

NEW BUSINESS UPDATE

Updated Bank Draft Authorization Form and Procedures

Based on valuable input from our distribution partners, the insurers of American General Life Companies (American General) have made modifications to the Bank Draft Authorization form and our procedures.

You talk, we listen!

The Bank Draft Authorization form has been revised to remove the checkbox that preceded the statement "Please debit my account for all outstanding premiums due." If you have seen this, you will agree that this checkbox seemed out of place and, as such, was often missed or left blank. If it was left blank, New Business previously had to secure permission to draft in writing. On the revised form, the statement "Please debit my account for all outstanding premiums due" remains *without the checkbox*, and most bank draft changes may be resolved by simply making a phone call.

The revised Bank Draft Authorization forms can be found in **Forms Depot on eStation** and also are included in the Part A Common and Part A Term Application bundles.

Revised Bank Draft Authorization Form Numbers

American General Life: AGLC102113-2011

United States Life: AGLC102113-NY-2011)

If the bank draft form has been received and there are no other outstanding requirements, the initial premium will be drafted automatically in the following scenario:

- The premium amount on the form matches the premium on the new policy
- Only one draft/premium is due at the time of issue
- When the requested draft day is on or before the effective date of the policy, within the same month, **(UL products only)** to prevent the policy from lapsing.

If any of the above requirements are not met, the Agent/IMO will be contacted prior to issue.

BANK DRAFT AUTHORIZATION CHANGES

- A change in premium amount and/or draft date will now be accepted verbally. If the policy already has been conditionally issued when the request is made, a letter will be sent to the account holder confirming the change.
- A change in bank account and/or bank routing numbers will require a newly completed and signed Bank Draft Authorization form.

REMINDER

Company policy requires that all premium collected be remitted to the company immediately.

Questions regarding this bulletin may be directed to the New Business Department.