

PRODUCER GUIDE

Powerful guarantees and flexibility

Help them guarantee
a legacy with **Optionality**[®]

AG Secure Survivor GUL[®] II

Individual joint and last survivor
flexible premium, universal
life insurance with secondary
guarantee provisions.

Policies issued by
American General Life Insurance Company, member of
American International Group, Inc. (AIG).



Build a better estate plan with **AG Secure Survivor GUL II**



AG Secure Survivor GUL[®] II helps to provide your clients guaranteed lifetime protection with **Optionality[®]**: a better way to protect their legacy. Through powerful guarantees in a second-to-die policy, it helps to provide more control during uncertain economic times, and more peace of mind—invaluable for your risk-averse clients.

- ✓ **Guaranteed death benefit**
- ✓ **Guaranteed access**
- ✓ **Guaranteed cash value**

- Guaranteed death benefit protection helps to provide security
- Clients can adjust the death benefit in response to changing needs, without losing guarantees. Unique pro-rata adjustments allow them to tap cash value without risk to the policy.
- ROP feature allows a one-time option at the end of year 15 to surrender policy for an Enhanced Surrender Value

Client profile and sales applications

A potential AG Secure Survivor GUL II client:

- Has a need for survivorship life insurance
- Is age 50-75 and in reasonably good health
- Is risk averse and concerned about the liquidity needs of their estate
- Wants to leave as many of their personal or business assets as intact as possible
- May need their business to continue without interruption when they die
- May desire that their favorite organization benefit from their legacy

Family needs

Because one policy insures two people, AG Secure Survivor GUL II is more affordable for spouses than buying two individual policies. Liquidity needs frequently arise after the second death and AG Secure Survivor GUL II is an excellent tool to fund estate and gift tax obligations, or to replace assets gifted to charity.

AG Secure Survivor GUL II is a flexible way to equalize inheritances among heirs. It can provide a specified, guaranteed amount to one child to equalize assets among several, when a business interest or other major asset is being left to one only one child.

Business needs

AG Secure Survivor GUL II is helpful in providing capital for business planning and succession. Life insurance is a powerful tool to provide working capital or ensure business continuity at the death of a business owner or key employee.

NOT A DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | MAY LOSE VALUE
| NO BANK OR CREDIT UNION GUARANTEE | NOT FDIC/NCUA/NCUSIF INSURED

Guaranteed death benefit and continuation guarantee account

With AG Secure Survivor GUL II, your clients' death benefit coverage can be guaranteed—regardless of the policy cash value—as long as sufficient premium has been paid to maintain the guaranteed death benefit.^{1,2} This policy provision helps your clients reduce worries about their coverage lapsing. The value of the Continuation Guarantee Account is determined in a calculation similar to the actual policy value. However, its charges and interest rates are fixed and do not change during the life of the policy. The Continuation Guarantee Account is a reference value that is used to determine whether the no-lapse guarantee is in effect at any point in time. Your clients can determine in advance the specific amount of premium required to guarantee their policy's death benefit coverage for the desired period of time, without being concerned about changing interest rates or other variables that could impact the policy's cash value. Coverage will continue as long as enough premium is paid to guarantee the death benefit. Clients choose the duration of their no-lapse guarantee, so they won't pay for a longer period of protection than they desire.

Guaranteed premium

AG Secure Survivor GUL II offers the flexibility to choose the number of years or age to which your clients want the death benefit to be guaranteed, regardless of how the policy performs, as long as the premium associated with that guarantee is paid. Your clients also have the flexibility to structure a premium payment plan that meets their needs. They can pay premiums continuously over the life of the policy or subject

to certain limitations, pay additional premium to shorten the payment period and pre-fund the coverage guarantee. The death benefit amount can be increased at any time (subject to satisfactory evidence of insurability).²

Guaranteed access

Your clients will also have the opportunity to build guaranteed cash value that can be accessed in the future through withdrawals.³ Making a partial withdrawal of cash value will result in a proportional reduction of the accumulation value, Continuation Guarantee Account value, cash value, and the death benefit amount, which also leads to an approximate proportional reduction in the guarantee premium.⁴ This method of handling a withdrawal allows you to adapt to changing circumstances and easily estimate future coverage and premium requirements so to maintain the policy after taking a withdrawal.

