriter as set forth in this Section 8, the Closing Time or the relevant Date of Delivery shall be postponed for such period, not exceeding five business days, as the Representatives shall determine in order that the required changes in the Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Underwriter of its liability, if any, to the Company and any non-defaulting Underwriter for damages occasioned by its default hereunder.

9. Indemnity and Contribution by the Company and the Underwriters.

(a) *Indemnification by the Company.* The Company agrees to indemnify and hold harmless each Underwriter, the Forward Seller and the Forward Counterparty, and their respective affiliates, directors and officers and each person, if any, who controls such Underwriter, the Forward Seller or the Forward Counterparty within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, (ii) or any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter, the Forward Seller or the Forward Counterparty furnished to the Company in writing by or on behalf of such Underwriter, the Forward Seller or the Forward Counterparty through the Representative expressly for use therein.

(b) *Indemnification by the Underwriters.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, each of its directors and officers who signed the Registration Statement, the Forward Seller and the Forward Counterparty, their respective affiliates, directors and officers, and each person, if any, who controls the Company, the Forward Seller or the Forward Counterparty within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to

the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred) that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter, the Forward Seller or the Forward Counterparty furnished to the Company in writing by or on behalf of such Underwriter, the Forward Seller or the Forward Counterparty through the Representative expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, it being understood and agreed that the only such information consists of the following paragraphs in the Preliminary Prospectus and the Prospectus: the third paragraph and the twenty-second through the twenty-eighth paragraphs under the heading "Underwriting."

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to either paragraph (a) or (b) above, such person (the

"Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under paragraph (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under paragraph (a) or (b) above. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section 9 that the Indemnifying Person may designate in such proceeding and shall pay the fees and expenses of such proceeding and shall pay the fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm for any Underwriter, the Forward Seller and the Forward Counterparty, and their respective affiliates, directors and officers and any control persons of such Underwriter, the Forward Seller and the Forward Counterparty shall be designated in writing by the Representatives and any such separate firm for the Company, its directors and officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person

reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in paragraph (a) or (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages, expenses or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages, expenses or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions that resulted in such losses, claims, damages, expenses or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company on the one hand and the Underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages, expenses and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 9, in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 9 are several in proportion to their respective purchase

obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any Indemnified Person at law or in equity.

10. Survival.

The indemnity and contribution agreements contained in Section 9 of this Agreement, the covenants, warranties and representations of the Company contained in Sections 3(a), 4 and 5 of this Agreement and the representations and warranties of the Forward Seller contained in Section 3(b) of this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of any Underwriter, the Forward Seller, the Forward

Counterparty, or any person who controls an Underwriter, the Forward Seller or the Forward Counterparty within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors and officers or any person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and shall survive the sale and delivery of the Shares. The indemnity and contribution agreements contained in Section 9 of this Agreement and the representations, warranties and agreements of the Company contained in Sections 3(a) and 5 of this Agreement shall survive any termination of this Agreement. The Company, each Underwriter, the Forward Seller and the Forward Counterparty agree promptly to notify the others of the commencement of any litigation or proceeding against it and, in the case of the Company, against any of its officers and directors, in connection with the sale and delivery of the Shares, or in connection with the Registration Statement or Prospectus.

11. Duties.

Nothing in this Agreement shall be deemed to create a partnership, joint venture or agency relationship between the parties. The Underwriters, the Forward Seller and the Forward Counterparty undertake to perform such duties and obligations only as expressly set forth herein. Such duties and obligations of the Underwriters with respect to the Shares shall be determined solely by the express provisions of this Agreement, and the Underwriters, the Forward Seller and the Forward Counterparty shall not be liable except for the performance of such duties and obligations with respect to the Shares as are specifically set forth in this Agreement. The Company acknowledges that the Underwriters, the Forward Seller and the Forward Counterparty disclaim any implied duties (including any fiduciary duty), covenants or obligations arising from the Underwriters', the Forward Seller's and the Forward Counterparty's performance of their respective duties and obligations expressly set forth herein.

12. Notices.

All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o RBC Capital Markets, LLC, 200 Vesey Street, 8th Floor, New York, New York 10281-8098, Attention: Michael Goldberg, Syndicate Director, Fax: (212) 428-6260 and c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, Attention: Equity Syndicate Desk, Fax: (212) 622-8358. Notices to the Company shall be given to them at American Equity Investment Life Holding Company, 6000 Westown Parkway, West Des Moines, Iowa 50766, Attention: William R. Kunkel (Fax: 515-221-0744).

13. Governing Law; Headings.

THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. The section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

14. Waiver of Jury Trial.

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

15. No Fiduciary Duty; No Reliance.

The Company hereby acknowledges that (a) the purchase and sale of the Shares pursuant to this Agreement are an arm's-length commercial transaction among the Company, the Underwriters, the Forward Seller, the Forward Counterparty and any affiliate or affiliates through which the Underwriters, the Forward Seller and the Forward Counterparty may be acting, (b) the Underwriters are acting as principal and not as an agent or fiduciary of the Company and (c) the engagement by the Company of the Underwriters in connection with the offering and the process leading up to the offering is as independent contractors and not in any other capacity. Furthermore, the Company agrees that it is solely responsible for making its own judgments in connection with the offering (irrespective of whether any Underwriter, the Forward Seller or the Forward Counterparty has advised or is currently advising the Company on related or other matters). The Company expressly acknowledges that it has not relied upon the Underwriters, the Forward Seller, the Forward Counterparty or counsel for the Underwriters for any legal, tax or accounting advice in connection with the offering and sale of the Shares. The Company agrees that it will not claim that the Underwriters, the Forward Seller or the Forward Counterparty have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

16. Integration.

Except as set forth herein, this Agreement supersedes all prior agreements and understandings (whether written or oral) among the Company, the Underwriters, the Forward Seller and the Forward Counterparty, or any of them, with respect to the subject matter hereof, other than the Forward Sale Agreement and that certain letter agreement, dated as of the date hereof, by and among the Company and the Representatives.

17. Parties at Interest.

The Agreement herein set forth has been and is made solely for the benefit of the Underwriters, the Forward Seller, the Forward Counterparty, the Company and the controlling persons, directors and officers referred to in Sections 9 and 10 hereof, and their respective successors, assigns, executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Underwriters) shall acquire or have any right under or by virtue of this Agreement.

18. Counterparts and Facsimile Signatures.

This Agreement may be signed by the parties in counterparts, which together shall constitute one and the same agreement among the parties. A facsimile signature shall constitute an original signature for all purposes.

19. Issuance and Sale by the Company.

(a) In the event that (i) the Forward Counterparty elects not to borrow Shares pursuant to Section 1(c) hereof, (ii) the Forward Counterparty or its affiliate is unable to borrow and cause the Forward Seller to deliver for sale under this Agreement a number of shares of Common Stock equal to the number of Borrowed Initial Shares or Borrowed Option Shares, as applicable, to be purchased by the Underwriters at the Closing Time or the Date of Delivery, as applicable, and deliverable by the Forward Seller hereunder, or (iii) the Forward Counterparty determines in its commercially reasonable judgment, either that it is impracticable to do so or that the Forward Counterparty would incur a stock loan fee, excluding, for the avoidance of doubt, the federal funds rate component payable by the relevant stock lender to the Forward Counterparty (such stock loan fee, a "**Stock Loan Fee**"), of more than a rate equal to 200 basis points per annum to do so, then, upon notice by the Forward Seller to the Company (which notice shall be delivered no later than 5:00 p.m., New York City time, on the business day immediately preceding the Closing Time or any Date of Delivery, as the case may be), the Company shall issue and sell to the Underwriters, pursuant to Section 1(a) hereof, in whole but not in part, an aggregate number of shares of Common Stock equal to the number of Borrowed Initial Shares or Borrowed Option Shares, as applicable, otherwise deliverable by the Forward Seller hereunder that the Forward Seller does not so deliver and sell to the Underwriters. In connection with any such issuance and sale by the Company, the Company or the Representatives shall have the right to postpone the Closing Time or the Date of Delivery, as applicable, for one business day in order to effect any required changes in any documents or arrangements. Any shares of Common Stock sold by the Company to the Underwriters pursuant to this Section 19(a) in lieu of any Borrowed Initial Shares are referred to herein as the "**Company Top-Up Initial Shares**." Any shares of Common Stock sold by the Company to the Underwriters pursuant to this Section 19(a) in lieu of any Borrowed Option Shares are referred to herein as the "**Company Top-Up Option Shares**."

(b) Neither the Forward Counterparty nor the Forward Seller shall have any liability whatsoever for any Borrowed Initial Shares or Borrowed Option Shares that the Forward Seller does not deliver and sell to the Underwriters or any other party if (i) all of the Conditions with respect to the Forward Counterparty and the Forward Seller are not satisfied on or prior to the Closing Time or the Date of Delivery, as applicable, and the Forward Seller elects pursuant to Section 1(c) hereof not to deliver and sell to the Underwriters the Borrowed Initial Shares or Borrowed Option Shares, as applicable, deliverable by the Forward Seller hereunder, or (ii) the Forward Counterparty or its affiliate is unable to borrow and cause the Forward Seller to deliver for sale under this Agreement at the Closing Time or the Date of Delivery, as applicable, a number of shares of Common Stock equal to the number of Borrowed Initial Shares or Borrowed Option Shares, as applicable, deliverable by the Forward Seller hereunder or (iii) the Forward Counterparty determines in its commercially reasonable judgment, either that it is impracticable to do so or that the Forward Counterparty would incur a Stock Loan Fee of more than a rate equal to 200 basis points per annum to do so (it being understood that the foregoing exclusion of liability shall not apply in the case of fraud and/or any intentional misconduct).

If the foregoing correctly sets forth the understanding among the Company, the Underwriters, the Forward Seller and the Forward Counterparty, please so indicate in the space provided below for the purpose, whereupon this Agreement shall constitute a binding agreement among the Company, the Underwriters, the Forward Seller and the Forward Counterparty.

Very truly yours,

AMERICAN EQUITY INVESTMENT LIFE HOLDING COMPANY

By /s/ John M. Matovina
Name: John M. Matovina
Title: Chief Executive Officer and President

RBC CAPITAL MARKETS, LLC, in its capacity as the Forward Seller

By /s/ Jonathan Bayer
Name: Jonathan Bayer
Title: Managing Director

RBC CAPITAL MARKETS, LLC, as agent for ROYAL BANK OF CANADA, in its capacity as the Forward Counterparty

By /s/ Amy Disbrow
Name: Amy Disbrow
Title: Associate Director

[Signature page to Underwriting Agreement]

Accepted and agreed to as of the date first above written, on behalf of themselves and the several other Underwriters named on Schedule I hereto:

RBC CAPITAL MARKETS, LLC

By /s/ Jonathan Bayer
Name: Jonathan Bayer
Title: Managing Director

J.P. MORGAN SECURITIES LLC

By /s/Ray Craig
Name: Ray Craig
Title: Managing Director

[Signature page to Underwriting Agreement]

SCHEDULE I

Underwriter	Number of Company Initial Shares To Be Purchased	Number of Borrowed Initial Shares To Be Purchased
RBC Capital Markets, LLC	1,075,000	1,075,000
J.P. Morgan Securities LLC	1,075,000	1,075,000
Citigroup Global Markets Inc.	430,000	430,000
FBR Capital Markets & Co.	430,000	430,000
Raymond James & Associates, Inc.	430,000	430,000
SunTrust Robinson Humphrey, Inc.	645,000	645,000
Sandler O'Neill & Partners, L.P.	215,000	215,000
Total	4,300,000	4,300,000

SCHEDULE II

TIME OF SALE INFORMATION

A. Issuer Free Writing Prospectus to be included in the Time of Sale Information: None.

B. Pricing Information provided orally by the Underwriters:

Public offering price per share: $25.25

SCHEDULE III

List of Persons Subject to Lock-up

David J. Noble
John M. Matovina
Ted M. Johnson
Debra J. Richardson
Ronald J. Grensteiner
William R. Kunkel
Jeffrey D. Lorenzen
Scott A. Samuelson

Annex A

Form of Lock-Up Agreement

, 2015

RBC CAPITAL MARKETS, LLC
J.P. MORGAN SECURITIES LLC
As Representatives of the several
Underwriters listed in Schedule 1
to the Underwriting Agreement
referred to below

c/o RBC Capital Markets, LLC
200 Vesey Street, 11th Floor
New York, New York 10281

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Re: AMERICAN EQUITY INVESTMENT LIFE HOLDING COMPANY — Common Stock Offering

Ladies and Gentlemen:

The undersigned understands and agrees as follows:

1. RBC Capital Markets, LLC ("RBC") and J.P. Morgan Securities LLC ("JPM"), as representatives of the several underwriters (the "Underwriters"), propose to enter into an Underwriting Agreement (the "Agreement") with American Equity Investment Life Holding Company, an Iowa corporation (the "Company"), providing for the public offering by the Underwriters, including RBC and JPM, of common stock, par value $1 per share (the "Common Stock"), of the Company (the "Offering").

2. In recognition of the benefit that the Offering will confer upon the undersigned and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, the undersigned hereby agrees that, without the prior written consent of RBC and JPM (which consent may be withheld or delayed in sole discretion of RBC and JPM), he, she or it will refrain during the period commencing on the date hereof and ending on the date that is 60 days after the date of the Agreement (the "Lock-Up Period"), from (i) offering, pledging, selling, contracting to sell, selling any option or contract to purchase, purchasing any option or contract to sell, granting any option, right or warrant for the sale of, lending or otherwise

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disposing of or transferring, directly or indirectly, any equity securities of the Company, or any securities convertible into or exercisable or exchangeable for equity securities of the Company, or (ii) entering into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of equity securities of the Company, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of common stock of the Company or such other securities, in cash or otherwise, or (iii) publicly disclose the intention to enter into any transaction of the type described in clause (i) or (ii) above that has not been previously disclosed.

Notwithstanding the foregoing, subject to applicable securities laws and the restrictions contained in the Company's articles of incorporation, as amended, the undersigned may transfer any securities of the Company (including, without limitation, common stock) as follows: (i) pursuant to the exercise and issuance of options; (ii) as a bona fide gift or gifts, provided that the donee or donees thereof agree to be bound in writing by the restrictions set forth herein, *provided further*, that if such donee is a 501(c)(3) charitable organization, such restrictions shall not apply; (iii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein; (iv) as a distribution to stockholders, partners or members of the undersigned, provided that such stockholders, partners or members agree to be bound in writing by the restrictions set forth herein; (v) any transfer required under any benefit plans or the Company's third amended and restated bylaws; (vi) as collateral for any loan, provided that the lender agrees in writing to be bound by the restrictions set forth in herein; or (vii) with respect to sales of securities acquired after the closing of the Offering in the open market. For purposes of this Lock-Up Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

For the avoidance of doubt, subject to applicable securities laws and the restrictions contained in the Company's articles of incorporation, as amended, nothing shall prevent the undersigned from, or restrict the ability of the undersigned to, (i) purchase common stock on the open market or (ii) exercise any options or other convertible securities granted under any benefit plan of the Company.

3. If (i) the Company issues an earnings release or material news, or a material event relating to the Company occurs, during the last 17 days of the Lock-Up Period, or (ii) prior to the expiration of the Lock-Up Period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the Lock-Up Period, the restrictions imposed by this Lock-Up Agreement shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event, unless RBC and JPM waive, in writing, such extension. The undersigned hereby acknowledges that the Company has agreed in the Agreement to provide written notice of any event that would result in an extension of the Lock-Up Period and agrees that any such notice sent to the email address on the signature page of this Lock-Up Agreement will be deemed to have given to, and received by, the undersigned.

