

# A Letter from Jeanne Taylor

Vice President – Sales, EquiTrust Life Insurance Company



To Our Valued Producers:

EquiTrust achieved sales success as well as numerous accomplishments in 2019. While the financial markets have faced significant turbulence in the first quarter, 2020 – we’re leaning in with optimism and confidence.

Financially, EquiTrust remains strong. A.M. Best Company affirms a “stable” outlook, reflecting strong operating performance and adequate risk-based capital position. As of December 31, 2019, the ratio is several times the level of risk-based capital required by regulators, at 367%. The solvency ratio – a measure of financial soundness – is also strong at \$106.29. The invested assets are \$20.7 billion, of which 92% is in investment-grade holdings. For the fourth consecutive year, EquiTrust earned the prestigious Ward’s 50 recognition for financial performance among 700 US-based life and health insurance companies.

In January, the index-annuity portfolio was revamped, and resized, to four offerings. Now, two bonus products – MarketPower Bonus Index and MarketTen Bonus Index – appeal to clients who may benefit from penalty-free access for wealth transfer, annuitization, free withdrawals or income rider withdrawals. Two accumulation-focused products – MarketValue Index and MarketSeven Index – appeal to clients seeking higher cap/participation rates and the potential for higher income from strong income-rider Benefit Base growth. Additional index-strategy accounts will be added featuring volatility-control indices for further diversification.

In August, we announced the return of the popular Wealth-Series life insurance products. Two wealth-transfer SPL products offer index-linked growth potential from the S&P 500® Index and two custom, risk-control indices. WealthMax Bonus Life features a 5% premium bonus and Return of Premium feature, while WealthHorizon Life offers higher cap/participation rates for greater tax-deferred growth potential.

You now have trail-commission options with your index-annuity and life-product sales. Announced in May, these products offer three commission-payment options: upfront, combination upfront + trail, and trail. Trail commissions are a means to substantially increase your income...and they provide peace of mind, as a guaranteed source of income to supplement your current-year production.

Exciting developments occurred on the website front, with the November introduction of client online access to their contracts and policies. Your clients can access My EquiTrust by registering their account on the EquiTrust.com website. For you, our selling partners, an all-new Agent Gateway Website will be introduced in the second quarter, 2020. The website you turn to for all your EquiTrust business is better than ever! New home page and navigation help you “find it faster!” The web address is the same as before, Agents.EquiTrust.com, and your current login credentials still apply.

Our blast emails are now organized in a three-tiered platform: NEWSWIRE gives important, single-topic messages; SALES WEEK provides the current webinar schedule and a sales idea; and MONTHLY OVERVIEW recaps news for the month and News Briefs from various EquiTrust departments. This platform will help you better anticipate what topics appear when and where, and so you receive fewer emails.

We continue to closely watch the regulatory environment, and apply consistent suitability standards and review to annuity sales. Rigorous suitability standards and processes benefit you, your clients, and EquiTrust, and we appreciate your diligence in this important element of the sales process.

Going forward, EquiTrust will expand webinar offerings to include more instructional topics, like how to effectively utilize our technology platform. And on the product front, our mission is provide you with simple, client friendly products with competitive rates – including our ongoing commitment to strong renewal-rate integrity.

For all the achievements described, none are possible without you, our sales partners. Thank you for the confidence you place with us on behalf of your customers. And thank you for your business.

Sincerely,

A handwritten signature in black ink that reads "Jeanne Taylor". The signature is fluid and cursive, with a large initial 'J'.

Jeanne Taylor  
Vice President – Sales  
EquiTrust Life Insurance Company

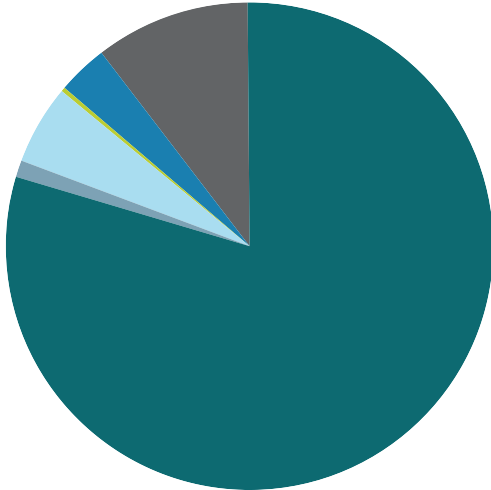
<sup>1</sup>Assets and financial highlights as of 12/31/19, on a statutory basis.

### Investment Portfolio Profile (as of 12/31/2019)

EquiTrust's investment strategies are anchored by a disciplined and diversified management style. A strong concentration of investment-grade holdings provides assurance that the guarantees associated with EquiTrust's products are honored and our promises to customers are kept.

#### INVESTED ASSETS

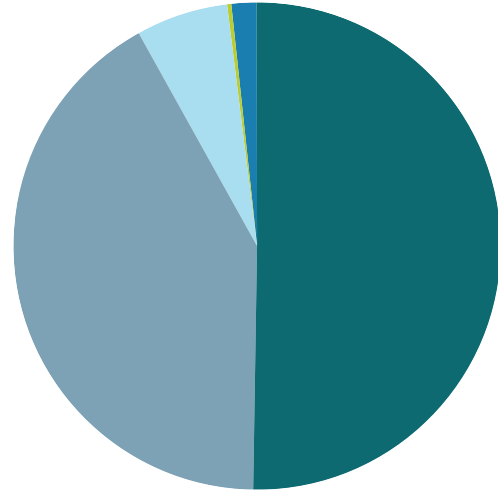
\$20.7 Billion



|                     |                         |               |
|---------------------|-------------------------|---------------|
| ■ Bonds & Cash      | \$16,556,848,064        | 79.8%         |
| ■ Stocks            | \$223,861,370           | 1.1%          |
| ■ Mortgage          | \$1,116,784,748         | 5.4%          |
| ■ Contract Loans    | \$11,774,719            | 0.1%          |
| ■ Separate Accounts | \$705,975,978           | 3.4%          |
| ■ Other             | \$2,120,262,611         | 10.2%         |
| <b>Total</b>        | <b>\$20,735,507,490</b> | <b>100.0%</b> |

#### INVESTMENT CLASS

92% Investment Grade



|   |               |
|---|---------------|
| ■ NAIC 1 - AAA/AA/A                         | 50.3%         |
| ■ NAIC 2 - BBB                              | 41.8%         |
| ■ NAIC 3 - BB                               | 6.2%          |
| ■ NAIC 4 - B                                | 0.1%          |
| ■ NAIC 5 - CCC or lower                     | 1.6%          |
| ■ NAIC 6 - In or near default               | 0.0%          |
| <b>Classes 1 and 2 are Investment Grade</b> | <b>100.0%</b> |

NAIC = National Association of Insurance Commissioners



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ET-LFC (3-20)

Products underwritten and issued by EquiTrust Life Insurance Company, West Des Moines, Iowa. Products distributed by EquiTrust Insurance Marketing Services; in California doing business as EQT Insurance Marketing Services.

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