



# QoL Value+ Protector III Index Universal Life Insurance (IUL)

Access life expectancy guarantee protection  
with many attractive features



AIG Life & Retirement now

**corebridge**  
financial

We see the future in you.<sup>SM</sup>

## Many clients understand the need for life insurance

...but also know they need more money to supplement retirement income. This is why IUL products, like QoL Value+ Protector III, offer strong guaranteed death benefits similar to traditional permanent life insurance products, but also provide flexibility and meaningful cash accumulation that can be accessed in the future.

Often times, QoL Value+ Protector III can provide an attractive death benefit, cash accumulation potential, plus extra features for less premium than Guaranteed Universal Life (GUL).

By learning how to bridge from more traditional GUL to QoL Value+ Protector III IUL sales – often a better product solution to satisfy the growing diversity in permanent life insurance client requests – you could potentially grow your own business as well. Use the chart below for a succinct comparison of common product features, ideal clients and their typical needs. Consider how your clients would benefit most.

	QOL GUARANTEE PLUS GUL II	QOL VALUE+ PROTECTOR III
Optimized for	Lifetime Guaranteed Death Benefit	Low-Cost Death Benefit IUL
Ideal client	<ul style="list-style-type: none"> <li>• Ages 55+</li> <li>• Middle to mass affluent market</li> <li>• Desire for long-term death benefit protection</li> </ul>	<ul style="list-style-type: none"> <li>• Ages 40 – 70</li> <li>• Middle to affluent market</li> <li>• Desire to build cash accumulation along with death benefit protection</li> <li>• Some risk tolerance</li> </ul>
Client needs	<ul style="list-style-type: none"> <li>• Wealth Transfer</li> <li>• Peace of mind and security to loved ones</li> <li>• Guaranteed death benefit protection</li> </ul>	<ul style="list-style-type: none"> <li>• Wealth Transfer</li> <li>• Death benefit guarantees (to life expectancy or longer)</li> <li>• Flexibility with potential cash value accumulation</li> </ul>
Product Features	<ul style="list-style-type: none"> <li>• Guaranteed death benefit for desired duration (up to life of insured)</li> <li>• Guaranteed cash value that can be accessed in case of emergency without reducing the length of the guarantee period</li> <li>• Flexibility allows client to select the guarantee duration and the premium funding period</li> <li>• Customer-friendly processing for purposes of maintaining the death benefit guarantees</li> <li>• Optional Lifestyle Income Solution Rider— provides guaranteed death benefit acceleration</li> <li>• Built-in Accelerated Death Benefit riders (ABRs) to provide clients an advance of their policy’s death benefit should they suffer a qualifying chronic, critical, or terminal illness or condition.</li> <li>• Optional chronic illness rider</li> </ul>	<ul style="list-style-type: none"> <li>• Dial-able death benefit guarantee up to age 90</li> <li>• Account value enhancement beginning in policy year 6</li> <li>• Flexibility allows client to select the guarantee duration, premium funding, premium frequency, and premium allocations</li> <li>• Sizeable variety of unique cash access features and riders</li> <li>• Optional Select Income Rider—Spread death benefit out in installment payments —lowers Cost of Insurance potentially reducing required premiums</li> <li>• Dollar Cost Averaging Rider</li> <li>• Built-in Accelerated Death Benefit riders (ABRs) to provide clients an advance of their policy’s death benefit should they suffer a qualifying chronic, critical, or terminal illness or condition.</li> <li>• Optional chronic illness rider</li> </ul>

# Why Index Universal Life?

When clients purchase an IUL policy, they have the power to choose what works for them. They can decide within policy guidelines:

- **Pick the death benefit.**  
Purchase an amount that fits the client's needs. Increasing over time? Level? Their choice.
- **Pick the premium amount.**  
As long as certain rules are followed, premiums can be flexible. Start low and increase later? Put more in now and slow down later? Their call.
- **Pick the premium frequency.**  
If clients prefer contributing annually, no problem. Twice per year works, too. Quarterly is just fine. Monthly? Also good! They pick!
- **Pick how the policy cash value grows.**  
There are five ways to earn interest on the policy, including one fixed interest and four index interest strategies. Does your client want 100% in one account? Or 25% into each of the index interest accounts? Any mix that you can help them imagine, we can, too!