4. The undersigned acknowledges that the Underwriters are relying on the agreements of the undersigned set forth herein in making their decision to enter into the Agreement and to continue their efforts in connection with the Offering.

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5. This Lock-Up Agreement shall be governed by and construed in accordance with the laws of the State of New York.

6. This Lock-Up Agreement may be delivered by facsimile.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has executed this Lock-Up Agreement, or caused this Lock-Up Agreement to be executed, as of the date first written above.

Very truly yours,

_____

Name:
Title:
Email address:

[Signature Page to Lock-up Agreement]

Exhibit 5.1

August 12, 2015

American Equity Investment Life Holding Company
6000 Westown Parkway
West Des Moines, Iowa 50266

Re: American Equity Investment Life Holding Company Registration Statement on Form S-3 (File No. 333-184162)

Ladies and Gentlemen:

I am the Executive Vice President and General Counsel of American Equity Investment Life Holding Company, an Iowa corporation (the "Company"), and have acted as counsel to the Company in connection with (i) the Underwriting Agreement, dated August 6, 2015 (the "Underwriting Agreement"), among RBC Capital Markets, LLC and J.P. Morgan Securities LLC, as representatives of the several Underwriters named therein (the "Underwriters"), RBC Capital Markets, LLC, as Forward Seller (in such capacity, the "Forward Seller") and as agent for Royal Bank of Canada, Royal Bank of Canada, as Forward Counterparty (as defined below), and the Company, relating to the sale by the Forward Seller and the Company to the Underwriters of an aggregate of 8,600,000 shares (the "Firm Shares," and any such shares sold by the Company to the Underwriters, the "Company Firm Shares") of the Company's Common Stock, par value $1 per share (the "Common Stock"), as well as the sale by the Forward Seller to the Underwriters of 1,290,000 shares of Common Stock (the "Option Shares"), pursuant to the option (the "Option") granted to the Underwriters to purchase up to an additional 1,290,000 shares of Common Stock, and (ii) the Forward Sale Agreements (as defined below). In connection with the sale of the Firm Shares, Royal Bank of Canada (the "Forward Counterparty") and the Company have entered into a forward stock purchase agreement, consisting of a Confirmation (which incorporates the terms of an ISDA 1992 Master Agreement), dated August 6, 2015 (the "First Forward Sale Agreement"), pursuant to which the Company has agreed to issue, and the Forward Counterparty has agreed to purchase (subject to the Company's right to elect cash settlement or net share settlement), 4,300,000 shares of Common Stock (the "Initial Forward Shares"). In connection with the sale of the Option Shares, the Forward Counterparty and the Company have entered into a forward stock purchase agreement, consisting of a Confirmation (which incorporates the terms of an ISDA 1992 Master

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Agreement), dated August 11, 2015, with the Company (the "Second Forward Sale Agreement" and together with the First Forward Sale Agreement, the "Forward Sale Agreements"), pursuant to which the Company has agreed to issue, and the Forward Counterparty has agreed to purchase (subject to the Company's right to elect cash settlement or net share settlement), 1,290,000 shares of Common Stock (together with the Initial Forward Shares, the "Forward Shares"). The Firm Shares, the Option Shares and the Forward Shares are collectively referred to herein as the "Securities."

This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act of 1933 (the "Securities Act").

In rendering the opinions set forth herein, I have examined and relied on originals or copies of the following:

(a) the registration statement on Form S-3 (File No. 333-184162) of the Company relating to the Securities and other securities of the Company filed with the Securities and Exchange Commission (the "Commission") on September 28, 2012 under the Securities Act allowing for delayed offerings pursuant to Rule 415 of the General Rules and Regulations under the Securities Act (the "Rules and Regulations"), including information deemed to be a part of the registration statement pursuant to Rule 430B of the Rules and Regulations (such registration statement being hereinafter referred to as the "Registration Statement");

(b) the prospectus, dated September 28, 2012 (the "Base Prospectus"), which forms a part of and is included in the Registration Statement;

(c) the preliminary prospectus supplement, dated August 4, 2015 (together with the Base Prospectus, the "Preliminary Prospectus"), relating to the offering of the Securities, in the form filed by the Company with the Commission pursuant to Rule 424(b) of the Rules and Regulations;

(d) the prospectus supplement, dated August 6, 2015 (the "Prospectus Supplement" and, together with the Base Prospectus, the "Prospectus"), relating to the offering of the Securities, in the form filed by the Company with the Commission pursuant to Rule 424(b) of the Rules and Regulations;

(e) an executed copy of the Underwriting Agreement;

(f) an executed copy of the notice of exercise of the Option, dated August 7, 2015, by RBC Capital Markets, LLC and J.P. Morgan Securities LLC, as representatives of the Underwriters;

(g) executed copies of the Forward Sale Agreements;

(h) the Articles of Incorporation of the Company, as amended, as certified by the Secretary of State of the State of Iowa;

(i) the Third Amended and Restated Bylaws of the Company, as certified by Debra J. Richardson, Executive Vice President and Secretary of the Company;

(j) resolutions of the Board of Directors of the Company, adopted on June 7, 2012 and August 3, 2015, and the resolutions of the Pricing Committee of the Board of Directors of the Company, adopted August 6, 2015; and

(k) a certificate, dated July 31, 2015, from the Secretary of State of the State of Iowa, as to the Company's existence and good standing in the State of Iowa (the "Company Certificate"), and a bringdown verification thereof, dated August 12, 2015.

I have also examined originals or copies, certified or otherwise identified to my satisfaction, of such records of the Company and such agreements, certificates and receipts of public officials, certificates of officers or other representatives of the Company and others, and such other documents as I have deemed necessary or appropriate as a basis for the opinions set forth below.

In my examination, I have assumed the legal capacity and competency of all natural persons, the genuineness of all signatures, including endorsements, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as facsimile, electronic, certified or photostatic copies, and the authenticity of the originals of such copies. In making my examination of executed documents, except to the extent expressly stated in the opinions contained herein, I have assumed that each of the Transaction Agreements (as defined below) constitutes the valid and binding obligation of each party to such Transaction Agreement, enforceable against such party in accordance with its terms. As to any facts relevant to the opinions stated herein that I did not independently establish or verify, I have relied upon statements and representations of officers and other representatives of the Company and others and of public officials.

The Underwriting Agreement, the First Forward Sale Agreement and the Second Forward Sale Agreement are referred to herein together as the "Transaction Agreements." As used herein, "Applicable Law" means those laws, rules and regulations of the State of Iowa, including the insurance laws, rules and regulations of the State of Iowa, that, in my experience, are normally applicable to transactions of the type contemplated by the Transaction Agreements (other than state securities or blue sky laws and antifraud laws), but without my having made any special investigation as to the applicability of any specific law, rule or regulation.

I am admitted to the practice of law in the State of Iowa, and I do not express any opinion as to any laws other than Applicable Laws. Insofar as the opinions expressed herein relate to matters governed by laws other than those set forth in the preceding sentence, I have assumed, without having made any independent investigation, that such laws do not affect any of the opinions set forth herein. The opinions expressed herein are based on laws in effect on the date hereof, which laws are subject to change with possible retroactive effect. The opinion set forth in paragraph 1 below with respect to the valid existence and good standing of the Company is based solely upon the Company Certificate.

Based upon the foregoing and subject to the limitations, qualifications, exceptions and assumptions set forth herein, I am of the opinion that:

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1. The Company has been duly incorporated and validly exists in good standing under the laws of the State of Iowa.

2. The Securities (to the extent the Securities are issued by the Company) have been duly authorized and, when delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement or the Forward Seller and the Forward Counterparty in accordance with the Forward Sale Agreements, as applicable, will be validly issued and fully paid and nonassessable.

I hereby consent to the filing of this opinion with the Commission as an exhibit to the Company's Current Report on Form 8-K being filed on the date hereof and incorporated by reference into the Registration Statement. In giving this consent, I do not thereby admit that I am within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission promulgated thereunder. This opinion is expressed as of the date hereof unless otherwise expressly stated, and I disclaim any undertaking to advise you of any subsequent changes in the facts stated or assumed herein or of any subsequent changes in applicable law.

Very truly yours,

/s/ William R. Kunkel

William R. Kunkel
Executive Vice President and General Counsel

CONFIRMATION

August 6, 2015

To: American Equity Investment Life Holding Company
6000 Westown Parkway
West Des Moines, IA 50266

From: Royal Bank of Canada

Dear Sirs and Madams,

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the transaction entered into between us on the Trade Date specified below (this "Transaction"). This Confirmation constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below. This Confirmation constitutes the entire agreement and understanding of the parties with respect to the subject matter and terms of this Transaction and supersedes all prior or contemporaneous written and oral communications with respect thereto.

1. The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. (the "2002 Definitions") are incorporated into this Confirmation. In the event of any inconsistency between the 2002 Definitions and this Confirmation, this Confirmation will govern.

   This Confirmation evidences a complete and binding agreement between Party A and Party B as to the terms of this Transaction to which this Confirmation relates. This Confirmation shall supplement, form a part of, and be subject to an agreement in the form of the 1992 ISDA Master Agreement (the "Agreement") as if Party A and Party B had executed an agreement in such form on the Trade Date (but without any Schedule except for the election of the laws of the State of New York as the governing law and Second Method and Loss as applying to this Transaction for purposes of Section 6(e) of the Agreement). In the event of any inconsistency between provisions of that Agreement and this Confirmation, this Confirmation will prevail for the purpose of this Transaction to which this Confirmation relates. The parties hereby agree that no Transaction other than this Transaction to which this Confirmation relates shall be governed by the Agreement. The parties also acknowledge that this Transaction to which this Confirmation relates is not governed by, and shall not be treated as a Transaction

under, any other ISDA. The parties For purposes of the 2002 Definitions, this Transaction is a Share Forward Transaction.

2. **The terms of the particular Transaction to which this Confirmation relates are as follows:**

General Terms:

Party A:	Royal Bank of Canada
Party B:	American Equity Investment Life Holding Company
Trade Date:	August 6, 2015
Effective Date:	August 12, 2015
Number of Shares:	Initially, 4,300,000 Shares, subject to reduction by the number of Settlement Shares for each settlement of this Transaction.
Maturity Date:	The earlier to occur of (i) August 11, 2016 (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) and (ii) the date on which the Number of Shares is reduced to zero.
Forward Price:	On the Effective Date, the Initial Forward Price, and on any other day, the Forward Price as of the immediately preceding calendar day *multiplied by* the sum of (i) 1 *and* (ii) the Daily Rate for such day (the resulting product being the "Accreted Forward Price"); *provided* that on each Forward Price Reduction Date, the Forward Price in effect on such date shall be the Accreted Forward Price otherwise in effect on such date minus the Forward Price Reduction Amount for such Forward Price Reduction Date.
Initial Forward Price:	USD $24.303125 per Share.
Daily Rate:	For any day, (i)(A) USD-Federal Funds Rate for such day *minus* (B) the Spread *divided by* (ii) 365.
USD-Federal Funds Rate:	For any day, the rate set forth for such day opposite the caption "Federal funds", as such rate is displayed on the page "FedsOpen <Index> <GO>" on the BLOOMBERG Professional Service, or any successor page; *provided* that if no rate appears for

	any day on such page, the Calculation Agent shall determine the rate in a commercially reasonable manner from any publicly available source (including any Federal Reserve Bank).
Spread:	0.25%
Forward Price Reduction Dates:	As set forth in Schedule I.
Forward Price Reduction Amount:	For each Forward Price Reduction Date, the Forward Price Reduction Amount set forth opposite such date on Schedule I.
Shares:	Common Stock, $1 par value per share, of Party B (also referred to herein as the "Issuer") (Exchange identifier: "AEL").
Prepayment:	Not applicable.
Variable Obligation:	Not applicable.
Exchange:	The New York Stock Exchange.
Related Exchange(s):	All Exchanges.
Clearance System:	DTC.
Calculation Agent:	Party A. Whenever Party A, in its capacity as the Calculation Agent or otherwise, is required to act or to exercise judgment in any way with respect to any Transaction hereunder, including, without limitation, with respect to calculations, adjustments and determinations that are made in its sole discretion or otherwise, it will do so in good faith and in a commercially reasonable manner. In the event that Party A, in its capacity as the Calculation Agent or otherwise, makes any calculations, adjustments or determinations pursuant to this Confirmation, the Agreement or the Equity Definitions, it shall promptly provide an explanation in reasonable detail of the basis for and determination of any determinations or calculations if requested by Party B (including any quotations, market data or information from external sources used in making such calculation, adjustment or determination, as the case may be, but without disclosing any proprietary models or other information of Party A that is subject to contractual,

	legal or regulatory obligations to not disclose such information). Following the occurrence and during the continuation of an Event of Default pursuant to Section 5(a)(vii) of the Agreement with respect to which Party A is the sole Defaulting Party, Party B shall have the right to select a leading dealer in the market for U.S. corporate equity derivatives to replace Party A as Calculation Agent, subject to Party A's consent to the identity of the replacement Calculation Agent (which consent shall not be unreasonably withheld or delayed), and the parties shall work in good faith to execute any appropriate documentation required by such replacement Calculation Agent.
Settlement Terms:	
Settlement:	This Transaction may be settled in part or in whole on one or more Settlement Dates as set forth below.
Settlement Date:	(a) Any Scheduled Trading Day following the Effective Date and up to and including the Maturity Date, (i) as designated by Party A pursuant to "Termination Settlement" below or (ii) as designated by Party B in a written notice (a "Settlement Notice") that is delivered to Party A no later than 10:00 a.m. (New York City time) on the Scheduled Trading Day that is at least (y) three Scheduled Trading Days prior to such Settlement Date if Physical Settlement applies, and (z) 100 Scheduled Trading Days prior to such Settlement Date if Cash Settlement or Net Share Settlement applies, and (b) the Maturity Date if the Number of Shares as of such date has not been reduced to zero pursuant to earlier settlements of this Transaction; *provided* that (w) if Physical Settlement applies and a Settlement Date specified above (including a Settlement Date occurring on the Maturity Date) is not a Clearance System Business Day, the Settlement Date shall be the next following Clearance System Business Day, (x) Party B may not designate a Settlement Date hereunder to which Cash Settlement or Net Share Settlement applies if the related Unwind Period would overlap in any

respect with any other Unwind Period hereunder or any Unwind Period under any other Share Forward Transaction between the parties, (y) if Cash Settlement or Net Share Settlement applies and Party A shall have fully unwound its hedge during an Unwind Period by a date that is more than three Scheduled Trading Days prior to a Settlement Date specified above, Party A shall notify Party B in writing (which, for the avoidance of doubt, may be in the form of an e-mail) of such date, and the Settlement Date shall be accelerated to a date that is one Settlement Cycle immediately following such date, and (z) if Cash Settlement or Net Share Settlement applies, and the related Unwind Period is extended due to the occurrence of a Disrupted Date, the Settlement Date shall be postponed to a date that is one Settlement Cycle immediately following the last day of such Unwind Period.

Settlement Shares: With respect to any Settlement Date, a number of Shares, not to exceed the Number of Shares, (a) designated as such by Party B in the related Settlement Notice or (b) designated by Party A pursuant to "Termination Settlement" below; *provided* that on the Maturity Date the number of Settlement Shares shall be equal to the Number of Shares on such date.

