

PRODUCT UPDATE

Premium rate changes for AG Select-a-Term[®] and AG ROP Select-a-Term[®] Effective July 31, 2012

Persistent low interest rates continue to pose challenges for the marketplace. In light of this, we are increasing premium rates on our term products: AG Select-a-Term and AG ROP Select-a-Term issued by American General Life Insurance Company (AGL) and The United States Life Insurance Company in the city of New York (US Life). The premium rate increases are a prudent decision which reflects American General's commitment to effectively manage its products in the current economic environment.

Effective July 31, 2012, American General is making these changes to its Term product line:

Premium Rates for AG Select-a-Term and AG ROP Select-a-Term

- Average increase in premium rates of approximately 3% with modest increases on our 20 year AG Select-a-Term product (no change on our 10 year AG Select-a-Term per unit rate)
- Average increase in premium rates of approximately 10-15% on AG ROP Select-a-Term

Modal Premium factor changes for AG Select-a-Term

- Increase in the monthly modal premium factor from .0875 to .09
- Increase in the quarterly modal premium factor from .265 to .27
- Increase in the semi-annual modal premium factor from .52 to .53
- Modal premium factor changes **do not** apply to AG ROP Select-a-Term

We are extending our issue ages on AG Select-a-Term to provide coverage for more of your older clients

- Raising the maximum issue age for the 10-year term period to age 80 for non-tobacco classes and age 75 for tobacco classes.
- Raising the maximum issue age for the 15-year term period to age 75 for non-tobacco classes (age 70 for tobacco classes will remain the same)
- Offer Substandard premium rates up to Table D only for issue ages 71 and greater

The state of Washington has not approved recent versions of AG ROP Select-a-Term. Consequently, AG ROP Select-a-Term will no longer be offered in the state of Washington after the expiration of the transition period outlined below.

Key Dates

Tuesday, July 31, 2012	<ul style="list-style-type: none"> ■ Illustration capability will be available on Winflex and eConnections for approved states. ■ AG Select-a-Term applicants applying for the 10 or 15 year durations and are age 71 or older will automatically receive the revised product.
Tuesday, August 28, 2012	<ul style="list-style-type: none"> ■ New rates for AG Select-a-Term and AG ROP Select-a-Term will be available on Rapid Rater and Rapid Rater on Mobile.
Thursday, August 30, 2012	<ul style="list-style-type: none"> ■ Last day American General can accept applications for the old AG Select-a-Term and AG ROP Select-a-Term products. Last day American General can accept AG ROP Select-a-Term applications from the state of Washington.
Friday, August 31, 2012	<ul style="list-style-type: none"> ■ New rates and product features effective on all AG Select-a-Term and AG ROP Select-a-Term applications received on or after this date. ■ AG ROP Select-a-Term applications for the state of Washington will no longer be accepted.

Continues

Transition Rules for both AG Select-a-Term and AG ROP Select-a-Term (unless otherwise specified)

Effective July 31, 2012, the repriced AG Select-a-Term and AG ROP Select-a-Term 2012 products will be available in all states where the new rates are approved.

- Applications received in the home office prior to August 31, 2012 will automatically receive the old product rates and features.
- Applications received August 31, 2012 or later will automatically receive the revised products.
- As the higher issue age ranges are not available on the old version of the AG Select-a-Term product, AG Select-a-Term applications received starting July 31, 2012 on applicants applying for the 10 or 15 year durations and are age 71 or older will automatically receive the revised product.
- All states have approved the revised AG Select-a-Term product.
- All states have approved the revised AG ROP Select-a-Term product except for the state of Washington. AG ROP Select-a-Term applications for the state of Washington will no longer be accepted beginning on August 31, 2012.

AG Quick Ticket Special Considerations

Please allow sufficient time for the paramedical exam process when quoting the old product. Completed applications (with the paramedical exam) must be received by American General Life by August 30, 2012 to receive the old AG Select-a-Term rates.

State Approvals

As of July 31, 2012 the new revisions for AG Select-a-Term are approved in all states. The new rates for AG ROP Select-a-Term are approved in all states except Washington.

Fast Quotes on Rapid Rater

Instant rate quotes for all classes and durations for AG Select-a-Term and ROP Select-a-Term are available on Rapid Rater and Rapid Rater on Mobile. Visit <http://eStation.americangeneral.com> or call our National Sales Desk at 800-677-3311.

Illustrations

AG Select-a-Term and AG ROP Select-a-Term are available on Winflex and eConnections for approved states.

Built for Speed

American General continues to offer you and your clients the full-service term package. Through industry-leading technology, you can submit cases and get paid quickly with competitive compensation. AG Quick Ticket®, a simple online process to submit cases, is our latest solution to speed the process – available at no cost to you.

Check out our latest valuable enhancements to AG Quick Ticket:

- Connection from agency websites and quoting/illustration tools including WinFlex and Vital Term - with no additional authentication
- Addition of status communications to producer's upline
- Ability to submit replacements in approved states

Visit www.AGQuickTicket.com for more information and to get started.

Sales and Marketing Materials

Sales and Marketing playbooks contain a large collection of client-approved and producer-use sales concepts, product guides, and competitive information. No login or password is required. Click [here](#) for easy access to the **AG Select-a-Term Sales and Marketing playbook** or [here](#) for **AG ROP Select-a-Term Sales and Marketing playbook**. Printed materials are available for order through Forms Depot at eStation.americangeneral.com.

American General
Life Companies

Policies issued by: **American General Life Insurance Company (AGL)**, 2727-A Allen Parkway, Houston, TX 77019. AG ROP Select-a-Term Policy Form Number 10001; AG Select-a-Term Policy Form Number 07007; AG Select-a-Term Policy Form Number ICC10-07007. **The United States Life Insurance Company in the City of New York (US Life)**, One World Financial Center, 200 Liberty Street, New York, NY, 10281. AG ROP Select-a-Term Policy Form Number 10001N; AG Select-a-Term Policy Form Number 09007N. The underwriting risks, financial and contractual obligations and support functions associated with the products issued by AGL and US Life are the issuing insurer's responsibility. Guarantees are subject to the claims-paying ability of the issuing insurance company. US Life is authorized to conduct insurance business in New York. Policies and riders not available in all states. American General Life Companies, www.americangeneral.com, is the marketing name for a group of affiliated domestic life insurers, including AGL and US Life. **IMPORTANT:** Prior to soliciting business, be certain that you are appropriately licensed and appointed with the insurer and that the product had been approved for sale by the insurer in that state. If uncertain, contact your American General Life Companies representative for assistance.

© 2012. All rights reserved.

FOR PRODUCER USE ONLY. NOT FOR DISSEMINATION TO THE PUBLIC