**Clients can also withdraw cash value or borrow against the policy tax-free<sup>1</sup> for any reason later on, for example, but not limited to:**

- **Supplementing retirement income**
- **Starting a business**
- **Paying for college or a wedding**
- **Covering emergency or business expenses**
- **Purchasing a vacation home or taking a vacation**
- **Making home improvements**

It's really up to them—it can be comforting to have a policy that they know they can use to help meet some of life's challenges.

<sup>1</sup> Assumes the use of withdrawals to basis and/or policy loans. Policy must comply with IRS requirements to qualify as a life insurance contract. Total premiums in the policy cannot exceed funding limitations under IRC section 7702. Withdrawals during the first 15 years of the contract may be treated as income first and includible in policyholder's income. If the policy is classified as a modified endowment contract (see IRC section 7702A), withdrawals or loans are subject to regular income tax and an additional 10% tax penalty may apply if taken prior to age 59 ½. Distributions will reduce policy values and may reduce benefits. Availability of policy loans and withdrawals depend on multiple factors including but not limited to policy terms and conditions, performance, and fees or expenses.



# Index Interest Crediting explained

## Understanding the “I” in IUL

An IUL policy can provide tax-free income<sup>2</sup> and a greater potential for growth than a traditional universal life policy while safeguarding against market downturns. That’s because IUL offers the potential to credit interest based, in part, on the upward movement of a stock market index.<sup>3</sup>

### What’s an index?

It’s a statistical composite that measures changes in the financial markets. Indices are hypothetical portfolios of securities designed to represent a certain market, or portion of the overall market. Most importantly, it’s their positive or negative performance that helps determine potential cash value growth in an IUL.

Although not directly invested in an index, the supplemental index interest crediting strategies offered in addition to the base IUL policy are designed to smooth bumps in the market while still offering upside-potential. Additionally, an IUL policy offers protection against the impact of market downturns, because no less than 0% interest can be credited to the various account options within the policy.

### We call it, “upside potential and downside protection.”

It is important to note that IUL is not an investment; it is a life insurance product that provides growth potential through index interest crediting. Clients do not invest directly into any index.

### How do IUL accounts share in the upside and protect against the downside?

Generally speaking, when the index goes up, the amount of interest credited to the policy can go up. If the index goes down, there’s simply nothing credited.<sup>4</sup>

<sup>2</sup> Withdrawals and policy loans may be structured to provide tax-free income. You should consult your personal tax advisor with questions related to your particular circumstances.

<sup>3</sup> All guarantees are backed by the claims-paying ability of American General Life Insurance Company.

<sup>4</sup> Due to administrative costs associated with the policy, reduction in cash value is a potential outcome in a down market year.





**QoL Value+ Protector III**  
offers a variety of index strategies to help clients with their specific goals

Once a client begins paying premiums, those payments will be allocated to one of two general types of crediting strategies. No one can predict the future performance of the market, but a client’s risk tolerance can help you identify a possible index interest account allocation that could be appropriate for them.

**Participation Rate Strategy (Par Strategy)** This strategy predetermines how much of the positive performance from the index (amount of ‘participation’) will be credited to the index interest account in positive index performance years. Negative years receive no less than 0% interest.

**Cap Rate Strategy (Cap Strategy)** This strategy sets a specified maximum (‘capped’) percentage of interest credited to a policy, regardless of how well the index performs. The minimum credited rate will never be less than 0% interest.

We also offer a **Declared Interest Account** option based on the current interest rate environment that is credited at the end of each policy month (as opposed to the one year point-to-point strategy), but has no ties to index market performance. The minimum declared interest is guaranteed never to be less than 2.0 %.



**PAR STRATEGY**

Better for clients who are more risk-tolerant. More fluctuation in interest credited is possible but there is more earning potential.



**CAP STRATEGY**

Better suited for less risk tolerant clients. Volatility is curbed and more interest crediting is possible in lower markets.



## QoL Value+ Protector III index interest accounts

There are four index strategy choices available, plus a “non-index” or fixed interest account option. All index crediting is based on 1-year point-to-point changes in the underlying index. Three of the index interest accounts have par strategies and one uses cap.

Run an illustration on WinFlex or visit [aig.com/QoLInterestRates](http://aig.com/QoLInterestRates) for current QoL Value+ Protector III rates.

ML Strategic Balanced Index, PIMCO Global Optima Index and Franklin Quality Dividend Index are proprietary indices for select annuity and life insurance products issued by AIG Member Company, American General Life Insurance Company.