Settlement Method: (a) In connection with any Settlement Date designated by Party A, Physical Settlement, and (b) in connection with any Settlement Date designated by Party B, Physical Settlement, Cash Settlement or Net Share Settlement, at the election of Party B as set forth in a Settlement Notice; *provided* that if Party B elects Cash Settlement or Net Share Settlement, such election shall not be effective unless Party B has included in such Settlement Notice and repeated and reaffirmed as of the date of such Settlement Notice Party B's representations, warrants, agreements contained in Sections 3(e) and 3(j) of this Confirmation; *provided further* that Physical Settlement shall apply (i) if no Settlement Method is validly selected, (ii) with respect to any Settlement Shares in respect of which Party A is unable, in its judgment, to unwind its hedge by the end of the relevant Unwind Period (after giving effect to any permitted extension under "Unwind

Period" below), (iii) to any Termination Settlement Date (as defined below under "Termination Settlement") or (iv) if the Maturity Date is a Settlement Date, in respect of such Settlement Date.

Unwind Period: Each Scheduled Trading Day during the period from and including the first Scheduled Trading Day following the date Party B validly elects Cash Settlement or Net Share Settlement in respect of a Settlement Date through the third Scheduled Trading Day preceding such Settlement Date; subject to "Settlement Date" above and "Termination Settlement" below. If any Scheduled Trading Day during an Unwind Period is a Disrupted Day, the Calculation Agent may extend the Unwind Period by one Scheduled Trading Day, but by no more than ten Scheduled Trading Days in the aggregate for any Unwind Period.

Market Disruption Event: Section 6.3(a)(ii) of the 2002 Definitions is hereby amended by replacing clause (ii) in its entirety with "(ii) an Exchange Disruption, or" and inserting immediately following clause (iii) the phrase ", or (iv) a Liquidity Event; in each case that the Calculation Agent determines is material"

Early Closure: Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term "Scheduled Closing Time" in the fourth line thereof.

Regulatory Disruption: Any event that Party A, in its good faith commercially reasonable discretion based on the advice of counsel, determines makes it advisable with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements or related policies and procedures are imposed by law or have been voluntarily adopted by Party A), that apply generally to all transactions of a nature and kind similar to this Transaction, for it to refrain from or decrease any unwind activity during the Unwind Period on any Scheduled Trading Day, may by written notice to Party B be deemed by Party A to be a Market Disruption Event, which has occurred and will be continuing on such Scheduled

Trading Day.

Liquidity Event: A "Liquidity Event" shall occur if Party A determines on any day that the trading volume or liquidity of trading in the Shares is materially reduced from the average daily trading volume of the Shares for the thirty consecutive Exchange Business Days ending on but excluding the Trade Date.

Unwind Activities: During each Unwind Period, Party A (or its agent or affiliate) may purchase Shares with respect to its hedge of this Transaction. Subject to its obligations under Section 3(g) of this Confirmation, the times, prices and quantities at which Party A (or its agent or affiliate)

	purchases any Shares during any Unwind Period and the manner in which such purchases are effected shall be at Party A's sole discretion (it being understood that Party A may exercise such discretion after considering whether and in what quantity or manner purchasing Shares would be permitted or appropriate under applicable securities laws).
Physical Settlement:	On any Settlement Date in respect of which Physical Settlement applies, Party B shall deliver to Party A through the Clearance System the Settlement Shares for such Settlement Date, and Party A shall deliver to Party B, by wire transfer of immediately available funds to an account designated by Party B, an amount in cash equal to the Physical Settlement Cash Amount for such Settlement Date, on a delivery versus payment basis. If, on any Settlement Date, the Shares to be delivered by Party B to Party A hereunder are not so delivered (the "Deferred Shares"), and a Forward Price Reduction Date occurs during the period from, and including, such Settlement Date to, but excluding, the date such Shares are actually delivered to Party A, then for the avoidance of doubt the portion of the Physical Settlement Cash Amount payable by Party A to Party B in respect of the Deferred Shares shall be reduced by an amount equal to the Forward Price Reduction Amount for such Forward Price Reduction Date, *multiplied by* the number of Deferred Shares.

Physical Settlement Cash Amount:	For any Settlement Date in respect of which Physical Settlement applies, an amount in cash equal to the product of (i) the Forward Price on such Settlement Date (but calculated using an Accreted Forward Price determined as of the date immediately preceding the Settlement Date) *and* (ii) the number of Settlement Shares for such Settlement Date.
Cash Settlement:	On any Settlement Date in respect of which Cash Settlement applies, if the Cash Settlement Amount for such Settlement Date is a positive number, Party A will pay such Cash Settlement Amount to Party B. If the Cash Settlement Amount is a negative number, Party B will pay the absolute value of such Cash Settlement Amount to Party A.
Cash Settlement Amount:	For any Settlement Date in respect of which Cash Settlement applies, an amount determined by the Calculation Agent equal to the product of (i) (A) the volume weighted average (weighted based on the number of Settlement Shares with respect to which Party A or its affiliate unwinds its hedge position on each relevant day) of the Forward Prices (calculated on each day using the Accreted Forward Price for the date immediately preceding such day) for each day of the applicable Unwind Period, *minus* (B) the volume weighted average price (the "Unwind Purchase Price") at which Party A or its affiliates purchases Shares during the Unwind Period to unwind its hedge with respect to the relevant Settlement Shares during the Unwind Period (including, for the avoidance of doubt, purchases on any Disrupted Day), *and* (ii) the number of Settlement Shares for such Settlement Date.
Net Share Settlement:	On any Settlement Date in respect of which Net Share Settlement applies, if the number of Net Share Settlement Shares is a (i) negative number, Party A shall deliver a number of Shares to Party B equal to the absolute value of the Net Share Settlement Shares, or (ii) positive number, Party B shall deliver to Party A the Net Share Settlement Shares; *provided* that if Party A determines in its good faith judgment that it would be required to deliver Net Share Settlement Shares to Party B, Party A may elect to deliver a portion of such Net

	Share Settlement Shares on one or more dates prior to the applicable Settlement Date.
Net Share Settlement Shares:	For any Settlement Date in respect of which Net Share Settlement applies, a number of Shares equal to the Cash Settlement Amount *divided by* the Unwind Purchase Price for the relevant Unwind Period.
Settlement Currency:	USD.
Failure to Deliver:	Applicable only if the Settlement Method is Net Share Settlement and the Cash Settlement Amount is a negative number.
Adjustments:	
Method of Adjustment:	Calculation Agent Adjustment; notwithstanding anything in the 2002 Definitions to the contrary, the Calculation Agent may make an adjustment pursuant to Calculation Agent Adjustment to any one or more of the Number of Shares, the Forward Price and any other variable relevant to the settlement or payment terms of this Transaction.
Additional Adjustment:	If, in Party A's commercially reasonable judgment, the actual cost to Party A, over any one month period, of borrowing a number of Shares equal to the Number of Shares to hedge its

	exposure to this Transaction exceeds a weighted average rate equal to 25 basis points per annum, the Calculation Agent shall reduce the Forward Price in order to compensate Party A for the amount by which such cost exceeded a weighted average rate equal to 25 basis points per annum during such period. The Calculation Agent shall notify Party B prior to making any such adjustment to the Forward Price and shall provide reasonable details of its stock loan costs for the applicable one month period.
Agreement Regarding Dividends:	Notwithstanding any other provision of this Confirmation, the Definitions or the Agreement to the contrary, in calculating any adjustment pursuant to Article 11 of the Equity Definitions or any amount payable in respect of any termination or cancellation of the Transaction pursuant to Article 12 of the Equity Definitions or Section 6 of the

	Agreement, the Calculation Agent shall not take into account changes to any dividends since the Trade Date. For the avoidance of doubt, if an Early Termination Date occurs in respect of the Transaction, the amount payable pursuant to Section 6 of the Agreement in respect of such Early Termination Date shall be determined without regard to the difference between actual dividends declared (including Extraordinary Dividends) and expected dividends as of the Trade Date.
Extraordinary Events:	
New Shares:	In the definition of New Shares in Section 12.1(i) of the Definitions, the text in (i) shall be deleted in its entirety and replaced with "publicly quoted, traded or listed on any of the New York Stock Exchange, The NASDAQ Global Market or the NASDAQ Global Select Market (or their respective successors)".
Consequences of Merger Events:	Calculation Agent Adjustment; notwithstanding anything in the 2002 Definitions to the contrary, the Calculation Agent may make a commercially reasonable adjustment pursuant to Calculation Agent Adjustment to any one or more of the Number of Shares, the Forward Price and only other variables relevant to the settlement or payment terms of this Transaction, which are considered an input into a fixed-for-fixed forward or option on equity shares.
(a) Share-for-Share:	Calculation Agent Adjustment
(b) Share-for-Other:	Cancellation and Payment
(c) Share-for-Combined:	Component Adjustment
Tender Offer:	Applicable
Consequences of Tender Offers:	
(a) Share-for-Share:	Calculation Agent Adjustment
(b) Share-for-Other:	Calculation Agent Adjustment
(c) Share-for-Combined:	Calculation Agent Adjustment

Composition of Combined Consideration:	As reasonably determined by the Calculation Agent.
Nationalization, Insolvency or	Subject to "Insolvency Filing" below, Cancellation and Payment
Delisting:	In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.
Determining Party:	For all applicable Extraordinary Events, Party A.
Additional Disruption Events:	
Change in Law:	Applicable; provided that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i) replacing the phrase "the interpretation" in the third line thereof with the phrase "or announcement or statement of the formal or informal interpretation", (ii) immediately

following the words “taxing authority)” in clause (A) thereof, adding the phrase “, in each case, the application of which directly or indirectly affects this Transaction or equity derivative transactions with substantially similar characteristics” and (iii) replacing the word “Shares” with “Hedge Positions” in clause (X) thereof.

The parties agree that any determination as to whether (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) the promulgation of or any change in or announcement or statement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation

(including any action taken by a taxing authority, in each case, the application of which directly or indirectly affects this Transaction or equity derivative transactions with substantially similar characteristics), in each case, constitutes a “Change in Law” shall be made without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date.

Hedging Disruption:	Applicable
Increased Cost of Hedging:	Applicable
Hedging Party:	For all applicable Additional Disruption Events, Party A.
Determining Party:	For all applicable Additional Disruption Events, Party A.
Account Details:	
Payments to Party A:	ABA: 021000021 JP Morgan Chase NY (CHASUS33) A/C Royal Bank of Canada, NY Branch (ROYCUS3X) A/C# 920-1-033363 FFC A/C Name: RBC US Transit FFC A/C #: 012692041499 Reference: AEL
Payments to Party B:	To be advised in a separate notice.
Delivery of Shares to Party A:	To be advised.
Delivery of Shares to Party B:	To be advised.

3. **Other Provisions:**

(a) Conditions to Effectiveness:

The effectiveness of this Confirmation on the Effective Date shall be subject to (i) the condition that Party B has delivered to Party A an opinion of counsel dated as

of the Effective Date with respect to matters set forth in Section 3(a) of the Agreement, (ii) all of the conditions set forth in Section 6 of the Underwriting Agreement dated the date hereof among Party B, RBC Capital Markets, LLC, in its capacity as agent for Party A, and RBC Capital Markets, LLC and J.P. Morgan Securities LLC, as Representatives of the several Underwriters, as such terms are defined in the Underwriting Agreement (the “Underwriting Agreement”) have been either satisfied or waived by Party A and the underwriters thereunder, (iii) the condition that the Underwriting Agreement has not been terminated pursuant to Section 6 thereof, (iv) the condition that no Extraordinary Event, Termination Event, Event of Default or Potential Event of Default has occurred, and (v) the condition that neither of the following has occurred (A) Party A is unable to borrow and deliver for sale a number of Shares equal to the Number of Shares, or (B) in Party A’s commercially reasonable judgment either it is impracticable to do so or Party A would incur a stock loan cost of more than a rate equal to 200 basis points per annum to do so (in which event this Confirmation shall be effective but the Number of Shares for this Transaction shall be the number of Shares Party A is required to deliver in accordance with Section 1(a) of the Underwriting Agreement).

(b) Interpretive Letter:

Party A and Party B each acknowledges and agrees that this Transaction is being entered into in accordance with the October 9, 2003 interpretive letter from the staff of the U.S. Securities and Exchange Commission (“SEC”) to Goldman, Sachs & Co. (the “Interpretive Letter”) and Party B represents to Party A that, with respect to the foregoing, Party B has filed a registration statement on Form S-3 with respect to the “maximum number of shares” (as such term is described in the Interpretive Letter) and appropriate undertakings under Rule 415 under the U.S. Securities Act of

1933, as amended (the "Securities Act"), including, but not limited to, Rule 415(a)(4). In addition, Party B represents that it is eligible to conduct a primary offering of Shares on Form S-3, the offering contemplated by the Underwriting Agreement complies with Rule 415 under the Securities Act, and the Shares are "actively traded" as defined in Rule 101(c)(1) of Regulation M ("Regulation M") promulgated under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

(c) Underwriting Agreement Representations, Warranties and Covenants:

On the Trade Date and on each date on which Party A or its affiliates delivers a prospectus supplement in connection with a sale to hedge this Transaction, Party B repeats and reaffirms as of such date all of the representations and warranties contained in Section 3(a)(v) of the Underwriting Agreement. Party B hereby agrees to comply with its covenants contained in Section 4(g) of the Underwriting Agreement as if such covenants were made in favor of Party A.

(d) Representations, Warranties and Agreements of Party B:

Party B hereby represents and warrants to Party A as of the date hereof and as of the Effective Date, and agrees with Party A, that:

(i) Party B (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of entering into this Transaction; (ii) has consulted with its own legal, financial, accounting and tax advisors in connection with this Transaction; and (iii) is entering into this Transaction for a bona fide business purpose.

(ii) Party B is not and has not been the subject of any civil proceeding of a judicial or administrative body of competent jurisdiction that could reasonably be expected to impair materially Party B's ability to perform its obligations hereunder.

(iii) No filing with, or approval, authorization, consent, license registration, qualification, order or decree of, any court or governmental authority or agency, domestic or foreign, is necessary or required for the execution, delivery and performance by Party B of this Confirmation and the consummation of this Transaction (including, without limitation, the issuance and delivery of Shares on any Settlement Date) except (i) such as have been obtained under the Securities Act, and (ii) as may be required to be obtained under state securities laws.

(iv) All Shares, when issued and delivered in accordance with the terms of this Transaction, shall be newly issued (unless mutually agreed otherwise by the parties), will be duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance and not subject to any preemptive or similar rights and shall, upon such issuance, be accepted for listing or quotation on the Exchange.

(v) Party B has reserved and will keep available at all times, free from preemptive rights, out of its authorized but unissued Shares, solely for the purpose of issuance upon settlement of this Transaction as herein provided, the Maximum Number of Shares. All Shares so issuable shall, upon such issuance, be accepted for listing or quotation on the Exchange.

(vi) Party B shall provide Party A at least 10 days' written notice (an "Issuer Repurchase Notice") prior to executing any new authorization for repurchase of Shares by Party B or any of its subsidiaries, whether out of profits or capital or whether the consideration for such repurchase is cash, securities or otherwise (an "Issuer Repurchase"), and prior to executing (or entering into any contract that would require, or give the option to, Party B or any of its subsidiaries, to purchase or repurchase Shares) any Issuer Repurchase that alone or in the aggregate would result in the Number of Shares Percentage (as defined below) being (i) equal to or greater than 8.0% of the outstanding Shares or (ii) greater by 0.5% or more than the Number of Shares Percentage at the time of the immediately

preceding Issuer Repurchase Notice (or in the case of the first such Issuer Repurchase Notice regarding a repurchase of Shares, greater than the Number of Shares Percentage as of the later of the date hereof or the immediately preceding Settlement Date, if any). The "Number of Shares Percentage" as of any day is the fraction (1) the numerator of which is the Number of Shares *plus* the Number of Shares for any other Share Forward Transaction between the parties relating to the same Shares and (2) the denominator of which is the number of Shares outstanding on such day.