Guaranteed return of premium option

AG Secure Survivor GUL II offers even more flexibility with the no-cost Enhanced Surrender Value Rider, commonly referred to as a return of premium rider. It gives the policyowner a one-time option at the end of policy year 15 to surrender the policy and receive back up to a maximum of all premiums paid (funding targets and additional terms apply, see policy form for details). The option must be exercised within a 60-day window.

Guaranteed cash value accumulation

In addition to meeting long-term survivorship protection needs, AG Secure Survivor GUL II can

also build substantial long term guaranteed cash value. While it is common for cash value accumulation in universal life insurance policies to be illustrated on a non-guaranteed basis, AG Secure Survivor GUL II quotes contain only guaranteed cash value accumulation information. The cash value accumulation is clearly stated in your client's signed quote. Your clients no longer need to be concerned about policy performance since the cash value accumulation is guaranteed pursuant to the terms of the policy.

Consumer-friendly features

Because it is not always possible for your clients to make premium payments precisely when they are due, AG Secure Survivor GUL II contains consumer-friendly processing features.

- Late Payments: Premium payments received within a 28-day window after a due date will be credited as if received on that due date for the purpose of maintaining the death benefit guarantee
- 1035 Exchanges: Proceeds from 1035 exchanges will be treated as if received on the date of issue for the purpose of maintaining the death benefit guarantee⁵

In both situations above, the accumulation value is credited with interest from the date the premium is received.

Flexible product design

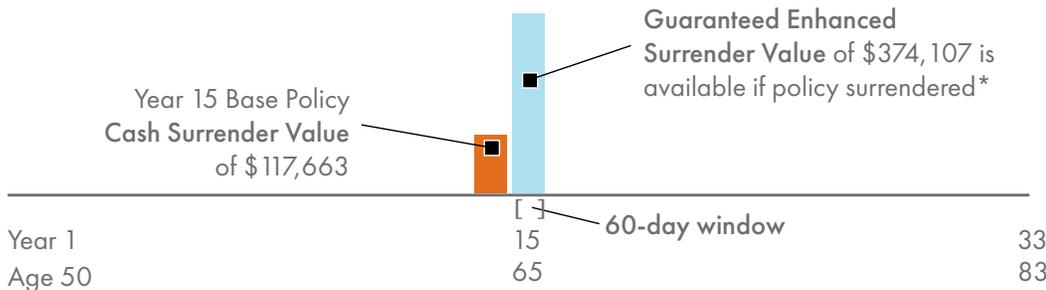
Unlike many other products in the guaranteed UL market, AG Secure Survivor GUL II has a 24-month rolling target premium. If the premium paid is less than full target in the first year, you have year 2 to get that target filled and receive first-year compensation.



Optionality® in action

Flexibility and security in one policy. At American General Life, we know that life events can alter or change long term objectives. AG Secure Survivor GUL II offers the flexibility to meet those changes. The **Enhanced Surrender Value Rider**, offered at no charge, is designed to provide a one-time option during the 60-day period following the end of the 15th policy year to surrender your policy and receive up to a maximum of all premiums that have been paid.

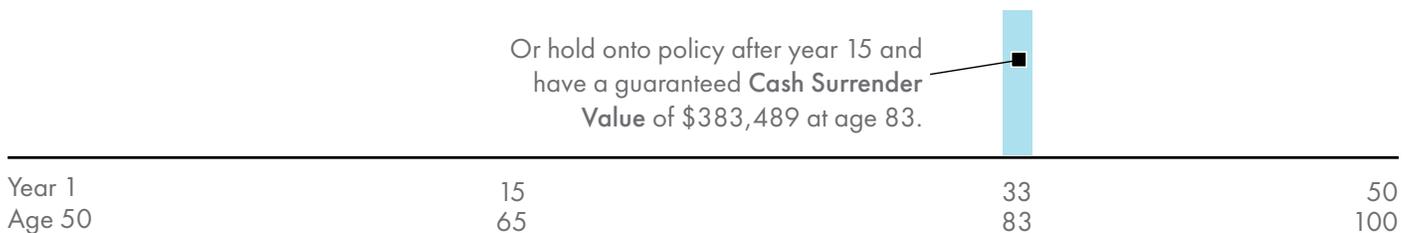
\$3 Million Guaranteed Death Benefit



Male and Female, both age 50 preferred non-tobacco. Death benefit of \$3 million, guaranteed to age 100. Annual premiums of \$37,411. Total premium paid over a 10 year period equates to \$374,107. Not an actual case, and is a hypothetical representation for illustrative purposes only. Not to scale.