TYPE	STRATEGY NAME	INDEX UTILIZED
Par	Domestic Blend	ML Strategic Balanced Index <sup>1</sup>
	Global Blend	PIMCO Global Optima Index <sup>1</sup>
	Dividend Blend	Franklin Quality Dividend Index
Cap	Domestic Equity	S&P 500 Index

### ML Strategic Balanced Index® (MLSB)

MLSB is a volatility control, domestic index. It provides a systematic, rules-based process of blending equity and fixed income indices:

- Domestic Equity—S&P 500® Index (without dividends)
- Domestic Fixed Income—Merrill Lynch 10-year U.S. Treasury Futures Total Return Index Plus, this index may use cash allocations to help manage volatility. Designed to generate equal risk contribution to each asset class with the objective of achieving a 6% volatility target.

### PIMCO Global Optima Index® (PIMCO)

PIMCO is a volatility control, global index. It features a rules-based index with an equity focus for strong growth potential, global diversification for an enhanced opportunity set, and a design powered by PIMCO’s time-tested investment insights. The Index offers exposure to:

- Global Equity—U.S. large cap, U.S. mid cap, U.S. small cap, International and Emerging Markets
- Domestic Fixed Income—High-quality U.S. fixed income made up of treasuries, corporate bonds.
- Total return potential—Dividends are included in the performance calculation of the PIMCO Global Optima index.

Plus, this index adjusts the exposures across the Global Equity and Domestic Fixed Income components on a daily basis, based on market volatility, and with the goal of achieving a 7.5% volatility target.

### Franklin Quality Dividend Index™

The Franklin Quality Dividend Index™ is designed by Franklin Templeton, a prominent global asset management firm. The index is used in the policy’s Dividend Participation Rate strategy.

It uses a rules-based approach to dynamically combine high dividend-paying stocks and stocks with strong price stability and cash. It is designed to help capture the upside potential of stocks while delivering a more consistent return profile in changing market environments. The focus of this index is on high-quality U.S. companies with healthy and sustainable dividends that can help provide consistent growth in up and down markets.

### S&P 500® Index

This domestic index measures the performance of 500 widely held stocks in the U.S. equity market representing over 100 specific industry groups.

### For ALL methods:

The index interest account will never be credited less than 0% interest, plus all accounts receive a guaranteed crediting bonus.



## Cash value comes out of the policy

Over time, clients will be able to leverage multiple options to access cash value they may have accumulated, through premium payments and any interest credited from upside market performance, or they can save some or all of the life insurance benefit for their beneficiaries.

### CONTRIBUTION

Premiums<sup>5</sup>

### ACCUMULATION

Index Strategies  
INTEREST CREDITED  
TAX-DEFERRED GROWTH

### DISTRIBUTION

#### BENEFICIARY DISBURSEMENT

PAYS FOR...  
Income Tax-free<sup>6</sup> Death Benefits and Rider Benefits<sup>7</sup>

#### POLICY OWNER DISBURSEMENT

CAN HELP...  
Supplement Retirement Income, Create an Emergency Fund, Start a Business<sup>8</sup>...

Take a look at this graphic, which describes the three phases of IUL policy ownership: **Contribution, Accumulation and Distribution.**

<sup>5</sup> Less premium expense charges.

<sup>6</sup> Based on current federal income tax laws.

<sup>7</sup> Plus administrative and expense charges.

<sup>8</sup> Including applicable charges.



**Beneficiary disbursements**  
Flexible cash value for your client's family or business if they die too soon.

**Lump sum life insurance benefit**

Distribution of policy death benefit to the beneficiary upon the passing of an insured is generally income tax free.<sup>9</sup>

Clients can use this option to help ensure their family or business lives on with a lump-sum life insurance payment.

**Select Income Rider (Installment Payout Plan)<sup>10,11</sup>**

This option distributes the life insurance death benefit in installments rather than a lump sum, to help beneficiaries manage ongoing expenses. Selecting this rider may also lower a policy's cost of insurance charges, which may result in a lower premium.

Clients can also opt for just a partial amount to be paid as a lump sum and the remainder in installments. The rider provides annual payout options over a specified period for the life insurance benefit amount chosen.

**Important to note:** this option is selected at issue and is irrevocable. It provides a guaranteed income stream for beneficiaries that will grow at a fixed interest rate. There is no charge for this rider. If elected, this rider cannot be terminated following the Date of Issue.