(vii) Party B shall not make any Issuer Repurchase if, immediately following such Issuer Repurchase, the Number of Shares Percentage would be equal to or greater than 8.0%.

(viii) Party B is an "eligible contract participant" (as such term is defined in Section 1a(18) of the U.S. Commodity Exchange Act, as amended).

(e) Additional Representations, Warranties and Agreements of Party B:

Party B hereby represents and warrants to Party A as of the date hereof and as of the Effective Date, and agrees with Party A, that:

(i) On the Trade Date and on any date that Party B notifies Party A that Cash Settlement or Net Share Settlement applies to this Transaction, (a) each of Party B's filings under the Securities Act, the Exchange Act or other applicable securities laws that are required to be filed have been filed and that, as of the date of this representation, there is no misstatement of material fact contained therein or omission of a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (b) it has not directly or indirectly violated any applicable law (including, without limitation, the Securities Act and the Exchange Act) in connection with this Transaction. In addition to any other requirement set forth herein, Party B agrees not to designate any Settlement Date or elect Cash Settlement or Net Share Settlement if it has been advised by its own counsel or been notified by Party A that Party A has determined in its reasonable discretion based on the advice of counsel that settlement in respect of such date or

such settlement election or Party A's related market activity would result in a violation of any applicable federal or state law or regulation, including the U.S. federal securities laws.

(ii) Party B shall, at least one day prior to the first day of any Unwind Period, notify Party A of the total number of Shares purchased in Rule 10b-18 purchases of blocks pursuant to the once-a-week block exception contained in Rule 10b-18(b)(4) by or for Party B or any of its affiliated purchasers during each of the four calendar weeks preceding the first day of such Unwind Period and during the calendar week in which the first

day of such Unwind Period occurs ("Rule 10b-18 purchase", "blocks" and "affiliated purchaser" each being used as defined in Rule 10b-18).

(iii) During any Unwind Period, Party B shall (a) notify Party A prior to the opening of trading in the Shares on any day on which Party B makes, or expects to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any merger, acquisition, or similar transaction involving a recapitalization relating to Party B (other than any such transaction in which the consideration consists solely of cash and there is no valuation period), (b) promptly notify Party A following any such announcement that such announcement has been made, and (c) promptly deliver to Party A following the making of any such announcement information indicating (1) Party B's average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months preceding the date of the announcement of such transaction and (2) Party B's block purchases (as defined in Rule 10b-18) effected pursuant to paragraph (b)(4) of Rule 10b-18 during the three full calendar months preceding the date of the announcement of such transaction. In addition, during any Unwind Period, Party B shall promptly notify Party A of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders.

(iv) Party B (or any "affiliated purchaser" as defined in Rule 10b-18 under the Exchange Act) shall not, without the prior written consent of Party A, directly or indirectly purchase any Shares (including by means of a derivative instrument), listed contracts on the Shares or securities that are convertible into, or exchangeable or exercisable for Shares (including, without limitation, any Rule 10b-18 purchases of blocks (as defined in Rule 10b-18 under the Exchange Act)) during any Unwind Period for this Transaction or for any other Share Forward Transactions between the parties, except through Party A (or its agent or affiliate) or in connection with its employee stock ownership plans. Party B agrees that neither it nor any of its affiliates shall take any action that would cause any purchases of Shares by Party (or its agent or affiliate) in connection with any Cash Settlement or Net Share Settlement of this Transaction not to meet the requirements of the safe harbor provided by Rule 10b-18 under the Exchange Act if such purchases were effected by Party B.

(v) Party B shall not engage in any "distribution" (as defined in Regulation M) that would cause a "restricted period" (as defined in Regulation M) to occur during any Unwind Period.

(vi) Party B is not entering into this Confirmation or making any election hereunder to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security

convertible into or exchangeable for Shares) in violation of the Exchange Act.

(vii) Counterparty is not and, after giving effect to the Transaction, will not be an "investment company" as such term is defined in the U.S. Investment Company Act of 1940, as amended.

(viii) Party B will as soon as practicable (x) upon obtaining knowledge of the occurrence of a Potential Adjustment Event (not giving effect to, solely for purposes of this Subsection (e)(viii)(x), clause (vii) of the definition of "Potential Adjustment Event" in the 2002 Definitions), an Extraordinary Event, an Event of Default or a Termination Event, in each case within Party B's control, notify Party A of such knowledge, *provided* that Party B will, as soon as it is practicable and no later than the date it declares an Extraordinary Dividend, notify Party A of such declaration or (y) upon obtaining notification from a third-party of the occurrence of an Event of Default in respect of which Party B is a Defaulting Party, a Termination Event in respect of which Party B is an Affected Party, a Potential Adjustment Event or an Extraordinary Event, notify Party A of such notification; *provided*, *however*, that should Party B be in possession of Material Non-Public Information (as defined below) regarding itself or the Shares, Party B shall not communicate such Material Non-Public Information to Party A in connection with this Transaction.

(ix) Party B will not be rendered insolvent as a result of this Transaction, and as of the date hereof, and as of any date on which Party B elects Cash Settlement or Net Share Settlement or makes payment to Party A in connection with any settlement hereunder, Party B is solvent and able to pay its debts as they come due, with assets having a fair value greater than liabilities and with capital sufficient to carry on the business in which it engages.

(f) Covenant of Party B:

Party B acknowledges and agrees that any Shares delivered by Party B to Party A on any Settlement Date will be (i) newly issued, (ii) approved for listing or quotation on the Exchange, subject to official notice of issuance, and (iii) except where the provisions of Section 3(n) "Private Placement Procedures" below applied, registered under the Exchange Act, and, when delivered by Party A (or an affiliate of Party A) to securities lenders from whom Party A (or an affiliate of Party A) borrowed Shares in connection with hedging its exposure to this Transaction, will be freely saleable without further registration or other restrictions under the Securities Act in the hands of those securities lenders, irrespective of whether any such stock loan is effected by Party A or an affiliate of Party A. Accordingly, except where the provisions of Section 3(n) "Private Placement Procedures" below applied, Party B agrees that any Shares so delivered will not bear a restrictive legend and will be deposited in, and the delivery thereof

shall be effected through the facilities of, the Clearance System. In addition, Party B represents and agrees that any such Shares shall be, upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance.

(g) Covenants of Party A:

(i) Unless the provisions set forth below under "Private Placement Procedures" shall be applicable, Party A shall use any Shares delivered by Party B to Party A on any Settlement Date to return to securities lenders to close out open securities loans with respect to Shares.

(ii) In connection with purchases of Shares in connection with any Cash Settlement or Net Share Settlement of this Transaction, Party A shall use its good faith efforts to conduct its activities, or cause its affiliates to conduct their activities, in a manner so as not to on any single day purchase a number of Shares in excess of 20% of the average daily trading volume for the Shares during the twenty consecutive Exchange Business Days leading up to but excluding such day.

(h) Additional covenants of Party A and Party B:

For the purpose of Sections 4(a)(i) and 4(a)(ii) of the Agreement:

(i) Party A agrees to deliver a U.S. Internal Revenue Service Form W-8ECI (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party B and, in particular, with the "corporation" box checked on line 4 thereof. Such Form shall be delivered (1) upon execution of this Confirmation, (2) promptly upon reasonable demand by Party B, and (3) promptly upon learning that the information on any such previously delivered Form is inaccurate or incorrect.

(ii) Party B agrees to deliver a U.S. Internal Revenue Service Form W-9 (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party A. Such Form shall be delivered (1) upon execution of this Confirmation, (2) promptly upon reasonable demand by Party A, and (3) promptly upon learning that the information on any such previously delivered Form is inaccurate or incorrect.

(iii) Party A and Party B shall further deliver any other form or document, accurately completed and in a manner reasonably satisfactory to the other party, that may be required or reasonably requested in order to allow the other party to make a payment under this Confirmation, including any Credit Support Document, without any deduction or withholding for or on account of any Tax or with such deduction at a reduced rate. Such other form or document shall be delivered promptly upon the reasonable

demand of such other party.

(i) Representation and Agreement of the Parties:

Notwithstanding Section 9.11 of the 2002 Definitions, the parties acknowledge that any Shares delivered to Party B will be subject to restrictions and limitations arising from Party B's status under applicable securities laws.

(j) Rule 10b5-1:

It is the intent of Party A and Party B that following any election of Cash Settlement or Net Share Settlement by Party B, the purchase of Shares by Party A during any Unwind Period comply with the requirements of Rule 10b5-1(c)(1)(i)(B) of the Exchange Act and that this Confirmation shall be interpreted to comply with the requirements of Rule 10b5-1(c).

Party B acknowledges that (i) during any Unwind Period Party B and its officers and directors do not have, and shall not attempt to exercise, any influence over how, when or whether to effect purchases of Shares by Party A (or its agent or affiliate) in connection with this Confirmation and (ii) Party B is entering into the Agreement and this Confirmation in good faith and not as part of a plan or scheme to evade compliance with federal securities laws including, without limitation, Rule 10b-5 promulgated under the Exchange Act.

Party B hereby agrees with Party A that during any Unwind Period Party B and any of its officers or directors shall not communicate, directly or indirectly, any Material Non-Public Information (as defined herein) to any Trading Personnel (as defined below). For purposes of this Transaction, "Material Non-Public Information" means information relating to Party B or the Shares that (a) has not been widely disseminated by wire service, in one or more newspapers of general circulation, by communication from Party B to its shareholders or in a press release, or contained in a public filing made by Party B with the SEC and (b) a reasonable investor might consider to be of importance in making an investment decision to buy, sell or hold Shares. For the avoidance of doubt and solely by way of illustration, information should be presumed "material" if it relates to such matters as dividend increases or decreases, earnings estimates, changes in previously released earnings estimates, significant expansion or curtailment of operations, a significant increase or decline of orders, significant merger or acquisition proposals or agreements, significant new products or discoveries, extraordinary borrowing, major litigation, liquidity problems, extraordinary management developments, purchase or sale of substantial assets, or other similar information. For purposes of this Transaction, "Trading Personnel" means any employee on the trading side of RBCCM, as defined below in "Matters Relating to Agent".

(k) Insolvency Filing:

Notwithstanding anything to the contrary herein, in the Agreement or in the 2002 Definitions, upon any Insolvency Filing or other proceeding under the U.S. Bankruptcy Code (Title 11 of the United States Code) in respect of the Issuer, this Transaction shall automatically terminate on the date thereof without further liability of either party to this Confirmation to the other party (except for any liability in respect of any breach of representation or covenant by a party under this Confirmation prior to the date of such Insolvency Filing or other proceeding), it being understood that this Transaction is a contract for the issuance of Shares by the Issuer.

(l) Acceleration Events:

The following events shall each constitute an "Acceleration Event":

(i) Stock Borrow Events. In the commercially reasonable judgment of Party A, (A) Party A (or an affiliate of Party A) is unable to hedge Party A's exposure to this Transaction because of the lack of sufficient Shares being made available for Share borrowing by lenders, or (B) Party A (or an affiliate of Party A) would incur a cost to borrow Shares to hedge its exposure to this Transaction that is greater than a rate equal to 200 basis points per annum (a "Stock Borrow Event");

(ii) Dividends and Other Distributions. On any day occurring after the Trade Date and prior to the final settlement of this Transaction, Party B declares a distribution, issue or dividend to existing holders of the Shares (an "Extraordinary Dividend") of (i) any cash dividend to the extent all cash dividends having an ex-dividend date during the period from and including the Trade Date to and including the Maturity Date exceeds, on a per Share basis, the Forward Price Reduction Amount set forth opposite the first date of such period or periods on Schedule I (and, for the avoidance of doubt, the actual declaration date, as opposed to the ex-dividend date, of any cash dividend shall not be used for purposes of determining the appropriate period to which a Forward Price Reduction Amount relates), (ii) share capital or securities of another issuer acquired or owned (directly or indirectly) by Party B as a result of a spin-off or other similar transaction or (iii) any other type of securities (other than Shares), rights or warrants or other assets, for payment (cash or other consideration) at less than the prevailing market price as determined by Party A;

(iii) ISDA Termination. Party A has the right to (a) designate an Early Termination Date as the result of an Event of Default or Termination Event or (b) terminate this Transactions and determine an amount payable as a result of an Extraordinary Event, in each such case the provisions set

forth under "Termination Settlement" shall apply in lieu of Section 6 of the Agreement;

(iv) Other ISDA Events. The announcement of any event that if consummated, would result in an Extraordinary Event (and, for the avoidance of doubt, such event shall not constitute an "Extraordinary Event"); or

(v) Ownership Event. In the reasonable judgment of Party A, based on advice of counsel, on any day, the Share Amount for such day exceeds the Post-Effective Limit for such day (if any applies).

For purposes of clause (v) above, the "Share Amount" as of any day is the number of Shares that Party A and any person whose ownership position would be aggregated with that of Party A (Party A or any such person, a "Party A Person") under any law, rule, regulation or regulatory order that for any reason becomes applicable to ownership of Shares after the Trade Date ("Applicable Laws"), owns, beneficially owns, constructively owns, controls, holds the power to vote or otherwise meets a relevant definition of ownership of under the Applicable Laws, as determined by Party A in its reasonable discretion. The "Post-Effective Limit" means (x) the minimum number of Shares that would give rise to reporting (other than pursuant to the requirement to file a Schedule 13D under the Exchange Act) or registration obligations or other requirements (including obtaining prior approval from any person or entity) of a Party A Person, or would result in an adverse effect on a Party A Person, under the Applicable Laws, as determined by Party A in its reasonable discretion, *minus* (y) 2.0% of the number of Shares outstanding.

(m) Termination Settlement:

Upon the occurrence of any Acceleration Event, Party A shall have the right to designate, upon at least one Scheduled Trading Days' notice, any Scheduled Trading Day following such occurrence to be a Settlement Date hereunder or, in the case of an Extraordinary Dividend, a Settlement Date shall be automatically deemed to occur on the date such Extraordinary Dividend was declared by Party B (in each case, a "Termination Settlement Date") to which Physical Settlement shall apply, and to select the number of Settlement Shares relating to such Termination Settlement Date or, in the case of an Extraordinary Dividend, the Number of Shares as of the declaration date thereof; *provided* that (i) in the case of an Acceleration Event arising out of an Ownership Event, the number of Settlement Shares so designated by Party A shall not exceed the number of Shares necessary to reduce the Share Amount to the Post-Effective Limit and (ii) in the case of an Acceleration Event arising out of a Stock Borrow Event the number of Settlement Shares so designated by Party A shall not exceed the number of Shares as to which such Stock Borrow Event exists. If Party B fails to deliver the Settlement Shares relating to such Termination Settlement Date when due or otherwise fails to perform obligations within its control in respect of this Transaction, it shall be an Event of Default with respect to Party B and Section 6

of the Agreement shall apply. If an Acceleration Event occurs during an Unwind Period relating to a number of Settlement Shares to which Cash Settlement or Net Share Settlement applies, then on the Termination Settlement Date relating to such Acceleration Event, notwithstanding any election to the contrary by Party B, Cash Settlement or Net Share Settlement shall apply to the portion of the Settlement Shares relating to such Unwind Period as to which Party A has unwound its hedge and Physical Settlement shall apply in respect of (x) the remainder (if any) of such Settlement Shares and (y) the Settlement Shares designated by Party A in respect of such Termination Settlement Date.

(n) Private Placement Procedures:

If Party B is unable to comply with the provisions of "Covenant of Party B" above because of a change in law or a change in the policy of the SEC or its staff, or Party A otherwise determines that in its reasonable opinion any Settlement Shares to be delivered to Party A by Party B may not be freely returned by Party A or its affiliates to securities lenders as described under "Covenant of Party B" above, then delivery of any such Settlement Shares (the "Restricted Shares") shall be effected pursuant to Annex A hereto, unless waived by Party A ("Private Placement Settlement").

