



A fixed annuity offering
index-linked earnings and
downside protection

MARKETVALUE INDEX[®]

Share only in index gains ... not the losses.

When creating a strategy for your financial future, you have two choices generally: the growth potential of stocks or the lower returns of more conservative alternatives.

Ideally, you want your financial vehicle to offer the upside potential of stocks, with none of the downside risk.

MARKETVALUE INDEX from EquiTrust Life Insurance Company® gives you benefits when markets are rising, and security when they're fluctuating. Plus, there's the added benefit of tax advantages offered by a fixed annuity.

MARKETVALUE INDEX enables you to:

- Lock in S&P 500®⁰¹ gains
- Completely avoid market losses – guaranteed²

**When the Market is Up ... You're Up!
When it's Down ... You're Not!**

The **MARKETVALUE INDEX** Annuity never exposes your principal to market risk. You share only in index gains ... not the losses. And you benefit from tax-deferred earnings, withdrawal privileges,³ flexible premiums and built-in guarantees – all without investing directly in the stock market.

You may choose among several accounts. The 1-Year Interest Account earns a traditional interest rate, and a variety of Index Accounts that earn credits based on changes in the S&P 500®.

On appropriate contract anniversaries, "index credits" are determined on Index Accounts and applied to your contract's current accumulation value. Index credits are based on S&P 500® performance. If the index continues steady growth, your accumulation value grows. If the S&P 500® declines, your accumulation value is simply unchanged from the preceding period's accumulation value.

At the end of the surrender charge period, you have access to your contract's full accumulation value – including market-index gains – with no surrender charges. However, by leaving your money in **MARKETVALUE INDEX** beyond the surrender charge period, you continue to earn interest and index credits on a tax-deferred basis.

The Impact of Market Fluctuation

This hypothetical illustration shows the increasing accumulation values during years where the index value has positive increases, and unchanged accumulation values when the index value declines. The illustration assumes 100% of the initial premium is allocated to the 1-Year Point-to-Point Cap Index Account.



This hypothetical illustration should not be considered representative of current or future performance. The example assumes no surrender or withdrawals. Current interest rates and index cap rates may change each indexing period. All rates used in this illustration are hypothetical and subject to change. Ask your agent for current rates.

You Control Your Money ... Going In *and* Coming Out

FLEXIBLE PREMIUMS

After making your initial premium payment, you may add subsequent premiums of \$2,000 or more at any time. Your entire premium amount is credited to the accumulation value. There are no fees, loads or sales charges. Additional premium payments are directed to the 1-Year Interest Account until the next contract anniversary, at which time they can be reallocated. If you would like all initial premiums to be allocated similarly, you may authorize the Company to wait to issue the contract until all specified premiums are received. You may allocate your premiums among the following crediting accounts.

INDEX-BASED ACCOUNTS⁴

- **1-Year Point-to-Point Cap Index Account** – If the index value at the end of the contract year is greater than the index value at the beginning of the contract year, you receive index credits based on that increase, subject to a specified cap. The cap is reset annually.
- **1-Year Average Cap Index Account** – If the average of the **monthly** index values for the contract year is greater than the index value at the beginning of the contract year, you receive index credits based on that increase, subject to a specified cap. The cap is reset annually.
- **1-Year Average Participation Index Account** – If the average of the **monthly** index values for the contract year is greater than the index value at the beginning of the contract year, you receive index credits based on that increase multiplied by the participation rate. The participation rate is reset annually.
- **1-Year Monthly Cap Index Account** – Index crediting for this account is based on the cumulative sum of capped monthly S&P 500[®] changes over a one-year period. Each of the monthly gains is subject to a cap, but there is no floor on monthly declines. Index credits are calculated on an annual basis and will never be less than zero. The Monthly Cap is reset annually.
- **2-Year Average Cap Index Account** – If the average of the monthly index values over two contract years is greater than the index value at the beginning of the index period, you receive index credits based on that increase up to a specified cap. The cap is reset every two years.

FIXED RATE ACCOUNT

- **1-Year Interest Account** – A one-year fixed interest rate is set when your contract is issued. The rate is set annually, and provides a guaranteed rate that you may prefer for a portion of your assets. For any subsequent premiums received during the first contract year, interest is credited based on the fixed rate declared at the beginning of the contract year.

EquiTrust Life Is a Name You Can Trust

When you choose EquiTrust as a financial partner, you can rest assured your annuity contract is backed by conservative investment strategies, anchored by a disciplined and diversified management style. EquiTrust is supported by a history of success, experience and strength; we're a Guggenheim Partners company – a global financial services firm with more than \$170 billion under management.

PREMIUM ALLOCATIONS

You may request a change to your current premium allocations at any time; any reallocation request will take effect on the following contract anniversary and will apply only to any additional contributions during the current contract year.

ACCOUNT TRANSFERS

On each contract anniversary, you have the ability to transfer money among the various accounts offered in your contract. Transfers out of the 2-Year Average Cap Account are allowed at the end of each two-year period only. After a transfer, the remaining balance in a given option, if any, must be at least \$2,000.

