

Transition Rules for the Cap and Participation Rates Minimums 12/7/07

Products Affected:

MarketPower Bonus Index
MarketValue Index
MarketBooster Index
MarketSeven Index
MarketTen Bonus Index
MarketTen Index

Disclosure Statement Updates:

Disclosure Statements have been revised to reflect information concerning the minimum rates that are being lowered effective 3/1/08.

- For disclosures received 12/20/07 and after, the updated disclosure dated 12-07 is required to be submitted with all new business.
- If the old disclosure statement is received:
 - EquiTrust will require an updated disclosure document to be submitted prior to application processing. Faxed disclosures will be accepted in this situation.

Pending Business:

- Contracts that are pending transfer/1035 exchange funds and are issued on or after 3/1/08 will be issued with the revised/lower minimums. A contract amendment will go out at contract issue explaining that the minimums have been lowered.

Washington Contracts

In the state of Washington, the MarketSeven Index and the MarketValue Index are being withdrawn from sale.

- Beginning 2/1/08, applications for transfer/1035 exchange funds to be applied the MarketSeven Index and MarketValue Index products will not be accepted. Cash applications will be accepted through 2/29/08.
- Beginning 2/1/08, If a MarketSeven Index or MarketValue Index disclosure statement is received for applications pending transfer/1035 exchange funds, a revised disclosure statement for a different product will be required. Faxed disclosures will be accepted in this situation. Please keep in mind that the Builder Bonus Index and Performance Bonus Index products are still available in Washington.
- Beginning 3/1/08, disclosures for MarketSeven Index or MarketValue Index will no longer be accepted for cash applications. If a disclosure statement for one of these products is received, a revised disclosure statement for a different product will be required. Faxed disclosures will be accepted in this situation.
- Any pending business in Washington for MarketSeven Index and MarketValue Index must have funds received prior to 3/1/08. If funds are not received prior to this date, a revised disclosure statement for a different product will be required. Faxed disclosures will be accepted in this situation.