(o) Maximum Share Delivery:

Notwithstanding any other provision of this Confirmation, in no event will Party B be required to deliver on any Settlement Date, whether pursuant to Physical Settlement, Net Share Settlement, Termination Settlement or any Private Placement Settlement, more than 8,600,000 Shares (the "Maximum Number of Shares") to Party A in the aggregate, subject to reduction by the amount of any Shares delivered by Party B on any prior Settlement Date and to adjustment pursuant to the terms of this Confirmation and the 2002 Definitions in connection with a stock split.

(p) Transfer and Assignment:

Party A may assign or transfer any of its rights or delegate any of its duties hereunder to any affiliate of Party A, any entity organized or sponsored by Party A or any third party, in each such case with a credit rating equal to or better than that of Party A without the prior written consent of Party B. Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Party A to purchase, sell, receive or deliver any Shares or other securities to or from Party B, Party A may designate any of its affiliates to purchase, sell, receive or deliver such Shares or other securities and otherwise to perform Party A's obligations in respect of this Transaction and any such designee may assume such obligations. Party A shall be discharged of its obligations to Party B to the extent of any such performance.

(q) Matters Relating to Agent:

Party A has appointed, as its agent, its indirect wholly-owned subsidiary, RBC Capital Markets, LLC ("RBCCM"), for purposes of conducting, on Party A's behalf, a business in privately negotiated transactions in options and other derivatives. Party B hereby is advised that Party A, the principal and stated counterparty in such transactions, duly has authorized RBCCM to market, structure, negotiate, document, price, execute and hedge transactions in over-the-counter derivative products.

(r) Indemnity:

Party B agrees to indemnify Party A and its affiliates and their respective directors, officers, agents and controlling parties (Party A and each such affiliate or person being an "Indemnified Party") from and against any and all losses, claims, damages and liabilities, joint and several, incurred by or asserted against such Indemnified Party for the violation of federal or state securities laws and which arise out of, are in connection with, or relate to, any breach of any covenant or representation made by Party B in this Confirmation or the Agreement or the consummation of the transactions contemplated hereby and Party B will reimburse any Indemnified Party for all reasonable expenses (including reasonable legal fees and expenses) as they are incurred in connection with the investigation of, preparation for, or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto. Party B will not be liable under this Indemnity paragraph to the extent that any such loss, claim, damage, liability or expense is found in a final and nonappealable judgment by a court to have resulted from Party A's gross negligence or willful misconduct. The aforementioned indemnity shall be subject to, and not in addition to, the indemnity provided in the Underwriting Agreement, and where applicable the indemnity provisions of the Underwriting Agreement will govern.

(s) Notice:

Non-Reliance:	Applicable
Additional Acknowledgments:	Applicable
Agreements and Acknowledgments Regarding Hedging Activities:	Applicable

4. **The Agreement is further supplemented by the following provisions:**

(a) No Collateral:

Notwithstanding any other agreement between the parties to the contrary, the obligations of Party B under this Transaction are not secured by any collateral.

Without limiting the generality of the foregoing, this Transaction will not be considered to create obligations covered by any collateral credit support annex to the Agreement and will be disregarded for the purposes of calculating any exposures pursuant to any such annex.

(b) Netting and Set-off:

Except with respect to obligations under Equity Contracts, obligations under this Transaction shall not be set-off or netted against any other obligations of the parties, whether arising under the Agreement, this Confirmation, under any other agreement between the parties hereto, by operation of law or otherwise, and no other obligations of the parties shall be set-off or netted against obligations under this Transaction, whether arising under the Agreement, this Confirmation, under any other agreement between the parties hereto, by operation of law or otherwise, and each party hereby waives any such right of setoff. In calculating any amounts under Section 6(e) of the Agreement, notwithstanding anything to the contrary in the Agreement, (a) separate amounts shall be calculated as set forth in such Section 6(e) with respect to (i) this Transaction and (ii) all other Transactions, except with respect to obligations under Equity Contracts, and (b) such separate amounts shall be payable pursuant to

Section 6(d)(ii) of the Agreement. For purposes of this provision, "Equity Contract" means any transaction or instrument that does not convey to Party A rights, or the ability to assert claims, that are senior to the rights and claims of common stockholders in the event of Party B's bankruptcy, and is classified as equity under U.S. GAAP on Party B's financial statements.

(c) Delivery of Cash:

For the avoidance of doubt, nothing in this Confirmation shall be interpreted as requiring Party B to deliver cash in respect of the settlement of this Transaction, except in circumstances where the required cash settlement thereof is permitted for classification of the contract as equity by ASC Topic 815, *Derivatives and Hedging* as in effect on the Trade Date (including, without limitation, where Party B so elects to deliver cash or fails timely to elect to deliver Shares in respect of such settlement).

(d) Status of Claims in Bankruptcy:

Party A acknowledges and agrees that this confirmation is not intended to convey to Party A rights with respect to the transactions contemplated hereby that are senior to the claims of common stockholders in any U.S. bankruptcy proceedings of Party B; *provided, however,* that nothing herein shall limit or shall be deemed to limit Party A's right to pursue remedies in the event of a breach by Party B of its obligations and agreements with respect to this Confirmation and the Agreement; and *provided further*, that nothing herein shall limit or shall be deemed to limit Party A's rights in respect of any transaction other than this Transaction.

(e) Limit on Beneficial Ownership:

Notwithstanding any other provisions hereof, Party A shall not be obligated to receive Shares hereunder (whether in connection with the purchase of Shares on any Settlement Date or any Termination Settlement Date, any Private Placement Settlement or otherwise), to the extent (but only to the extent) that, after such receipt of any Shares hereunder, (i) the Share Amount would exceed the Post-Effective Limit, (ii) Party A's ultimate parent entity would directly or indirectly "beneficially own" (as such term is defined under Section 13 and Section 16 of the Exchange Act and rule promulgated thereunder) ("beneficially own") at any time on the relevant date in excess of 8.0% of the outstanding Shares or (iii) Party A and each person subject to aggregation of Shares with Party A under Section 13 or Section 16 of the Exchange Act and rules promulgated thereunder (the "Party A Group") would directly or indirectly beneficially own in excess of 8.0% of the then outstanding Shares (the "Threshold Number of Shares"). Any purported delivery hereunder shall be void and have no effect to the extent (but only to the extent) that, after such delivery, (i) the Share Amount would exceed the Post-Effective Limit, (ii) Party A's ultimate parent entity would directly or indirectly beneficially own in excess of 8.0% of the outstanding Shares or (iii) Party A Group would directly or indirectly so beneficially own in excess of the Threshold Number of Shares. If any delivery owed to Party A hereunder is not made, in whole or in part, as a result of this provision, Party B's obligation to make such delivery shall not be extinguished and Party B shall make such delivery (versus payment) as promptly as practicable after, but in no event later than one Exchange Business Day after, Party A gives notice to Party B that, after such delivery, (i) the Share Amount would not exceed the Post-Effective Limit, (ii) Party A's ultimate parent entity would not directly or indirectly beneficially own in excess of 8.0% of the outstanding Shares and (iii) Party A Group would not directly or indirectly so beneficially own in excess of the Threshold Number of Shares.

(f) Addresses for Notices:

For the purpose of Section 12(a) of the Agreement:

Address for notices or communications to Party A:

For Purposes of Giving Notice:

Address: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281

Attention: ECM
Email: RBCECMCorporateEquityLinkedDocumentation@rbc.com

For Trade Affirmations and Settlements:

Address: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281

Attention: Back Office
Email: geda@rbccm.com

For Trade Confirmations:

Address: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street

New York, NY 10281

Attention: Structured Derivatives Documentation
Email: seddoc@rbccm.com

Address for notices or communications to Party B:

Address: American Equity Investment Life Holding Company
6000 Westown Parkway
West Des Moines, IA 50266

Attention: Ted Johnson, Chief Financial Officer
Telephone No.: 515-457-1980
Facsimile No.: 515-440-2715
Email: tjohnson@american-equity.com

(g) Waiver of Right to Trial by Jury:

Waiver of Right to Trial by Jury. Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this Confirmation. Each party (i) certifies that no representative, agent or attorney of the other party has represented, expressly or otherwise, that such other party would not, in the event of such a suit action or proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party have been induced to enter into this Confirmation by, among other things, the mutual waivers and certifications herein.

(h) Severability, Illegality:

If compliance by either party with any provision of this Transaction would be unenforceable or illegal, (i) the parties shall negotiate in good faith to resolve such unenforceability or illegality in a manner that preserves the economic benefits of

the transactions contemplated hereby and (ii) the other provisions of this Transaction shall not be invalidated, but shall remain in full force and effect.

[Remainder of page intentionally left blank]

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing and returning this Confirmation.

Yours faithfully,

RBC CAPITAL MARKETS, LLC,
as agent for Royal Bank of Canada

By: /s/ Amy Disbrow
Name: Amy Disbrow
Title: Associate Director

Confirmed as of the date first written above:

AMERICAN EQUITY INVESTMENT LIFE HOLDING COMPANY

By: /s/ John M. Matovina
Name: John M. Matovina
Title: Chief Executive Officer and President

ANNEX A

PRIVATE PLACEMENT PROCEDURES

1. If Private Placement Settlement applies, then delivery of Restricted Shares by Party B shall be effected in customary private placement procedures with respect to such Restricted Shares reasonably acceptable to Party A; *provided* that if, on or before the date that a Private Placement Settlement would occur, Party B has taken, or caused to be taken, any action that would make unavailable either the exemption pursuant to Section 4(a)(2) of the Securities Act for the sale by Party B to Party A (or any affiliate designated by Party A) of the Restricted Shares or the exemption pursuant to

Section 4(a)(1) or Section 4(a)(3) of the Securities Act for resales of the Restricted Shares by Party A (or any such affiliate of Party A) or Party B fails to deliver the Restricted Shares when due or otherwise fails to perform obligations within its control in respect of a Private Placement Settlement, it shall be an Event of Default with respect to Party B and Section 6 of the Agreement shall apply. In the Private Placement Settlement of such Restricted Shares, Party B shall use its commercially reasonable best efforts in including customary representations, covenants, blue sky and other governmental filings and/or registrations, indemnities to Party A, due diligence rights (for Party A or any designated buyer of the Restricted Shares by Party A), opinions and certificates, and such other documentation as is customary for private placement agreements, all reasonably acceptable to Party A. In the case of a Private Placement Settlement, Party A shall, in its good faith discretion, adjust the amount of Restricted Shares to be delivered to Party A hereunder in a commercially reasonable manner to reflect the fact that such Restricted Shares may not be freely returned to securities lenders by Party A and may only be saleable by Party A at a discount to reflect the lack of liquidity in Restricted Shares. Notwithstanding the Agreement or this Confirmation, the date of delivery of such Restricted Shares shall be the Clearance System Business Day following notice by Party A to Party B of the number of Restricted Shares to be delivered pursuant to this clause (i). For the avoidance of doubt, delivery of Restricted Shares shall be due as set forth in the previous sentence and not be due on the Settlement Date or Termination Settlement Date that would otherwise be applicable; *provided* that in no event will Party B be required to deliver to Party A a number in excess of the number specified in "Maximum Share Delivery" above minus the aggregate number of Shares delivered by Party B to Party A under this Transaction prior to such date of delivery .

2. If Party B delivers any Restricted Shares in respect of this Transaction, Party B agrees that (i) such Shares may be transferred by and among Party A and its affiliates and (ii) after the minimum "holding period" within the meaning of Rule 144(d) under the Securities Act has elapsed after the applicable Settlement Date, Party B shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Party A (or such affiliate of Party A) to Party B or such transfer agent

of seller's and broker's representation letters customarily delivered by Party A or its affiliates in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Party A (or such affiliate of Party A).

CONFIRMATION

August 11, 2015

To: American Equity Investment Life Holding Company
6000 Westown Parkway
West Des Moines, IA 50266

From: Royal Bank of Canada

Dear Sirs and Madams,

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the transaction entered into between us on the Trade Date specified below (this "Transaction"). This Confirmation constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below. This Confirmation constitutes the entire agreement and understanding of the parties with respect to the subject matter and terms of this Transaction and supersedes all prior or contemporaneous written and oral communications with respect thereto.

1. The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. (the "2002 Definitions") are incorporated into this Confirmation. In the event of any inconsistency between the 2002 Definitions and this Confirmation, this Confirmation will govern.

   This Confirmation evidences a complete and binding agreement between Party A and Party B as to the terms of this Transaction to which this Confirmation relates. This Confirmation shall supplement, form a part of, and be subject to an agreement in the form of the 1992 ISDA Master Agreement (the "Agreement") as if Party A and Party B had executed an agreement in such form on the Trade Date (but without any Schedule except for the election of the laws of the State of New York as the governing law and Second Method and Loss as applying to this Transaction for purposes of Section 6(e) of the Agreement). In the event of any inconsistency between provisions of that Agreement and this Confirmation, this Confirmation will prevail for the purpose of this Transaction to which this Confirmation relates. The parties hereby agree that no Transaction other than this Transaction to which this Confirmation relates shall be governed by the Agreement. The parties also acknowledge that this Transaction to which this Confirmation relates is not governed by, and shall not be treated as a Transaction

under, any other ISDA. The parties For purposes of the 2002 Definitions, this Transaction is a Share Forward Transaction.