<sup>9</sup> Based on current federal income tax laws.

<sup>10</sup> Installment payments under this rider may be taxable.

<sup>11</sup> Rider features and availability may vary by state. Check rider for details.





## Policy owner disbursements

Flexible protection against the unexpected: Access cash value for any purpose. Access cash value if they get sick along the way.<sup>12</sup>

### Policy Loans and Withdrawals<sup>13,14</sup>

These features can be used any time to access cash value for any purpose. Select from one or a combination of three types of policy loans: Standard (Fixed), Preferred or Participating, that:

- Are potentially income tax free
- Offer fast access to cash value when needed
- Provide potential for positive interest earnings on loaned money
- Have no repayment plan required<sup>14</sup>

### QoL Accelerated Benefit Riders

- Automatically included in your policy
- Allows access to all or a portion of policy death benefit for a qualifying critical, chronic or terminal illness or condition
- Maximum amount of acceleration is up to \$2M
- Guaranteed minimum payout based on age at time of claim and qualifying illness or condition

### Chronic Illness Rider

#### Accelerated Access Solution® (AAS)

This rider allows clients to access a portion of their death benefit if they suffer from a qualifying illness or condition.<sup>15,16</sup>

The tax-free income can be used to cover:<sup>17</sup>

- Medical expenses
- Long-term care
- Supplement lost income
- For any other purpose.

**Important to note:** AAS is elected at the time of policy purchase for an additional charge.<sup>18</sup>

### Return of Premium (ROP)

#### Enhanced Surrender Value Rider

This rider provides guaranteed ROP opportunities should your clients' needs change or they no longer need coverage. It is built-in and automatically included. Once the policy is sufficiently funded, this rider provides two options to fully surrender the policy and receive a percentage of premiums paid (up to 100% in Year 25<sup>23</sup> or 50% in Year 20).

### Excess Funding

By paying extra premium into the policy to achieve additional tax advantaged growth, this unique liquidity option can be used to withdraw excess premiums in policy year 20 with no decrease in initial life insurance benefit,<sup>19,20</sup> if there is available cash surrender value in the policy.

### Premium Protection Rider

Protect premium from surrender charges by fully-funding a policy early, for example, through a single-pay premium or the transfer of a policy from another company. With this rider, clients may withdraw funds above the target premium in years 2 to 5 with no surrender charge penalties. The funds are not locked in. This rider is elected at the time of policy purchase for an additional charge.

### Strong Index Performance

If values in the policy exceed target assumptions, this one-of-a-kind liquidity option allows withdrawal of the excess cash value<sup>21</sup>, either in policy year 20 or at age 85—with no decrease in the initial life insurance or length of guarantee.<sup>22</sup> The cash value can be used as desired, or to buy additional paid-up life insurance without further underwriting; which provides additional protection for beneficiaries at no extra cost.

<sup>12</sup> Rider features and availability may vary by state. Check rider for details.

<sup>13</sup> Policy loans and withdrawals may be taxable.

<sup>14</sup> Policy can lapse in the event that excessive loans are taken.

<sup>15</sup> Limitations apply. Please review the rider. Certain distributions may be taxable. You should consult your personal tax advisor to assess the impact of the benefits on your particular circumstances.

<sup>16</sup> Insured must be certified as chronically ill by a licensed physician and meet all eligibility requirements. This rider is not available in all states.

<sup>17</sup> Life insurance death benefits are generally tax-free for beneficiaries under IRC 101(a), but may under certain situations be taxable in part or whole

<sup>18</sup> The rider must be selected at the time of policy purchase. Installment payments under this rider may be taxable.

<sup>19</sup> "Excess premiums" are premiums over the benchmark premium, which is a premium that will carry the policy to near maturity using current assumptions and 6% interest.

<sup>20</sup> Option election date is at the end of the 20th policy year for issue ages 0-64 or the later of age 85 or the end of the 5th policy year for issue ages 65-85.

<sup>21</sup> "Excess cash value" is any amount over the benchmark cash value, which is a cash value assuming the same premium and charges as the regular account value, but at 5.50% annual interest.

<sup>22</sup> Option election dates are at the end of the 20th policy year (for issue ages 0-64) and the later of age 85 or the end of the 5th policy year (for all issue ages).

<sup>23</sup> Issue age 41 and older: 100% ROP, capped at 40% of specified face amount. Issue age 40 and younger: 75% ROP, capped at 30% of specified face amount.