* Assumes all premiums paid, no outstanding loans and no surrenders.

\$3 Million Guaranteed Death Benefit



As shown above, at the at the end of year 15, the policy owner(s) could exercise the **Guaranteed Enhanced Surrender Value Rider** (Return of Premium feature) and receive back \$374,107 or continue guaranteed coverage to age 100.

AG SECURE SURVIVOR GUL® II AT A GLANCE

Policy Type	Individual joint and last survivor flexible premium universal life insurance with secondary guarantee provisions	
Key Benefits	<ul style="list-style-type: none"> • Guaranteed death benefit protection • Flexible Continuation Guarantee allows policy owners to select their guarantee period and premium funding period • Guaranteed cash value accumulation provides flexibility if needed in the future⁶ • Unique pro-rata adjustments on partial withdrawals allow policy to remain in force with proportionally reduced death benefit, cash values, and guaranteed premiums • Enhanced Surrender Value Rider potentially provides a one time option for a full surrender with enhanced cash surrender value at the end of year 15 • Four-Year Term Rider provides last survivor term insurance during the first four policy years for estate protection should the policy be subject to estate taxes during this period. • 24-month rolling target premiums • Consumer-friendly features <ul style="list-style-type: none"> – for purposes of maintaining death benefit guarantees, premium payments received within 28 days following date of issue and each subsequent premium due date are treated as received on time – for purposes of maintaining death benefit guarantees, 1035 exchange premiums are treated as if received on the date of issue⁵ 	
Continuation Guarantee	<ul style="list-style-type: none"> • Allows policy owner to select a year or age to which the death benefit can be guaranteed, as long as the premium associated with that guarantee is paid² • Can prevent policy from lapsing even if the cash surrender value of the policy falls to zero, as long as the terms and conditions of the continuation guarantee provision and the policy are satisfied • An annual charge will be assessed if the Continuation Guarantee account value is below the minimum Continuation Guarantee account value. 	
Minimum Death Benefit	\$100,000 at issue (\$50,000 after partial withdrawal)	
Issue Ages	20-90; 20-80 Preferred Plus Non-tobacco	
Underwriting Classifications	Preferred Plus Non-Tobacco Preferred Non-Tobacco Standard Non-Tobacco Preferred Tobacco	Standard Tobacco Special (Substandard) Non-Tobacco Special (Substandard) Tobacco
Death Benefit Options	Option 1 (Level Death Benefit)—Death benefit equal to the specified amount	
Changes to the Specified Amount	<ul style="list-style-type: none"> • Increases available at any time both insured's are under 90, subject to satisfactory evidence of insurability (this will void the guaranteed cash value provision) • Decreases available any time after first policy year^{4,7} 	
Monthly Deductions and Premium Load	<ul style="list-style-type: none"> • Current monthly administration fee of \$8 (maximum charge of \$10) • Monthly expense charge per \$1,000 of specified amount (varies by issue age, sex, and underwriting classification) • Current charge of 8.00 percent of all premiums (maximum 10.00 percent) 	
Surrender Charges	<ul style="list-style-type: none"> • Decreasing 19-year surrender charge schedule • Internal rollover money is protected from premium load 	
Loans³	Interest rate of 3.85 percent, payable in advance, equal to an annual effective rate of 4.00 percent. Minimum loan repayment amount is \$10	
Preferred Loans³	<ul style="list-style-type: none"> • Available after 10 policy years • Credited rate currently equals the loan rate • Restricted to policy earnings 	
Withdrawals^{3, 4} (Partial Withdrawals)	<ul style="list-style-type: none"> • Available any time after the fifth policy year • A partial withdrawal of the cash value will result in a proportional reduction of required premium, accumulation value, specified amount, and death benefit amount⁷ • Death benefit cannot be reduced below \$50,000 as a result of the withdrawal • Current charge of \$25 for each withdrawal (maximum contractual charge of \$50 for each withdrawal) 	
Interest Rate	Guaranteed interest rate 2.00 percent all years	