2. **The terms of the particular Transaction to which this Confirmation relates are as follows:**

General Terms:

Party A:	Royal Bank of Canada
Party B:	American Equity Investment Life Holding Company
Trade Date:	August 11, 2015
Effective Date:	August 12, 2015
Number of Shares:	Initially, 1,290,000 Shares, subject to reduction by the number of Settlement Shares for each settlement of this Transaction.
Maturity Date:	The earlier to occur of (i) August 11, 2016 (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) and (ii) the date on which the Number of Shares is reduced to zero.
Forward Price:	On the Effective Date, the Initial Forward Price, and on any other day, the Forward Price as of the immediately preceding calendar day *multiplied by* the sum of (i) 1 *and* (ii) the Daily Rate for such day (the resulting product being the "Accreted Forward Price"); *provided* that on each Forward Price Reduction Date, the Forward Price in effect on such date shall be the Accreted Forward Price otherwise in effect on such date minus the Forward Price Reduction Amount for such Forward Price Reduction Date.
Initial Forward Price:	USD $24.303125 per Share.
Daily Rate:	For any day, (i)(A) USD-Federal Funds Rate for such day *minus* (B) the Spread *divided by* (ii) 365.
USD-Federal Funds Rate:	For any day, the rate set forth for such day opposite the caption "Federal funds", as such rate is displayed on the page "FedsOpen <Index> <GO>" on the BLOOMBERG Professional Service, or any successor page; *provided* that if no rate appears for

	any day on such page, the Calculation Agent shall determine the rate in a commercially reasonable manner from any publicly available source (including any Federal Reserve Bank).
Spread:	0.25%
Forward Price Reduction Dates:	As set forth in Schedule I.
Forward Price Reduction Amount:	For each Forward Price Reduction Date, the Forward Price Reduction Amount set forth opposite such date on Schedule I.
Shares:	Common Stock, $1 par value per share, of Party B (also referred to herein as the "Issuer") (Exchange identifier: "AEL").
Prepayment:	Not applicable.
Variable Obligation:	Not applicable.
Exchange:	The New York Stock Exchange.
Related Exchange(s):	All Exchanges.
Clearance System:	DTC.
Calculation Agent:	Party A. Whenever Party A, in its capacity as the Calculation Agent or otherwise, is required to act or to exercise judgment in any way with respect to any Transaction hereunder, including, without limitation, with respect to calculations, adjustments and determinations that are made in its sole discretion or otherwise, it will do so in good faith and in a commercially reasonable manner. In the event that Party A, in its capacity as the Calculation Agent or otherwise, makes any calculations, adjustments or determinations pursuant to this Confirmation, the Agreement or the Equity Definitions, it shall promptly provide an explanation in reasonable detail of the basis for and determination of any determinations or calculations if requested by Party B (including any quotations, market data or information from external sources used in making such calculation, adjustment or determination, as the case may be, but without disclosing any proprietary models or other information of Party A that is subject to contractual,

	legal or regulatory obligations to not disclose such information). Following the occurrence and during the continuation of an Event of Default pursuant to Section 5(a)(vii) of the Agreement with respect to which Party A is the sole Defaulting Party, Party B shall have the right to select a leading dealer in the market for U.S. corporate equity derivatives to replace Party A as Calculation Agent, subject to Party A's consent to the identity of the replacement Calculation Agent (which consent shall not be unreasonably withheld or delayed), and the parties shall work in good faith to execute any appropriate documentation required by such replacement Calculation Agent.
Settlement Terms:	
Settlement:	This Transaction may be settled in part or in whole on one or more Settlement Dates as set forth below.
Settlement Date:	(a) Any Scheduled Trading Day following the Effective Date and up to and including the Maturity Date, (i) as designated by Party A pursuant to "Termination Settlement" below or (ii) as designated by Party B in a written notice (a "Settlement Notice") that is delivered to Party A no later than 10:00 a.m. (New York City time) on the Scheduled Trading Day that is at least (y) three Scheduled Trading Days prior to such Settlement Date if Physical Settlement applies, and (z) 100 Scheduled Trading Days prior to such Settlement Date if Cash Settlement or Net Share Settlement applies, and (b) the Maturity Date if the Number of Shares as of such date has not been reduced to zero pursuant to earlier settlements of this Transaction; *provided* that (w) if Physical Settlement applies and a Settlement Date specified above (including a Settlement Date occurring on the Maturity Date) is not a Clearance System Business Day, the Settlement Date shall be the next following Clearance System Business Day, (x) Party B may not designate a Settlement Date hereunder to which Cash Settlement or Net Share Settlement applies if the related Unwind Period would overlap in any

	respect with any other Unwind Period hereunder or any Unwind Period under any other Share Forward Transaction between the parties, (y) if Cash Settlement or Net Share Settlement applies and Party A shall have fully unwound its hedge during an Unwind Period by a date that is more

	than three Scheduled Trading Days prior to a Settlement Date specified above, Party A shall notify Party B in writing (which, for the avoidance of doubt, may be in the form of an e-mail) of such date, and the Settlement Date shall be accelerated to a date that is one Settlement Cycle immediately following such date, and (z) if Cash Settlement or Net Share Settlement applies, and the related Unwind Period is extended due to the occurrence of a Disrupted Date, the Settlement Date shall be postponed to a date that is one Settlement Cycle immediately following the last day of such Unwind Period.
Settlement Shares:	With respect to any Settlement Date, a number of Shares, not to exceed the Number of Shares, (a) designated as such by Party B in the related Settlement Notice or (b) designated by Party A pursuant to "Termination Settlement" below; *provided* that on the Maturity Date the number of Settlement Shares shall be equal to the Number of Shares on such date.
Settlement Method:	(a) In connection with any Settlement Date designated by Party A, Physical Settlement, and (b) in connection with any Settlement Date designated by Party B, Physical Settlement, Cash Settlement or Net Share Settlement, at the election of Party B as set forth in a Settlement Notice; *provided* that if Party B elects Cash Settlement or Net Share Settlement, such election shall not be effective unless Party B has included in such Settlement Notice and repeated and reaffirmed as of the date of such Settlement Notice Party B's representations, warrants, agreements contained in Sections 3(e) and 3(j) of this Confirmation; *provided further* that Physical Settlement shall apply (i) if no Settlement Method is validly selected, (ii) with respect to any Settlement Shares in respect of which Party A is unable, in its judgment, to unwind its hedge by the end of the relevant Unwind Period (after giving effect to any permitted extension under "Unwind

	Period" below), (iii) to any Termination Settlement Date (as defined below under "Termination Settlement") or (iv) if the Maturity Date is a Settlement Date, in respect of such Settlement Date.
Unwind Period:	Each Scheduled Trading Day during the period from and including the first Scheduled Trading Day following the date Party B validly elects Cash Settlement or Net Share Settlement in respect of a Settlement Date through the third Scheduled Trading Day preceding such Settlement Date; subject to "Settlement Date" above and "Termination Settlement" below. If any Scheduled Trading Day during an Unwind Period is a Disrupted Day, the Calculation Agent may extend the Unwind Period by one Scheduled Trading Day, but by no more than ten Scheduled Trading Days in the aggregate for any Unwind Period.
Market Disruption Event:	Section 6.3(a)(ii) of the 2002 Definitions is hereby amended by replacing clause (ii) in its entirety with "(ii) an Exchange Disruption, or" and inserting immediately following clause (iii) the phrase ", or (iv) a Liquidity Event; in each case that the Calculation Agent determines is material"
Early Closure:	Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term "Scheduled Closing Time" in the fourth line thereof.
Regulatory Disruption:	Any event that Party A, in its good faith commercially reasonable discretion based on the advice of counsel, determines makes it advisable with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements or related policies and procedures are imposed by law or have been voluntarily adopted by Party A), that apply generally to all transactions of a nature and kind similar to this Transaction, for it to refrain from or decrease any unwind activity during the Unwind Period on any Scheduled Trading Day, may by written notice to Party B be deemed by Party A to be a Market Disruption Event, which has occurred and will be continuing on such Scheduled

	Trading Day.
Liquidity Event:	A "Liquidity Event" shall occur if Party A determines on any day that the trading volume or liquidity of trading in the Shares is materially reduced from the average daily trading volume of the Shares for the thirty consecutive Exchange Business Days ending on but excluding the Trade Date.
Unwind Activities:	During each Unwind Period, Party A (or its agent or affiliate) may purchase Shares with respect to its hedge of this Transaction. Subject to its obligations under Section 3(g) of this Confirmation, the times, prices and quantities at which Party A (or its agent or affiliate) purchases any Shares during any Unwind Period and the manner in which such purchases are effected shall be at Party A's sole discretion (it being understood that Party A may exercise such discretion after considering whether and in what quantity or manner purchasing Shares would be permitted or appropriate under applicable securities laws).
Physical Settlement:	On any Settlement Date in respect of which Physical Settlement applies, Party B shall deliver to Party A through the Clearance System the Settlement Shares for such Settlement Date, and Party

A shall deliver to Party B, by wire transfer of immediately available funds to an account designated by Party B, an amount in cash equal to the Physical Settlement Cash Amount for such Settlement Date, on a delivery versus payment basis. If, on any Settlement Date, the Shares to be delivered by Party B to Party A hereunder are not so delivered (the "Deferred Shares"), and a Forward Price Reduction Date occurs during the period from, and including, such Settlement Date to, but excluding, the date such Shares are actually delivered to Party A, then for the avoidance of doubt the portion of the Physical Settlement Cash Amount payable by Party A to Party B in respect of the Deferred Shares shall be reduced by an amount equal to the Forward Price Reduction Amount for such Forward Price Reduction Date, *multiplied by* the number of Deferred Shares.

Physical Settlement Cash Amount:	For any Settlement Date in respect of which Physical Settlement applies, an amount in cash equal to the product of (i) the Forward Price on such Settlement Date (but calculated using an Accreted Forward Price determined as of the date immediately preceding the Settlement Date) *and* (ii) the number of Settlement Shares for such Settlement Date.
Cash Settlement:	On any Settlement Date in respect of which Cash Settlement applies, if the Cash Settlement Amount for such Settlement Date is a positive number, Party A will pay such Cash Settlement Amount to Party B. If the Cash Settlement Amount is a negative number, Party B will pay the absolute value of such Cash Settlement Amount to Party A.
Cash Settlement Amount:	For any Settlement Date in respect of which Cash Settlement applies, an amount determined by the Calculation Agent equal to the product of (i) (A) the volume weighted average (weighted based on the number of Settlement Shares with respect to which Party A or its affiliate unwinds its hedge position on each relevant day) of the Forward Prices (calculated on each day using the Accreted Forward Price for the date immediately preceding such day) for each day of the applicable Unwind Period, *minus* (B) the volume weighted average price (the "Unwind Purchase Price") at which Party A or its affiliates purchases Shares during the Unwind Period to unwind its hedge with respect to the relevant Settlement Shares during the Unwind Period (including, for the avoidance of doubt, purchases on any Disrupted Day), *and* (ii) the number of Settlement Shares for such Settlement Date.
Net Share Settlement:	On any Settlement Date in respect of which Net Share Settlement applies, if the number of Net Share Settlement Shares is a (i) negative number, Party A shall deliver a number of Shares to Party B equal to the absolute value of the Net Share Settlement Shares, or (ii) positive number, Party B shall deliver to Party A the Net Share Settlement Shares; *provided* that if Party A determines in its good faith judgment that it would be required to deliver Net Share Settlement Shares to Party B, Party A may elect to deliver a portion of such Net

	Share Settlement Shares on one or more dates prior to the applicable Settlement Date.
Net Share Settlement Shares:	For any Settlement Date in respect of which Net Share Settlement applies, a number of Shares equal to the Cash Settlement Amount *divided by* the Unwind Purchase Price for the relevant Unwind Period.
Settlement Currency:	USD.
Failure to Deliver:	Applicable only if the Settlement Method is Net Share Settlement and the Cash Settlement Amount is a negative number.
Adjustments:	
Method of Adjustment:	Calculation Agent Adjustment; notwithstanding anything in the 2002 Definitions to the contrary, the Calculation Agent may make an adjustment pursuant to Calculation Agent Adjustment to any one or more of the Number of Shares, the Forward Price and any other variable relevant to the settlement or payment terms of this Transaction.
Additional Adjustment:	If, in Party A's commercially reasonable judgment, the actual cost to Party A, over any one month period, of borrowing a number of Shares equal to the Number of Shares to hedge its exposure to this Transaction exceeds a weighted average rate equal to 25 basis points per annum, the Calculation Agent shall reduce the Forward Price in order to compensate Party A for the amount by which such cost exceeded a weighted average rate equal to 25 basis points per annum during such period. The Calculation Agent shall notify Party B prior to making any such adjustment to the Forward Price and shall provide reasonable details of its stock loan costs for the applicable one month period.
Agreement Regarding Dividends:	Notwithstanding any other provision of this Confirmation, the Definitions or the Agreement to the contrary, in calculating any adjustment pursuant to Article 11 of the Equity Definitions or any

amount payable in respect of any termination or cancellation of the Transaction pursuant to Article 12 of the Equity Definitions or Section 6 of the

Agreement, the Calculation Agent shall not take into account changes to any dividends since the Trade Date. For the avoidance of doubt, if an Early Termination Date occurs in respect of the Transaction, the amount payable pursuant to Section 6 of the Agreement in respect of such Early Termination Date shall be determined without regard to the difference between actual dividends declared (including Extraordinary Dividends) and expected dividends as of the Trade Date.

Extraordinary Events:

New Shares: In the definition of New Shares in Section 12.1(i) of the Definitions, the text in (i) shall be deleted in its entirety and replaced with "publicly quoted, traded or listed on any of the New York Stock Exchange, The NASDAQ Global Market or the NASDAQ Global Select Market (or their respective successors)".

Consequences of Merger Events: Calculation Agent Adjustment; notwithstanding anything in the 2002 Definitions to the contrary, the Calculation Agent may make a commercially reasonable adjustment pursuant to Calculation Agent Adjustment to any one or more of the Number of Shares, the Forward Price and only other variables relevant to the settlement or payment terms of this Transaction, which are considered an input into a fixed-for-fixed forward or option on equity shares.

(a) Share-for-Share: Calculation Agent Adjustment

(b) Share-for-Other: Cancellation and Payment

(c) Share-for-Combined: Component Adjustment

Tender Offer: Applicable

Consequences of Tender Offers:

(a) Share-for-Share: Calculation Agent Adjustment

(b) Share-for-Other: Calculation Agent Adjustment

(c) Share-for-Combined: Calculation Agent Adjustment

Composition of Combined Consideration: As reasonably determined by the Calculation Agent.

Nationalization, Insolvency or Delisting: Subject to "Insolvency Filing" below, Cancellation and Payment

In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Determining Party: For all applicable Extraordinary Events, Party A.

Additional Disruption Events:

Change in Law: Applicable; provided that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i) replacing the phrase "the interpretation" in the third line thereof with the phrase "or announcement or statement of the formal or informal interpretation", (ii) immediately following the words "taxing authority)" in clause (A) thereof, adding the phrase ", in each case, the application of which directly or indirectly affects this Transaction or equity derivative transactions with substantially similar characteristics" and (iii) replacing the word "Shares" with "Hedge Positions" in clause (X) thereof.

The parties agree that any determination as to whether (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) the promulgation of or any change in or announcement or statement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation

	(including any action taken by a taxing authority, in each case, the application of which directly or indirectly affects this Transaction or equity derivative transactions with substantially similar characteristics), in each case, constitutes a "Change in Law" shall be made without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date.
Hedging Disruption:	Applicable
Increased Cost of Hedging:	Applicable
Hedging Party:	For all applicable Additional Disruption Events, Party A.
Determining Party:	For all applicable Additional Disruption Events, Party A.
Account Details:	
Payments to Party A:	ABA: 021000021 JP Morgan Chase NY (CHASUS33) A/C Royal Bank of Canada, NY Branch (ROYCUS3X) A/C# 920-1-033363 FFC A/C Name: RBC US Transit FFC A/C #: 012692041499 Reference: AEL
Payments to Party B:	To be advised in a separate notice.
Delivery of Shares to Party A:	To be advised.
Delivery of Shares to Party B:	To be advised.

3. **Other Provisions:**

(a) Conditions to Effectiveness:

The effectiveness of this Confirmation on the Effective Date shall be subject to (i) the condition that Party B has delivered to Party A an opinion of counsel dated as

of the Effective Date with respect to matters set forth in Section 3(a) of the Agreement, (ii) all of the conditions set forth in Section 6 of the Underwriting Agreement dated the date hereof among Party B, RBC Capital Markets, LLC, in its capacity as agent for Party A, and RBC Capital Markets, LLC and J.P. Morgan Securities LLC, as Representatives of the several Underwriters, as such terms are defined in the Underwriting Agreement (the "Underwriting Agreement") have been either satisfied or waived by Party A and the underwriters thereunder, (iii) the condition that the Underwriting Agreement has not been terminated pursuant to Section 6 thereof, (iv) the condition that no Extraordinary Event, Termination Event, Event of Default or Potential Event of Default has occurred, and (v) the condition that neither of the following has occurred (A) Party A is unable to borrow and deliver for sale a number of Shares equal to the Number of Shares, or (B) in Party A's commercially reasonable judgment either it is impracticable to do so or Party A would incur a stock loan cost of more than a rate equal to 200 basis points per annum to do so (in which event this Confirmation shall be effective but the Number of Shares for this Transaction shall be the number of Shares Party A is required to deliver in accordance with Section 1(b) of the Underwriting Agreement).