## Policy Loans available by loan types.<sup>24</sup>

### Frequently asked loan questions

- A loan option is chosen at time of request, not policy issue
- Only one loan type is available at a time
- Client has the ability to switch from a Standard Loan to a Participating Loan, or vice versa
  - Maximum of 3 times during the life of the contract
  - Entire loan balance switches

#### Standard (fixed)

A loan in which interest is credited at a set amount and does not participate in any index interest earnings. The charge for taking this loan is also fixed and known in advance. Our standard loans are credited at a 2% fixed interest rate. Our charged interest rate is 3%; which creates a 1% net cost on the loan balance. This loan choice is typically elected if an insured needs to access more than 10% of their policy's accumulation value.

#### Preferred (fixed)

A type of fixed loan available only in policy years 11+. The borrowable amount is limited with this type of loan. No more than 10% of the accumulation value of the policy at the beginning of the year can be borrowed. The interest rate credited is 2% fixed on this loan type and the charged interest rate is also fixed at only 2%; which creates a 0% net cost on the loan balance (i.e., an insured incurs no extra cost to execute this type of loan)

#### Participating

Often the most popular of the 3 loan types, it is available in any policy year, as long as there is positive cash surrender value. The money lent stays in the index interest accounts and this "participation" can result in earned index interest. The interest rate charged is currently declared at 4.5% and is guaranteed no more than 8%.

<sup>24</sup>Policy loans and withdrawals may be taxable and may decrease the face amount or value of the policy.





**Agile Underwriting+**  
Fewer requirements  
mean faster submission

Agile Underwriting+ (AU+) is a streamlined underwriting process that provides a fast and convenient path from submission to approval. The majority of AU+ applications can proceed without an exam.<sup>25</sup>

**QoL Value+ Protector III  
key AU+ guidelines:**

Applications with **ages 59 and under** and face amount up to **\$2 million**<sup>26</sup> will start with the AU+ process and default to the tele-interview, regardless of rate class. AU+ also provides the flexibility for an agent-completed Part B on some cases.

To learn more about AU+ availability, refer to the [Agile Underwriting+ Guide \(AGLC110667\)](#).

If your client adds the Accelerated Access Solution to QoL Value+ Protector III policy with an AU+ increasing death benefit, the face amount can rise above the \$2,000,000 max, and their chronic illness benefits could potentially increase overtime!

<sup>25</sup> If we are unable to make an underwriting decision based on the AU+ process, we will automatically move your client to full underwriting to complete the necessary medical requirements.

<sup>26</sup> Face amount is based on the total amount of coverage issued and placed in-force with AGL.



## Disclosures from Index Companies

### Information about the ML Strategic Balanced Index<sup>®</sup>

The ML Strategic Balanced Index<sup>®</sup> provides systematic, rules-based access to the blended performance of two underlying indices—the S&P 500 (without dividends), which serves to represent equity performance, and the Merrill Lynch 10-year U.S. Treasury Futures Total Return Index, which serves to represent fixed income performance. To help manage overall return volatility, the Index may also systematically utilize cash performance in addition to the performance of the two underlying indices.

**Important Note:** The ML Strategic Balanced Index<sup>®</sup> embeds an annual index cost in the calculations of the change in Index Value over the Index Term. This “embedded index cost” will reduce any change in Index Value over the Index Term that would otherwise have been used in the calculation of index interest, and it funds certain operational and licensing costs for the index. It is not a fee paid by you or received by the Company. The Company’s licensing relationship with Merrill Lynch, Pierce, Fenner & Smith Incorporated for use of the ML Strategic Balanced Index and for use of certain service marks includes the Company’s purchase of financial instruments for purposes of meeting its interest crediting obligations. Some portion of those instruments will, or may be, purchased from Merrill Lynch, Pierce, Fenner & Smith Incorporated or its Affiliates. Merrill Lynch, Pierce, Fenner & Smith Incorporated and its affiliates (“BofA Merrill Lynch”) indices and related information, the name “BofA Merrill Lynch”, and related trademarks, are intellectual property licensed from BofA Merrill Lynch, and may not be copied, used, or distributed without BofA Merrill Lynch’s prior written approval. The products of licensee American General Life Insurance Company have not been passed on as to their legality or suitability, and are not regulated, issued, endorsed, sold, guaranteed, or promoted by BofA Merrill Lynch.