AG SECURE SURVIVOR GUL® II AVAILABLE RIDERS⁸ AND OPTIONS

Enhanced Surrender Value Rider (Form 11990, ICC-11990)

- Return of premium rider provides a one-time option for an enhanced full surrender, during a 60-day period following the end of policy year 15
- The amount of the enhanced cash surrender value is typically a percentage of the total premium paid, net of partial withdrawals and outstanding loans. See the Rider for more details.
- There is no charge for this optional rider; it will be attached at issue and cannot be terminated by policyowner request

Four-Year Term Rider (Form 01904)

- Estate protection rider provides last survivor term insurance coverage during the first four policy years.
- The additional death benefit is equal to 125 percent of the policy's initial specified amount
- There is a charge for this optional rider; it can only be added at issue and terminates after four years

Option to Extend Coverage⁹

Allows the policy owner to elect to extend the coverage under the policy beyond the original maturity date. If this option is elected, then starting on the original maturity date, (1) the policy death benefit is set to equal the death benefit in effect immediately prior to the original maturity date, (2) no monthly deductions will be made, and (3) no new premium payments will be accepted. There are no additional charges associated with this benefit.



FREQUENTLY ASKED QUESTIONS (FAQ'S)

1. What is meant by "guarantee premium"?

The guarantee premium is the premium required to guarantee coverage for the duration specified. AG Secure Survivor GUL offers your client the flexibility to choose the length of time he or she wants the guarantee to last, be it 20 or 30 years—or any other period of time.

2. Where does it say that the death benefit is guaranteed?

In two separate places:

In the Policy: The policy outlines the requirements of the Continuation Guarantee provision. While the methodology used to calculate the Continuation Guarantee is complex, the provision stipulates that the policy will not lapse as long as the Continuation Guarantee is in effect.

On the Quote: The quote shows how the policy performs on a guaranteed basis over several years. As long as the quoted premium is paid on time each year, the quote shows the actual guaranteed death benefit and cash value.

3. What are the requirements of the guarantee provision?

To guarantee that the policy will not lapse under the Continuation Guarantee provision, the Continuation Guarantee Account value must be greater than or equal to zero. To ensure this: (1) the guarantee premiums required must be applied when they are due (see FAQ 12 describing late payments); (2) there can be no loans; and (3) no policy changes, such as increasing the death benefit or adding riders, can be made. These factors may affect the calculation of the Continuation Guarantee Account value and can cause it to fall below zero.

4. How is the Continuation Guarantee Value calculated?

The Continuation Guarantee value is calculated in the same

way as the actual policy value, but using different charges and interest rates. Unlike the actual policy value, the charges and interest rates in the Continuation Guarantee value calculation are guaranteed not to change. The guaranteed rates and charges for the Continuation Guarantee calculation are shown on the policy's schedule page.

5. Why is this type of Continuation Guarantee Account sometimes referred to as a "shadow" account?

It is sometimes referred to as a "shadow" account because, while it has many of the characteristics of a policy value account (rates are credited to it, charges are deducted from it and a value is calculated), there is no actual value to the account. It does not provide additional policy value or death benefit proceeds. It is simply a reference value used to determine whether or not the Continuation Guarantee is in effect.

6. How long do the guarantee premiums have to be paid and how long does the guarantee last?

The policy owner can choose how long he or she wants the guarantee to last, be it 20 or 30 years, or any length of time up to age 121 of the younger insured. The quote software allows you to select the duration of the guarantee and will calculate the guarantee premium required for the length of time chosen. In addition, policy owners can choose to pre-fund the guarantee by selecting the number of years over which they want to pay premiums.

7. If interest rates rise and there is enough cash value in the policy to carry it to maturity (age 121), do the guarantee premiums still need to be paid?

No. Guarantee premiums are only needed if the policy's cash value falls to zero and the policy would otherwise lapse. The Continuation Guarantee stipulates that as long as the guarantee

premiums are paid, the policy will not lapse even if the cash value falls to zero (as long as the conditions of the Continuation Guarantee have been met).