(b) Interpretive Letter:

Party A and Party B each acknowledges and agrees that this Transaction is being entered into in accordance with the October 9, 2003 interpretive letter from the staff of the U.S. Securities and Exchange Commission ("SEC") to Goldman, Sachs & Co. (the "Interpretive Letter") and Party B represents to Party A that, with respect to the foregoing, Party B has filed a registration statement on Form S-3 with respect to the "maximum number of shares" (as such term is described in the Interpretive Letter) and appropriate undertakings under Rule 415 under the U.S. Securities Act of 1933, as amended (the "Securities Act"), including, but not limited to, Rule 415(a)(4). In addition, Party B represents that it is eligible to conduct a primary offering of Shares on Form S-3, the offering contemplated by the Underwriting Agreement complies with Rule 415 under the Securities Act, and the Shares are "actively traded" as defined in Rule 101(c)(1) of Regulation M ("Regulation M") promulgated under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

(c) Underwriting Agreement Representations, Warranties and Covenants:

On the Trade Date and on each date on which Party A or its affiliates delivers a prospectus supplement in connection with a sale to hedge this Transaction, Party B repeats and reaffirms as of such date all of the representations and warranties contained in Section 3(a)(v) of the Underwriting Agreement. Party B hereby agrees to comply with its covenants contained in Section 4(g) of the Underwriting Agreement as if such covenants were made in favor of Party A.

(d) Representations, Warranties and Agreements of Party B:

Party B hereby represents and warrants to Party A as of the date hereof and as of the Effective Date, and agrees with Party A, that:

(i) Party B (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of entering into this Transaction; (ii) has consulted with its own legal, financial, accounting and tax advisors in connection with this Transaction; and (iii) is entering into this Transaction for a bona fide business purpose.

(ii) Party B is not and has not been the subject of any civil proceeding of a judicial or administrative body of competent jurisdiction that could reasonably be expected to impair materially Party B's ability to perform its obligations hereunder.

(iii) No filing with, or approval, authorization, consent, license registration, qualification, order or decree of, any court or governmental authority or agency, domestic or foreign, is necessary or required for the execution, delivery and performance by Party B of this Confirmation and the consummation of this Transaction (including, without limitation, the issuance and delivery of Shares on any Settlement Date) except (i) such as have been obtained under the Securities Act, and (ii) as may be required to be obtained under state securities laws.

(iv) All Shares, when issued and delivered in accordance with the terms of this Transaction, shall be newly issued (unless mutually agreed otherwise by the parties), will be duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance and not subject to any preemptive or similar rights and shall, upon such issuance, be accepted for listing or quotation on the Exchange.

(v) Party B has reserved and will keep available at all times, free from preemptive rights, out of its authorized but unissued Shares, solely for the purpose of issuance upon settlement of this Transaction as herein provided, the Maximum Number of Shares. All Shares so issuable shall, upon such issuance, be accepted for listing or quotation on the Exchange.

(vi) Party B shall provide Party A at least 10 days' written notice (an "Issuer Repurchase Notice") prior to executing any new authorization for repurchase of Shares by Party B or any of its subsidiaries, whether out of profits or capital or whether the consideration for such repurchase is cash, securities or otherwise (an "Issuer Repurchase"), and prior to executing (or entering into any contract that would require, or give the option to, Party B or any of its subsidiaries, to purchase or repurchase Shares) any Issuer Repurchase that alone or in the aggregate would result in the Number of Shares Percentage (as defined below) being (i) equal to or greater than 8.0% of the outstanding Shares or (ii) greater by 0.5% or more than the Number of Shares Percentage at the time of the immediately

preceding Issuer Repurchase Notice (or in the case of the first such Issuer Repurchase Notice regarding a repurchase of Shares, greater than the Number of Shares Percentage as of the later of the date hereof or the immediately preceding Settlement Date, if any). The "Number of Shares Percentage" as of any day is the fraction (1) the numerator of which is the Number of Shares *plus* the Number of Shares for any other Share Forward Transaction between the parties relating to the same Shares and (2) the denominator of which is the number of Shares outstanding on such day.

(vii) Party B shall not make any Issuer Repurchase if, immediately following such Issuer Repurchase, the Number of Shares Percentage would be equal to or greater than 8.0%.

(viii) Party B is an "eligible contract participant" (as such term is defined in Section 1a(18) of the U.S. Commodity Exchange Act, as amended).

(e) Additional Representations, Warranties and Agreements of Party B:

Party B hereby represents and warrants to Party A as of the date hereof and as of the Effective Date, and agrees with Party A, that:

(i) On the Trade Date and on any date that Party B notifies Party A that Cash Settlement or Net Share Settlement applies to this Transaction, (a) each of Party B's filings under the Securities Act, the Exchange Act or other applicable securities laws that are required to be filed have been filed and that, as of the date of this representation, there is no misstatement of material fact contained therein or omission of a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (b) it has not directly or indirectly violated any applicable law (including, without limitation, the Securities Act and the Exchange Act) in connection with this Transaction. In addition to any other requirement set forth herein, Party B agrees not to designate any Settlement Date or elect Cash Settlement or Net Share Settlement if it has been advised by its own counsel or been notified by Party A that Party A has determined in its reasonable discretion based on the advice of counsel that settlement in respect of such date or such settlement election or Party A's related market activity would result in a violation of any applicable federal or state law or regulation, including the U.S. federal securities laws.

(ii) Party B shall, at least one day prior to the first day of any Unwind Period, notify Party A of the total number of Shares purchased in Rule 10b-18 purchases of blocks pursuant to the once-a-week block exception contained in Rule 10b-18(b)(4) by or for Party B or any of its affiliated purchasers during each of the four calendar weeks preceding the first day of such Unwind Period and during the calendar week in which the first

day of such Unwind Period occurs ("Rule 10b-18 purchase", "blocks" and "affiliated purchaser" each being used as defined in Rule 10b-18).

(iii) During any Unwind Period, Party B shall (a) notify Party A prior to the opening of trading in the Shares on any day on which Party B makes, or expects to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any merger, acquisition, or similar transaction involving a recapitalization relating to Party B (other than any such transaction in which the consideration consists solely of cash and there is no valuation period), (b) promptly notify Party A following any such announcement that such announcement has been made, and (c) promptly deliver to Party A following the making of any such announcement information indicating (1) Party B's average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months preceding the date of the announcement of such transaction and (2) Party B's block purchases (as defined in Rule 10b-18) effected pursuant to paragraph (b)(4) of Rule 10b-18 during the three full calendar months preceding the date of the announcement of such transaction. In addition, during any Unwind Period, Party B shall promptly notify Party A of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders.

(iv) Party B (or any "affiliated purchaser" as defined in Rule 10b-18 under the Exchange Act) shall not, without the prior written consent of Party A, directly or indirectly purchase any Shares (including by means of a derivative instrument), listed contracts on the Shares or securities that are convertible into, or exchangeable or exercisable for Shares (including, without limitation, any Rule 10b-18 purchases of blocks (as defined in Rule 10b-18 under the Exchange Act)) during any Unwind Period for this Transaction or for any other Share Forward Transactions between the parties, except through Party A (or its agent or affiliate) or in connection with its employee stock ownership plans. Party B agrees that neither it nor any of its affiliates shall take any action that would cause any purchases of Shares by Party (or its agent or affiliate) in connection with any Cash Settlement or Net Share Settlement of this Transaction not to meet the requirements of the safe harbor provided by Rule 10b-18 under the Exchange Act if such purchases were effected by Party B.

(v) Party B shall not engage in any "distribution" (as defined in Regulation M) that would cause a "restricted period" (as defined in Regulation M) to occur during any Unwind Period.

(vi) Party B is not entering into this Confirmation or making any election hereunder to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security

convertible into or exchangeable for Shares) in violation of the Exchange Act.

(vii) Counterparty is not and, after giving effect to the Transaction, will not be an "investment company" as such term is defined in the U.S. Investment Company Act of 1940, as amended.

(viii) Party B will as soon as practicable (x) upon obtaining knowledge of the occurrence of a Potential Adjustment Event (not giving effect to, solely for purposes of this Subsection (e)(viii)(x), clause (vii) of the definition of "Potential Adjustment Event" in the 2002 Definitions), an Extraordinary Event, an Event of Default or a Termination Event, in each case within Party B's control, notify Party A of such knowledge, *provided* that Party B will, as soon as it is practicable and no later than the date it declares an Extraordinary Dividend, notify Party A of such declaration or (y) upon obtaining notification from a third-party of the occurrence of an Event of Default in respect of which Party B is a Defaulting Party, a Termination Event in respect of which Party B is an Affected Party, a Potential Adjustment Event or an Extraordinary Event, notify Party A of such notification; *provided*, *however*, that should Party B be in possession of Material Non-Public Information (as defined below) regarding itself or the Shares, Party B shall not communicate such Material Non-Public Information to Party A in connection with this Transaction.

(ix) Party B will not be rendered insolvent as a result of this Transaction, and as of the date hereof, and as of any date on which Party B elects Cash Settlement or Net Share Settlement or makes payment to Party A in connection with any settlement hereunder, Party B is solvent and able to pay its debts as they come due, with assets having a fair value greater than liabilities and with capital sufficient to carry on the business in which it engages.

(f) Covenant of Party B:

Party B acknowledges and agrees that any Shares delivered by Party B to Party A on any Settlement Date will be (i) newly issued, (ii) approved for listing or quotation on the Exchange, subject to official notice of issuance, and (iii) except where the provisions of Section 3(n) "Private Placement Procedures" below applied, registered under the Exchange Act, and, when delivered by Party A (or an affiliate of Party A) to securities lenders from whom Party A (or an affiliate of Party A) borrowed Shares in connection with hedging its exposure to this Transaction, will be freely saleable without further registration or other restrictions under the Securities Act in the hands of those securities lenders, irrespective of whether any such stock loan is effected by Party A or an affiliate of Party A. Accordingly, except where the provisions of Section 3(n) "Private Placement Procedures" below applied, Party B agrees that any Shares so delivered will not bear a restrictive legend and will be deposited in, and the delivery thereof

shall be effected through the facilities of, the Clearance System. In addition, Party B represents and agrees that any such Shares shall be, upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance.

(g) Covenants of Party A:

(i) Unless the provisions set forth below under "Private Placement Procedures" shall be applicable, Party A shall use any Shares delivered by Party B to Party A on any Settlement Date to return to securities lenders to close out open securities loans with respect to Shares.

(ii) In connection with purchases of Shares in connection with any Cash Settlement or Net Share Settlement of this Transaction, Party A shall use its good faith efforts to conduct its activities, or cause its affiliates to conduct their activities, in a manner so as not to on any single day purchase a number of Shares in excess of 20% of the average daily trading volume for the Shares during the twenty consecutive Exchange Business Days leading up to but excluding such day.

(h) Additional covenants of Party A and Party B:

For the purpose of Sections 4(a)(i) and 4(a)(ii) of the Agreement:

(i) Party A agrees to deliver a U.S. Internal Revenue Service Form W-8ECI (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party B and, in particular, with the "corporation" box checked on line 4 thereof. Such Form shall be delivered (1) upon execution of this Confirmation, (2) promptly upon reasonable demand by Party B, and (3) promptly upon learning that the information on any such previously delivered Form is inaccurate or incorrect.

(ii) Party B agrees to deliver a U.S. Internal Revenue Service Form W-9 (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party A. Such Form shall be delivered (1) upon execution of this Confirmation, (2) promptly upon reasonable demand by Party A, and (3) promptly upon learning that the information on any such previously delivered Form is inaccurate or incorrect.

(iii) Party A and Party B shall further deliver any other form or document, accurately completed and in a manner reasonably satisfactory to the other party, that may be required or reasonably requested in order to allow the other party to make a payment under this Confirmation, including any Credit Support Document, without any deduction or withholding for or on account of any Tax or with such deduction at a reduced rate. Such other form or document shall be delivered promptly upon the reasonable

demand of such other party.

(i) Representation and Agreement of the Parties:

Notwithstanding Section 9.11 of the 2002 Definitions, the parties acknowledge that any Shares delivered to Party B will be subject to restrictions and limitations arising from Party B's status under applicable securities laws.

(j) Rule 10b5-1:

It is the intent of Party A and Party B that following any election of Cash Settlement or Net Share Settlement by Party B, the purchase of Shares by Party A during any Unwind Period comply with the requirements of Rule 10b5-1(c)(1)(i)(B) of the Exchange Act and that this Confirmation shall be interpreted to comply with the requirements of Rule 10b5-1(c).

Party B acknowledges that (i) during any Unwind Period Party B and its officers and directors do not have, and shall not attempt to exercise, any influence over how, when or whether to effect purchases of Shares by Party A (or its agent or affiliate) in connection with this Confirmation and (ii) Party B is entering into the Agreement and this Confirmation in good faith and not as part of a plan or scheme to evade compliance with federal securities laws including, without limitation, Rule 10b-5 promulgated under the Exchange Act.

Party B hereby agrees with Party A that during any Unwind Period Party B and any of its officers or directors shall not communicate, directly or indirectly, any Material Non-Public Information (as defined herein) to any Trading Personnel (as defined below). For purposes of this Transaction, "Material Non-Public Information" means information relating to Party B or the Shares that (a) has not been widely disseminated by wire service, in one or more newspapers of general circulation, by communication from Party B to its shareholders or in a press release, or contained in a public filing made by Party B with the SEC and (b) a reasonable investor might consider to be of importance in making an investment decision to buy, sell or hold Shares. For the avoidance of doubt and solely by way of illustration, information should be presumed "material" if it relates to such matters as dividend increases or decreases, earnings estimates, changes in previously released earnings estimates, significant expansion or curtailment of operations, a significant increase or decline of orders, significant merger or acquisition proposals or agreements, significant new products or discoveries, extraordinary borrowing, major litigation, liquidity problems, extraordinary management developments, purchase or sale of substantial assets, or other similar information. For purposes of this Transaction, "Trading Personnel" means any employee on the trading side of RBCCM, as defined below in "Matters Relating to Agent".

(k) Insolvency Filing:

Notwithstanding anything to the contrary herein, in the Agreement or in the 2002 Definitions, upon any Insolvency Filing or other proceeding under the U.S. Bankruptcy Code (Title 11 of the United States Code) in respect of the Issuer, this Transaction shall automatically terminate on the date thereof without further liability of either party to this Confirmation to the other party (except for any liability in respect of any breach of representation or covenant by a party under this Confirmation prior to the date of such Insolvency Filing or other proceeding), it being understood that this Transaction is a contract for the issuance of Shares by the Issuer.

(l) Acceleration Events:

The following events shall each constitute an "Acceleration Event":

(i) Stock Borrow Events. In the commercially reasonable judgment of Party A, (A) Party A (or an affiliate of Party A) is unable to hedge Party A's exposure to this Transaction because of the lack of sufficient Shares being made available for Share borrowing by lenders, or

(B) Party A (or an affiliate of Party A) would incur a cost to borrow Shares to hedge its exposure to this Transaction that is greater than a rate equal to 200 basis points per annum (a "Stock Borrow Event");

(ii) Dividends and Other Distributions. On any day occurring after the Trade Date and prior to the final settlement of this Transaction, Party B declares a distribution, issue or dividend to existing holders of the Shares (an "Extraordinary Dividend") of (i) any cash dividend to the extent all cash dividends having an ex-dividend date during the period from and including the Trade Date to and including the Maturity Date exceeds, on a per Share basis, the Forward Price Reduction Amount set forth opposite the first date of such period or periods on Schedule I (and, for the avoidance of doubt, the actual declaration date, as opposed to the ex-dividend date, of any cash dividend shall not be used for purposes of determining the appropriate period to which a Forward Price Reduction Amount relates), (ii) share capital or securities of another issuer acquired or owned (directly or indirectly) by Party B as a result of a spin-off or other similar transaction or (iii) any other type of securities (other than Shares), rights or warrants or other assets, for payment (cash or other consideration) at less than the prevailing market price as determined by Party A;

(iii) ISDA Termination. Party A has the right to (a) designate an Early Termination Date as the result of an Event of Default or Termination Event or (b) terminate this Transactions and determine an amount payable as a result of an Extraordinary Event, in each such case the provisions set

forth under "Termination Settlement" shall apply in lieu of Section 6 of the Agreement;

(iv) Other ISDA Events. The announcement of any event that if consummated, would result in an Extraordinary Event (and, for the avoidance of doubt, such event shall not constitute an "Extraordinary Event"); or

(v) Ownership Event. In the reasonable judgment of Party A, based on advice of counsel, on any day, the Share Amount for such day exceeds the Post-Effective Limit for such day (if any applies).