**BOFA MERRILL LYNCH MAKES NO WARRANTIES AND BEARS NO LIABILITY WITH RESPECT TO ANY INDEX, ANY RELATED INFORMATION, ITS TRADEMARKS, OR THE PRODUCT(S) (INCLUDING WITHOUT LIMITATION, ITS QUALITY, ACCURACY, SUITABILITY AND/OR COMPLETENESS).**

The ML Strategic Balanced Index (the “Index”) is the property of Merrill Lynch, Pierce, Fenner & Smith Incorporated, which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) to calculate and maintain the Index. The Index is not sponsored by S&P Dow Jones Indices or its affiliates or its third party licensors (collectively, “S&P Dow Jones Indices”). S&P Dow Jones Indices will not be liable for any errors or omissions in calculating the Index. “Calculated by S&P Dow Jones Indices” and the related stylized mark(s) are service marks of S&P Dow Jones Indices and have been licensed for use by Merrill Lynch, Pierce, Fenner & Smith Incorporated. Note that the ML Strategic Balanced Index<sup>™</sup> is not available for policies issued in the State of New York.

### Information about the S&P 500<sup>®</sup> Index

The S&P 500 Index is a product of S&P Dow Jones Indices LLC (“SPDJI”), and has been licensed for use by AGL and US Life. Standard & Poor’s, S&P<sup>®</sup> and S&P 500<sup>®</sup> are registered trademarks of Standard & Poor’s Financial Services LLC (“S&P”); Dow Jones<sup>®</sup> is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by AGL and US Life. AGL and US Life’s Max Accumulator+ is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

### Information about the PIMCO Global Optima Index<sup>®</sup>

The PIMCO Global Optima Index (the “Index”) is a comprehensive equity and bond index, offering exposure to global equity and U.S. fixed income markets. The Index is a trademark of Pacific Investment Management Company LLC (“PIMCO”) and has been licensed for use for certain purposes by American General Life Insurance Company (“the Company”) with this life insurance policy (“the Product”). The Index is the exclusive property of PIMCO and is made and compiled without regard to the needs, including, but not limited to, the suitability or appropriateness needs, as applicable, of the Company, the Product, or owners of the Product. The Product is not sold, sponsored, endorsed or promoted by PIMCO or any other party involved in, or related to, making or compiling the Index. PIMCO does not provide investment advice to the Company with respect to the Product or to owners of the Product.

Neither PIMCO nor any other party involved in, or related to, making or compiling the Index has any obligation to continue to provide the Index to the Company with respect to the Product. Neither PIMCO nor any other party involved in, or related to, making or compiling the Index makes any representation regarding the Index, Index information, performance, annuities generally or the Product particularly.

PIMCO disclaims all warranties, express or implied, including all warranties of merchantability or fitness for a particular purpose or use. PIMCO shall have no responsibility or liability whatsoever with respect to the Product.

The Licensed PIMCO Licensed Index is comprised of a number of constituents, some of which are owned by entities other than PIMCO. The Licensed PIMCO Indices rely on a variety of publically available data and information and licensable equity and fixed income sub-indices. All disclaimers referenced in the Agreement relative to PIMCO also apply separately to those entities that are owners of the constituents of the Licensed PIMCO Indices. The constituents of the Licensed PIMCO Indices include: MSCI Inc., FTSE International Limited, FTSE TMX Global, Debt Capital Markets, Inc., Frank Russell Company and certain ETFs. The Licensee expressly agrees to include the following disclaimer and limited language in connection with the use of the Licensed PIMCO Indices for the Permitted Purposes.

### Information about the Franklin Quality Dividend Index

The Franklin Quality Dividend (“FQD”) Index has been developed and is owned solely by Franklin Advisers, Inc., a subsidiary of Franklin Resources, Inc. Neither Blackrock (the sponsor of iShares ETFs) nor Invesco is affiliated with Franklin Resources, Inc. and Franklin Advisers, Inc. FQD and any security or product based on or making use of FQD are not sponsored, endorsed, or promoted by Blackrock or Invesco, and neither company bears any responsibility or liability for or with respect to FQD or any security or product based on or making use of FQD.