FREE WITHDRAWALS

You may withdraw up to 10 percent of the accumulation value each year, after the first contract year, without paying any charges.³

LUMP-SUM PAYMENT OPTION

Your contract's cash surrender value is available to you as a lump sum at any time. Surrender charges are in effect during the first 10 contract years, are a percentage of the accumulation value, and decline annually: 12, 12, 12, 12, 11, 10, 8, 6, 4 and 2 percent⁵. In addition, early surrenders or withdrawals over 10 percent may be subject to a Market Value Adjustment⁶ (MVA). After the 10th contract year⁵, your cash surrender value will equal the full accumulation value. Ask your agent for more details on the MVA, or refer to your contract.

ANNUITIZATION OPTIONS

Several annuitization payment options are available, including payment for life or payment for a certain period of time. You determine the schedule that best fits your financial circumstances – a period as short as five years, or for as long as the annuitant is alive. Your agent can help you determine the most appropriate payment option, or discuss a specific payment schedule you may have in mind.

Other Features

THE VALUE OF TAX DEFERRAL

Currently, all interest income earned on an annuity accumulates on a tax-deferred basis. No income taxes are payable until you receive a payment from your contract. If you are under age 59½ at the time of withdrawal, an additional 10 percent IRS penalty may be imposed. Tax deferral is currently available only to individuals and joint owners, not to corporations or other non-individuals.⁷

MINIMUM GUARANTEED CONTRACT VALUE

You are guaranteed to receive **no less** than 87.5 percent of your premiums – less any partial withdrawals – accumulated at the minimum guaranteed contract rate. This rate is set when the contract is issued and does not change for the life of the contract. Ask your agent for the minimum guaranteed rate.

NURSING HOME WAIVER RIDER

For additional peace of mind, your contract includes a nursing Home Waiver Rider⁸ at no extra cost. If you are confined to a nursing home or hospital for 90 days or more, your contract accumulation value will be available without surrender charges or MVA⁶ beginning in the second contract year and during your confinement.



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¹ "S&P 500[®]" is a trademark of The McGraw-Hill Companies, Inc., and has been licensed for use by EquiTrust Life Insurance Company. This product is not sponsored, endorsed, sold or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of purchasing this product. The S&P 500[®] Index does not reflect dividends paid on underlying stocks.

² The guarantees expressed in this brochure are based on the claims paying ability of EquiTrust Life Insurance Company.

³ Surrender of the contract may be subject to surrender charges or market value adjustment. Withdrawals before age 59½ may result in a 10% IRS penalty tax. Withdrawals do not participate in index growth. In the event of a full surrender, charges will apply to any penalty-free amounts taken during the same contract year.

⁴ Certain index accounts may not be available in some states.

⁵ The surrender charge period and surrender charges may vary by state. Alaska, Connecticut, Minnesota, Nevada, Ohio, Oregon, Texas, Utah, Washington 10-year schedule: 9, 8, 7, 6.5, 5.5, 4.5, 3.5, 2.5, 1.5 and 0.5 percent. Florida 10-year schedule: 10, 10, 10, 10, 10, 10, 8, 6, 4 and 2 percent.

⁶ Market Value Adjustment may not apply in all states.

⁷ Neither the Company nor its agents give tax, accounting or legal advice. Please consult your professional adviser in these areas.

⁸ Nursing Home Waiver Rider is not available in Massachusetts.

BENEFITS UPON DEATH OF OWNER

If the owner of the annuity dies, the full accumulation value is paid to the beneficiary, without surrender charges or MVA.⁶

FREE-LOOK PERIOD

After your **MARKETVALUE INDEX** contract is issued, you have a specified number of days to review it; see your contract cover page for complete details. If you are not completely satisfied with the terms, you may return the contract and receive 100 percent of your premiums paid, minus any prior withdrawals.

Ask Your Agent

Ask your agent about the variety of options **MARKETVALUE INDEX** offers for the stages of your life, or refer to your contract.

This is a summary only. The **MARKETVALUE INDEX** annuity may not be available in all states. In those states where it is available, certain provisions may vary or may not be available. Prior to purchasing this contract, contact your agent or the Company for complete contract provisions and details.

Contract issued on Contract Form Series ET-EIA-2000(02-05) with Rider ET-IMVA(07-09) (where approved) in AL, AR, AZ, CA, CO, CT, DC, FL, GA, HI, IA, IL, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, OH, OK, PA, RI, SC, SD, TN, TX, UT, VA, WI, WV, WY. Contract issued on Contract Form Series ICC12-ET-EIA-2000(01-12) in MN, OR, and WA, and other states as made available in the future. Rider Form number 430-NHW(08-03) will be issued in all states except for NJ, PA, and MA. Group Certificates issued on Form Series ET-EIA-2000C(01-07) with Riders ET-IMVAC(07-09) and 430-NHW-C(11-04) in NJ and PA.

IRAs/qualified plans are already tax deferred; consider other annuity features.

This brochure briefly highlights EquiTrust Life Insurance Company's MarketValue Index annuity contract and its benefits. For costs and complete details of coverage, including any exclusions, reductions or limitations, and the terms under which the contract may be continued in force, contact your EquiTrust Life agent.

ANNUITY AND INSURANCE PRODUCTS ARE NOT DEPOSITS OF NOR ARE THEY GUARANTEED BY ANY BANK. THEY ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) OR ANY OTHER AGENCY OF THE FEDERAL GOVERNMENT. CERTAIN PRODUCTS MAY LOSE VALUE.