8. Can the Continuation Guarantee ever be lost?

Certain policy owner actions can cause the Continuation Guarantee to cease. For instance:

- Not paying the premiums when they are due. The timing of payments is important in calculating the value of the Continuation Guarantee Account. Late or skipped payments affect the value of the Continuation Guarantee Account. (See the section on late payments.)
- Taking loans from the policy, as these affect the Continuation Guarantee Account value
- Making policy changes such as increasing the death benefit or adding a rider, as these can affect the Continuation Guarantee Account value. In these cases, the Continuation Guarantee can be maintained as long as corresponding changes to the amount of premium being paid are also made. AG Secure Survivor GUL II offers the flexibility to design the product that helps to meet your clients' needs and can change with their changing circumstances.

9. Can the company cause the Continuation Guarantee to be lost? No.

10. Can the premium needed for the guarantee ever go up?

The premium required for the guarantee can increase due to actions taken by the policy owner. Actions that affect the Continuation Guarantee include, but are not limited to: (1) not paying the guarantee premiums when they are due; (2) taking loans; and (3) making policy changes such as increasing the death benefit or adding riders. For instance, if the policy owner increases the death benefit amount, the guarantee premium he or she has been paying may not be sufficient to guarantee the new higher death benefit for the same length of time. In order to maintain the Continuation Guarantee for the new death benefit, a larger guarantee premium may be required.

11. Can the premium needed for the guarantee ever go down?

Yes. Certain actions by the policy owner can cause the guarantee premium amount to decrease, such as removing a rider or reducing the death benefit.

12. What if the policy owner makes a late payment or skips a payment?

Late Payments: Because we know that from time to time policy owners may send a late payment, we will credit payments received within 28 days of the due date as if received on time for the purposes of calculating the value of the Continuation Guarantee Account. Payments applied beyond the 28-day window may shorten the duration or cause loss of the continuation guarantee.

Skipped Payments: A skipped payment may shorten the duration or cause loss of the Continuation Guarantee because it affects the calculation of the Continuation Guarantee Account value. If such a situation occurs, AG Secure Survivor GUL II gives policy owners the option to pay additional premium in order to preserve the guarantee. In general, the best course of action is to pay the minimum guarantee premium and pay it on time.

13. Is the Continuation Guarantee affected by the timing of 1035 exchanges?

The company will credit 1035 exchange proceeds as if received on the issue date for purposes of calculating the value of the Continuation Guarantee Account.

14. Can a loan be taken from the policy? How does a loan affect the Continuation Guarantee?

A policy owner may borrow from the policy at any time as long as the policy is in force and the amount borrowed is equal to or less than the policy's loan value (cash value less any outstanding loans, surrender charges, and interest due on the amount to be borrowed). Taking a loan from the policy will cause the Continuation Guarantee to be adjusted.

15. Is backdating allowed?

Yes, backdating is allowed within normal company rules, but backdating can affect the guarantee premium. Backdated policy quotations need to be run from the home office.



- ¹ Guarantees are backed by the claims-paying ability of the issuing insurance company.
- ² Subject to the policy's terms and conditions.
- ³ Partial withdrawals or loans will reduce the death benefit and cash value and could reduce the duration of coverage. Partial withdrawals may be taxed as regular earnings. Policy owners should consult a tax advisor to determine if a transaction is a taxable event.
- ⁴ The reduction in specified amount will be subject to the same guidelines and restrictions as outlined in the policy. The resulting remaining death benefit amount must be no less than \$100,000.
- ⁵ Internal Revenue Code Section 1035 and associated rules are complex in nature. The policy owner may incur surrender charges from the previous policy and be subject to new sales and surrender charges as well as other limitations with the new policy. It is highly recommended that the policy owner consult a tax advisor prior to exchanging a policy.
- ⁶ Accessing cash values may affect the continuation guarantee.
- ⁷ A change in the policy will not be permitted if the change would result in the policy's not meeting the definition of life insurance under Section 7702 of the Internal Revenue Code. The policy owner should consult a tax advisor to determine the effect of these provisions.
- ⁸ See the riders for complete details. There may be a charge for each rider selected. Adding or deleting riders and increasing or decreasing coverage under existing riders can have tax consequences. Policy owners should consult a tax advisor prior to exchanging their policy.
- ⁹ Policies may be subject to tax consequences when continued beyond the maturity date. The policy may not qualify as life insurance under the Internal Revenue Code after age 100. Policy owners should consult a tax advisor before electing this option.



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