FQD is calculated on behalf of Franklin Advisers, Inc. by Solactive or its affiliate, agent or partner. Solactive, Franklin Advisers, Inc., Franklin Resources, Inc. and their respective affiliates do not make any claim, prediction, warranty or representation as to the accuracy and completeness of FQD, the results to be obtained from use of FQDI or the suitability of FQD for the purpose to which it is being put by American General Life Insurance Company, and bear no liability for FQD or for any security or product based on or making use of FQD.

FQD embeds an annual index cost in the calculations of the change in index value. This embedded index cost will reduce any change in index value, and it funds certain operational and licensing costs for the Index. Since it will affect the return of the Index, it may also impact the amount of interest credited to an index annuity; however, it is not a fee paid by the policy owner or received by the issuing insurance company.



## Disclosures applicable to:

### Chronic Illness & Terminal Illness Accelerated Death Benefit Riders

1. If a benefit under the Chronic Illness Accelerated Death Benefit Rider or under the Terminal Illness Accelerated Death Benefit Rider is payable, the Company will provide the Owner with an opportunity to elect a Chronic Illness Accelerated Benefit Amount as to the qualifying Chronic Illness in question or to elect a Terminal Illness Accelerated Death Benefit Amount as to the Qualifying Terminal Illness in question, as applicable. To make an election, the Owner must complete an election form and return it to AGL within 60 days of the Owner's receipt of the election form.
2. Under certain circumstances where an insured's mortality (i.e., our expectation of the insured's life expectancy) is not significantly changed by a Qualifying Chronic Illness.
3. See your policy for applicable requirements concerning claim and election forms for accelerated death benefits.
4. Benefits payable under an accelerated death benefit rider may be taxable. Neither American General Life Insurance Company nor any agent representing it is authorized to give legal or tax advice. Please consult a qualified legal or tax advisor regarding questions concerning the information and concepts contained in this material.
5. Generally, we will send you an IRS Form 1099-LTC if you receive an accelerated death benefit on account of a Chronic Illness or a Terminal Illness. The sum that will be included in Box 2 (Accelerated death benefits paid) of IRS Form 1099-LTC or in Box 1 (Gross distribution) of IRS Form 1099-R will be the actual sum you received by check or otherwise minus any refund of premium and/or loan interest included with our benefit payment plus any unpaid but due policy premium if applicable, and/or pro rata amount of any loan balance.
6. See your policy for details.

### NOT Long-Term Care Insurance

**This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement policy.**

An accelerated death benefit such as the Chronic Illness Accelerated Benefit Rider and long-term care insurance provide very different kinds of benefits:

**Generally, an accelerated death benefit is a rider to or other provision in a life insurance policy that permits the policyowner to accelerate some or potentially all of the death benefit of a life insurance policy if the insured meets the definition of having a chronic illness as defined in the rider or policy provision. Acceleration of death benefits and payments under such an accelerated death benefit will reduce the death benefit of the policy and reduce other policy values as well, potentially to zero. If the entirety of the insurance amount is accelerated, the policy terminates.**

**A Long Term Care insurance policy is any insurance policy, certificate, or rider providing coverage for diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services that are provided in a setting other than an acute care unit of a hospital. Long-term care insurance includes all products containing any of the following benefit types: coverage for institutional care including care in a nursing home, convalescent facility, extended care facility, custodial care facility, skilled nursing facility, or personal care home; home care coverage including home health care, personal care, homemaker services, hospice, or respite care; or community-based coverage including adult day care, hospice, or respite care. Long-term care insurance includes disability based long term care policies but does not include insurance designed primarily to provide Medicare supplement or major medical expense coverage.**

If you are interested in long-term care, nursing home or home care insurance, you should consult with an insurance agent licensed to sell that insurance,

inquire with the insurance company offering the accelerated death benefits, or visit the California Department of Insurance Internet Web site ([www.insurance.ca.gov](http://www.insurance.ca.gov)) section regarding long-term care insurance. If you choose to accelerate a portion of your death benefit, doing so will reduce the amount that your beneficiary will receive upon your death. Receipt of accelerated death benefits may affect eligibility for public assistance programs, such as Medi-Cal or Medicaid. Prior to electing to receive the accelerated death benefit, you should consult with the appropriate social services agency concerning how receipt of accelerated death benefits may affect that eligibility. If the policy terminates, the Chronic Illness Accelerated Death Benefit Rider will also terminate. LTC expense reimbursement vs. ADB benefits are paid without receipts. LTC benefits are based on benefit levels and a pool of money selected at the time of purchase, and ADB benefits depend on the life policy value. ADB benefits will reduce the death benefit that the policyholder's heirs will receive, and the use of the ADB proceeds is unrestricted, whereas LTC benefits will not reduce the death benefit that the policyholder's heirs will receive and the policyholder must use LTC benefits for LTC services.