For purposes of clause (v) above, the "Share Amount" as of any day is the number of Shares that Party A and any person whose ownership position would be aggregated with that of Party A (Party A or any such person, a "Party A Person") under any law, rule, regulation or regulatory order that for any reason becomes applicable to ownership of Shares after the Trade Date ("Applicable Laws"), owns, beneficially owns, constructively owns, controls, holds the power to vote or otherwise meets a relevant definition of ownership of under the Applicable Laws, as determined by Party A in its reasonable discretion. The "Post-Effective Limit" means (x) the minimum number of Shares that would give rise to reporting (other than pursuant to the requirement to file a Schedule 13D under the Exchange Act) or registration obligations or other requirements (including obtaining prior approval from any person or entity) of a Party A Person, or would result in an adverse effect on a Party A Person, under the Applicable Laws, as determined by Party A in its reasonable discretion, *minus* (y) 2.0% of the number of Shares outstanding.

(m) Termination Settlement:

Upon the occurrence of any Acceleration Event, Party A shall have the right to designate, upon at least one Scheduled Trading Days' notice, any Scheduled Trading Day following such occurrence to be a Settlement Date hereunder or, in the case of an Extraordinary Dividend, a Settlement Date shall be automatically deemed to occur on the date such Extraordinary Dividend was declared by Party B (in each case, a "Termination Settlement Date") to which Physical Settlement shall apply, and to select the number of Settlement Shares relating to such Termination Settlement Date or, in the case of an Extraordinary Dividend, the Number of Shares as of the declaration date thereof; *provided* that (i) in the case of an Acceleration Event arising out of an Ownership Event, the number of Settlement Shares so designated by Party A shall not exceed the number of Shares necessary to reduce the Share Amount to the Post-Effective Limit and (ii) in the case of an Acceleration Event arising out of a Stock Borrow Event the number of Settlement Shares so designated by Party A shall not exceed the number of Shares as to which such Stock Borrow Event exists. If Party B fails to deliver the Settlement Shares relating to such Termination Settlement Date when due or otherwise fails to perform obligations within its control in respect of this Transaction, it shall be an Event of Default with respect to Party B and Section 6

of the Agreement shall apply. If an Acceleration Event occurs during an Unwind Period relating to a number of Settlement Shares to which Cash Settlement or Net Share Settlement applies, then on the Termination Settlement Date relating to such Acceleration Event, notwithstanding any election to the contrary by Party B, Cash Settlement or Net Share Settlement shall apply to the portion of the Settlement Shares relating to such Unwind Period as to which Party A has unwound its hedge and Physical Settlement shall apply in respect of (x) the remainder (if any) of such Settlement Shares and (y) the Settlement Shares designated by Party A in respect of such Termination Settlement Date.

(n) Private Placement Procedures:

If Party B is unable to comply with the provisions of "Covenant of Party B" above because of a change in law or a change in the policy of the SEC or its staff, or Party A otherwise determines that in its reasonable opinion any Settlement Shares to be delivered to Party A by Party B may not be freely returned by Party A or its affiliates to securities lenders as described under "Covenant of Party B" above, then delivery of any such Settlement Shares (the "Restricted Shares") shall be effected pursuant to Annex A hereto, unless waived by Party A ("Private Placement Settlement").

(o) Maximum Share Delivery:

Notwithstanding any other provision of this Confirmation, in no event will Party B be required to deliver on any Settlement Date, whether pursuant to Physical Settlement, Net Share Settlement, Termination Settlement or any Private Placement Settlement, more than 2,580,000 Shares (the "Maximum Number of Shares") to Party A in the aggregate, subject to reduction by the amount of any Shares delivered by Party B on any prior Settlement Date and to adjustment pursuant to the terms of this Confirmation and the 2002 Definitions in connection with a stock split.

(p) Transfer and Assignment:

Party A may assign or transfer any of its rights or delegate any of its duties hereunder to any affiliate of Party A, any entity organized or sponsored by Party A or any third party, in each such case with a credit rating equal to or better than that of Party A without the prior written consent of Party B. Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Party A to purchase, sell, receive or deliver any Shares or other securities to or from Party B, Party A may designate any of its affiliates to purchase, sell, receive or deliver such Shares or other securities and otherwise to perform Party A's obligations in respect of this Transaction and any such designee may assume such obligations. Party A shall be discharged of its obligations to Party B to the extent of any such performance.

(q) Matters Relating to Agent:

Party A has appointed, as its agent, its indirect wholly-owned subsidiary, RBC Capital Markets, LLC ("RBCCM"), for purposes of conducting, on Party A's behalf, a business in privately negotiated transactions in options and other derivatives. Party B hereby is advised that Party A, the principal and stated counterparty in such transactions, duly has authorized RBCCM to market, structure, negotiate, document, price, execute and hedge transactions in over-the-counter derivative products.

(r) Indemnity:

Party B agrees to indemnify Party A and its affiliates and their respective directors, officers, agents and controlling parties (Party A and each such affiliate or person being an "Indemnified Party") from and against any and all losses, claims, damages and liabilities, joint and several, incurred by or asserted against such Indemnified Party for the violation of federal or state securities laws and which arise out of, are in connection with, or relate to, any breach of any covenant or representation made by Party B in this Confirmation or the Agreement or the consummation of the transactions contemplated hereby and Party B will reimburse any Indemnified Party for all reasonable expenses (including reasonable legal fees and expenses) as they are incurred in connection with the investigation of, preparation for, or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto. Party B will not be liable under this Indemnity paragraph to the extent that any such loss, claim, damage, liability or expense is found in a final and nonappealable judgment by a court to have resulted from Party A's gross negligence or willful misconduct. The aforementioned indemnity shall be subject to, and not in addition to, the indemnity provided in the Underwriting Agreement, and where applicable the indemnity provisions of the Underwriting Agreement will govern.

(s) Notice:

Non-Reliance:	Applicable
Additional Acknowledgments:	Applicable
Agreements and Acknowledgments Regarding Hedging Activities:	Applicable

4. **The Agreement is further supplemented by the following provisions:**

(a) No Collateral:

Notwithstanding any other agreement between the parties to the contrary, the obligations of Party B under this Transaction are not secured by any collateral.

Without limiting the generality of the foregoing, this Transaction will not be considered to create obligations covered by any collateral credit support annex to the Agreement and will be disregarded for the purposes of calculating any exposures pursuant to any such annex.

(b) Netting and Set-off:

Except with respect to obligations under Equity Contracts, obligations under this Transaction shall not be set-off or netted against any other obligations of the parties, whether arising under the Agreement, this Confirmation, under any other agreement between the parties hereto, by operation of law or otherwise, and no other obligations of the parties shall be set-off or netted against obligations under this Transaction, whether arising under the Agreement, this Confirmation, under any other agreement between the parties hereto, by operation of law or otherwise, and each party hereby waives any such right of setoff. In calculating any amounts under Section 6(e) of the Agreement, notwithstanding anything to the contrary in the Agreement, (a) separate amounts shall be calculated as set forth in such Section 6(e) with respect to (i) this Transaction and (ii) all other Transactions, except with respect to obligations under Equity Contracts, and (b) such separate amounts shall be payable pursuant to Section 6(d)(ii) of the Agreement. For purposes of this provision, "Equity Contract" means any transaction or instrument that does not convey to Party A rights, or the ability to assert claims, that are senior to the rights and claims of common stockholders in the event of Party B's bankruptcy, and is classified as equity under U.S. GAAP on Party B's financial statements.

(c) Delivery of Cash:

For the avoidance of doubt, nothing in this Confirmation shall be interpreted as requiring Party B to deliver cash in respect of the settlement of this Transaction, except in circumstances where the required cash settlement thereof is permitted for classification of the contract as equity by ASC Topic 815, *Derivatives and Hedging* as in effect on the Trade Date (including, without limitation, where Party B so elects to deliver cash or fails timely to elect to deliver Shares in respect of such settlement).

(d) Status of Claims in Bankruptcy:

Party A acknowledges and agrees that this confirmation is not intended to convey to Party A rights with respect to the transactions contemplated hereby that are senior to the claims of common stockholders in any U.S. bankruptcy proceedings of Party B; *provided, however,* that nothing herein shall limit or shall be deemed to limit Party A's right to pursue remedies in the event of a breach by Party B of its obligations and agreements with respect to this Confirmation and the Agreement; and *provided further*, that nothing herein shall limit or shall be deemed to limit Party A's rights in respect of any transaction other than this Transaction.

(e) Limit on Beneficial Ownership:

Notwithstanding any other provisions hereof, Party A shall not be obligated to receive Shares hereunder (whether in connection with the purchase of Shares on any Settlement Date or any Termination Settlement Date, any Private Placement Settlement or otherwise), to the extent (but only to the extent) that, after such receipt of any Shares hereunder, (i) the Share Amount would exceed the Post-Effective Limit, (ii) Party A's ultimate parent entity would directly or indirectly "beneficially own" (as such term is defined under Section 13 and Section 16 of the Exchange Act and rule promulgated thereunder) ("beneficially own") at any time on the relevant date in excess of 8.0% of the outstanding Shares or (iii) Party A and each person subject to aggregation of Shares with Party A under Section 13 or Section 16 of the Exchange Act and rules promulgated thereunder (the "Party A Group") would directly or indirectly beneficially own in excess of 8.0% of the then outstanding Shares (the "Threshold Number of Shares"). Any purported delivery hereunder shall be void and have no effect to the extent (but only to the extent) that, after such delivery, (i) the Share Amount would exceed the Post-Effective Limit, (ii) Party A's ultimate parent entity would directly or indirectly beneficially own in excess of 8.0% of the outstanding Shares or (iii) Party A Group would directly or indirectly so beneficially own in excess of the Threshold Number of Shares. If any delivery owed to Party A hereunder is not made, in whole or in part, as a result of this provision, Party B's obligation to make such delivery shall not be extinguished and Party B shall make such delivery (versus payment) as promptly as practicable after, but in no event later than one Exchange Business Day after, Party A gives notice to Party B that, after such delivery, (i) the Share Amount would not exceed the Post-Effective Limit, (ii) Party A's ultimate parent entity would not directly or indirectly beneficially own in excess of 8.0% of the outstanding Shares and (iii) Party A Group would not directly or indirectly so beneficially own in excess of the Threshold Number of Shares.

(f) Addresses for Notices:

For the purpose of Section 12(a) of the Agreement:

Address for notices or communications to Party A:

For Purposes of Giving Notice:

Address: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281

Attention: ECM
Email: RBCECMCorporateEquityLinkedDocumentation@rbc.com

For Trade Affirmations and Settlements:

Address: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281

Attention: Back Office
Email: geda@rbccm.com

For Trade Confirmations:

Address: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281

Attention: Structured Derivatives Documentation
Email: seddoc@rbccm.com

Address for notices or communications to Party B:

Address: American Equity Investment Life Holding Company
6000 Westown Parkway
West Des Moines, IA 50266

Attention: Ted Johnson, Chief Financial Officer

Telephone No.: 515-457-1980
Facsimile No.: 515-440-2715
Email: tjohnson@american-equity.com

(g) Waiver of Right to Trial by Jury:

Waiver of Right to Trial by Jury. Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this Confirmation. Each party (i) certifies that no representative, agent or attorney of the other party has represented, expressly or otherwise, that such other party would not, in the event of such a suit action or proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party have been induced to enter into this Confirmation by, among other things, the mutual waivers and certifications herein.

(h) Severability, Illegality:

If compliance by either party with any provision of this Transaction would be unenforceable or illegal, (i) the parties shall negotiate in good faith to resolve such unenforceability or illegality in a manner that preserves the economic benefits of

the transactions contemplated hereby and (ii) the other provisions of this Transaction shall not be invalidated, but shall remain in full force and effect.

[Remainder of page intentionally left blank]

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing and returning this Confirmation.

Yours faithfully,

RBC CAPITAL MARKETS, LLC,
as agent for Royal Bank of Canada

By: /s/ Dawn T. Laabs
Name: Dawn T. Laabs
Title: Director

Confirmed as of the date first written above:

AMERICAN EQUITY INVESTMENT LIFE HOLDING COMPANY

By: /s/ John M. Matovina
Name: John M. Matovina
Title: Chief Executive Officer and President

Signature Page to the Forward Confirmation

ANNEX A

PRIVATE PLACEMENT PROCEDURES

1. If Private Placement Settlement applies, then delivery of Restricted Shares by Party B shall be effected in customary private placement procedures with respect to such Restricted Shares reasonably acceptable to Party A; *provided* that if, on or before the date that a Private Placement Settlement would occur, Party B has taken, or caused to be taken, any action that would make unavailable either the exemption pursuant to Section 4(a)(2) of the Securities Act for the sale by Party B to Party A (or any affiliate designated by Party A) of the Restricted Shares or the exemption pursuant to Section 4(a)(1) or Section 4(a)(3) of the Securities Act for resales of the Restricted Shares by Party A (or any such affiliate of Party A) or Party B fails to deliver the Restricted Shares when due or otherwise fails to perform obligations within its control in respect of a Private Placement Settlement, it shall be an Event of Default with respect to Party B and Section 6 of the Agreement shall apply. In the Private Placement Settlement of such Restricted Shares, Party B shall use its commercially reasonable best efforts in including customary representations, covenants, blue sky and other governmental filings and/or registrations, indemnities to Party A, due diligence rights (for Party A or any designated buyer of the Restricted Shares by Party A), opinions and certificates, and such other documentation as is customary for private placement agreements, all reasonably acceptable to Party A. In the case of a Private Placement Settlement, Party A shall, in its good faith discretion, adjust the amount of Restricted Shares to be delivered to Party A hereunder in a commercially reasonable manner to reflect the fact that such Restricted Shares may not be freely returned to securities lenders by Party A and may only be saleable by Party A at a discount to reflect the lack of liquidity in Restricted Shares. Notwithstanding the Agreement or this Confirmation, the date of delivery of such Restricted Shares shall be the Clearance System Business

Day following notice by Party A to Party B of the number of Restricted Shares to be delivered pursuant to this clause (i). For the avoidance of doubt, delivery of Restricted Shares shall be due as set forth in the previous sentence and not be due on the Settlement Date or Termination Settlement Date that would otherwise be applicable; *provided* that in no event will Party B be required to deliver to Party A a number in excess of the number specified in "Maximum Share Delivery" above minus the aggregate number of Shares delivered by Party B to Party A under this Transaction prior to such date of delivery .

2. If Party B delivers any Restricted Shares in respect of this Transaction, Party B agrees that (i) such Shares may be transferred by and among Party A and its affiliates and (ii) after the minimum "holding period" within the meaning of Rule 144(d) under the Securities Act has elapsed after the applicable Settlement Date, Party B shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Party A (or such affiliate of Party A) to Party B or such transfer agent

of seller's and broker's representation letters customarily delivered by Party A or its affiliates in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Party A (or such affiliate of Party A).