

Spread Bonus vs. Up-Front Bonus

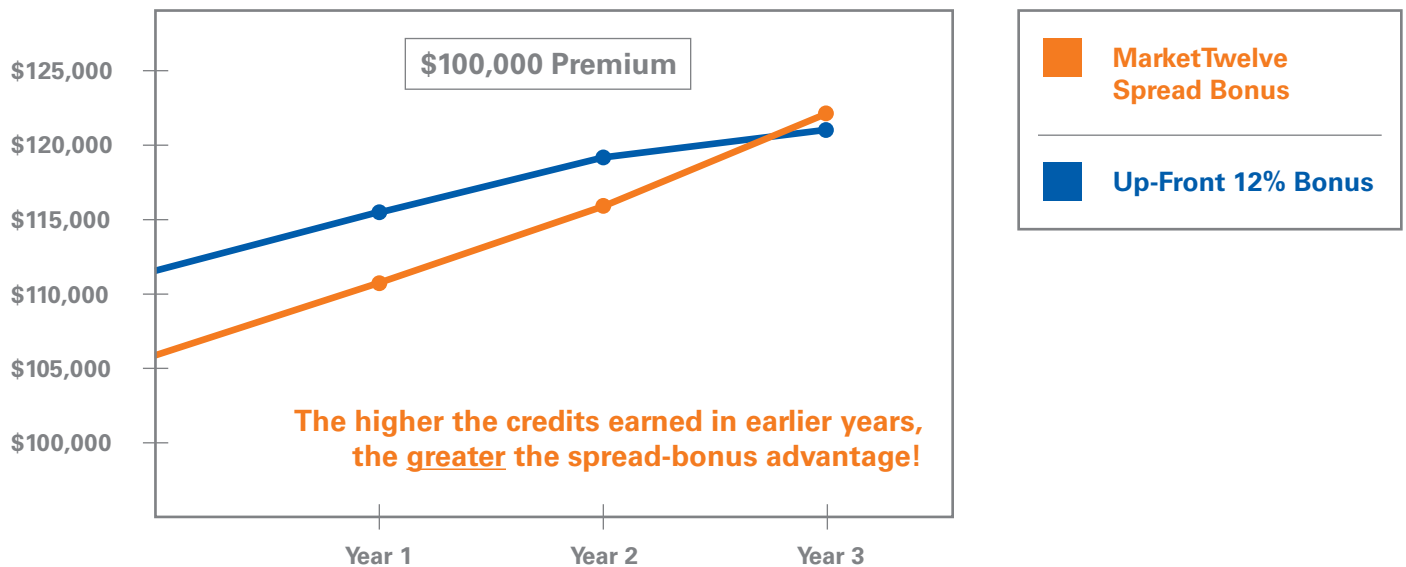
Does One Provide an Advantage?

MarketTwelve Bonus Index annuity offers a 12-percent bonus, which is paid over three years. Some bonus-index products feature bonuses that are credited entirely at the time the contract is issued.

You might think that getting the bonus up-front provides an advantage from additional compounding. But because MarketTwelve Bonus Index credits bonuses based on the current accumulation values – which includes previously credited bonuses and interest/index credits – this spread-bonus arrangement provides a small benefit after the third year.

The 12-percent bonus is added to the contract's accumulation value over three years. 6 percent is added immediately to all premiums paid, and 2 percent is added to the accumulation value on each contract anniversary over three years. By the third contract anniversary, the 'bonus on bonus' compounding provides an advantage over the up-front bonus arrangement, as shown below.

Spread Bonus vs. Up-Front Bonus



This example assumes that the contract earns an interest rate of 2.85%; offered with the 1-Year Interest Account as of July 6, 2009. This rate is subject to change. These results are hypothetical and are not representative of actual results. By using index strategies with higher potential rates of return, the spread-bonus advantage could be even greater. Contract issued on Contract Form Series ET-MPP-2000(02-05) with Rider ET-AVBR(06-09). Group Certificates issued on Form Series ET-MPP-2000C(01-07) with Rider ET-AVBR(06-09). EquiTrust Life Insurance Company, West Des Moines, IA. **For Producer Use Only.**