### Accelerated Access Solution (AAS)

The Accelerated Access Solution (AAS) is an optional living benefit rider that is available on the insurance policy issued by American General Life Insurance Company in the state of California. The Accelerated Access Solution is a life insurance rider that accelerates a portion of a policy's death benefit when an insured meets the health impairment criteria set forth in the rider.<sup>27</sup> Control over how money is spent is up to the policy holder; there are no receipts required and no restrictions on what the money is used for once the policy owner has been certified as eligible to receive AAS benefits.

Benefits are paid directly to the policyholder for as long as the criteria are met, or until the AAS benefit amount is exhausted, whichever occurs first. Acceleration of death benefits and payments under such an accelerated death benefit will reduce the death benefit of the policy and reduce other policy values as well, potentially to zero. If the entirety of the insurance amount is accelerated, the policy terminates.

### Payout Options

Multiple benefit payment options are available with two options for monthly disbursement at the time of purchase:

- 2% of AAS benefit, or the applicable maximum monthly amount if less
- 4% of AAS benefit, or the applicable maximum monthly amount if less than the maximum monthly amount is \$10,000 increased annually by 4% until the time of claim.
- Alternatively, you have the option at the time of claim to receive the accelerated benefit in a lump sum payment in lieu of the benefits payable under the monthly payment option you selected. Such lump sum benefit will be subject to an actuarial discount that is determined by the company at the time you become eligible for benefits under the rider.<sup>28</sup>

### Benefit Payment

Once the insured meets the health impairment criteria and benefits have been approved for payment, they may select their disbursement. There is a maximum benefit payable under the monthly disbursement option that we'll notify the insured of at their time of claim. The insured may also select a smaller amount than the maximum monthly benefit.

A lump sum option is available as well; which can be substituted for monthly benefits.

### Tax Implications

There are no restrictions or limitations on the use of the accelerated death benefit proceeds under the Chronic Illness Accelerated Death Benefit Rider. The accelerated benefits payable under this rider are generally intended for favorable tax treatment under Section 101(g) of the Internal Revenue Code. There may be tax consequences in some situation in accepting an accelerated benefit payment amount, such as where payments exceed the per diem limitation under the Internal Revenue Code. You should consult your personal tax advisor to assess the impact of this Benefit prior to accepting the Benefit.

<sup>27</sup> Insured must be certified as chronically ill by a Licensed Health Care Practitioner and meet all eligibility requirements and the condition need not be permanent.

<sup>28</sup> The Company will determine the actuarial discount applicable to a given lump sum payment using factors including, but not limited to the Company's assessment of the expected future mortality of the Insured and an interest rate determined as described in the rider.

For more QoL Value+ Protector III information, visit  
[aig.com/QoLValueIUL](http://aig.com/QoLValueIUL)



Ask about **Life with Confidence**, an interactive tool  
that helps explain IULs in everyday terms and eases  
concerns about market volatility  
[aig.com/QoLLifeWithConfidence](http://aig.com/QoLLifeWithConfidence)

We see the future in you.<sup>SM</sup> — 

Policies issued by American General Life Insurance Company (AGL), Houston, TX. Policy Form Numbers: ICC16-16760, 16760; Rider Form Numbers: 15600, ICC15-15600, 13600-5, ICC18-18012, 18012, ICC16-16420, 16420, 07620, ICC14-14002, 14002, ICC15-15992, 15992, 15997, ICC18-18004, 18004, ICC15-15990, 15990, ICC15-15602, 15602, ICC15-15603, 15603, ICC15-15604, 15604, AGLA 04CHIR-CA (0514), AGLA 04CRIR, AGLA 04TIR. Issuing company AGL is responsible for financial obligations of insurance products and is a member of American International Group, Inc. (AIG). Guarantees are backed by the claims-paying ability of the issuing insurance company. AGL does not solicit, issue or deliver policies or contracts in the state of New York. Products may not be available in all states and product features may vary by state.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. For legal, accounting or tax advice consult the appropriate professional.

FOR FINANCIAL PROFESSIONAL USE ONLY—NOT FOR PUBLIC DISTRIBUTION