

Value+ Protector

Index Universal Life Insurance



Long-term financial protection and value at a market-leading price

PROTECTION Help provide security for beneficiaries

VALUE Receive extended guarantee periods at a competitive price

STABILITY Help protect against losses due to market volatility

ACCESS Use unique liquidity options to increase life insurance benefits



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

We're reinventing life insurance to provide long-term financial protection and value at a market-leading price.

Value+ Protector is a unique and flexible product designed to help provide long-term financial protection for your family or business.

It combines many of the advantages of guaranteed universal life insurance, but with special features and interest crediting strategies that are designed to reduce costs and help deliver maximum value.

Life insurance can be a key component of protecting your family or business. The life insurance benefit can be used to provide income for loved ones, help continue a business or fund a succession strategy.

Value+ Protector delivers affordable life protection, and your death benefit can be guaranteed all the way to age 100.

After the guarantee period, the policy can continue on a non-guaranteed basis for the rest of your life, based on current assumed charges, interest crediting and sufficient premium payments.

Value+ Protector includes several unique options to access cash value without impacting your initial life insurance benefit.

While most insurance policies lock-in cash, Value+ Protector includes two completely unique provisions for accessing excess cash value in the policy without reducing your initial life insurance benefit. Accessed cash value can be used to purchase paid up life insurance at no additional cost, or used for any other purpose.

Value+ Protector provides the security of having benefits you can use while living!

We are a leading innovator in living benefits. For an additional fee, you can select one or both of our living benefit riders. Our chronic illness rider, the Accelerated Access Solution[®], allows you to accelerate your life insurance benefit should you suffer a qualifying chronic illness. The benefit can be used to cover medical expenses, supplement your income or for any other purpose.¹ Our longevity rider, the Lifestyle Income Solution[®], also allows you to accelerate your life insurance benefit and provides a supplemental income stream at age 85 that can be used for any purpose.

¹ Insured must be certified as chronically ill by a licensed physician and meet all eligibility requirements. This rider is not available in all states.

Value+ Protector offers the unique features and benefits you are asking for.



Why Index Universal Life?

Value+ Protector Index Universal Life (IUL) is a flexible life insurance policy that may fit many needs. An IUL policy can provide you with tax-free income and a greater potential for interest than a traditional universal life policy while helping to safeguard against market downturns. That's because an IUL policy offers the potential to credit interest based in part on the upward movement of a stock market index.¹

When you purchase an IUL policy, you have the power to choose what works for you. You can decide within policy guidelines:

- The amount of **insurance** that's right for you
- The amount of **premium(s)** you want to pay (you can increase or decrease payments over time)
- The **timing or frequency** of planned premiums (monthly, quarterly, annually)
- The **allocation options** for your premiums among several interest crediting accounts

¹ Index universal life insurance is not an investment. It is an insurance product that provides growth potential through index interest credits. You cannot invest in an index directly.

A powerful combination of features and riders

You can use Value+ Protector's affordable design and multiple features to tailor just the policy you've been looking for. **Value+ Protector can provide life insurance benefits to your loved ones as well as great options for you while you are living.**

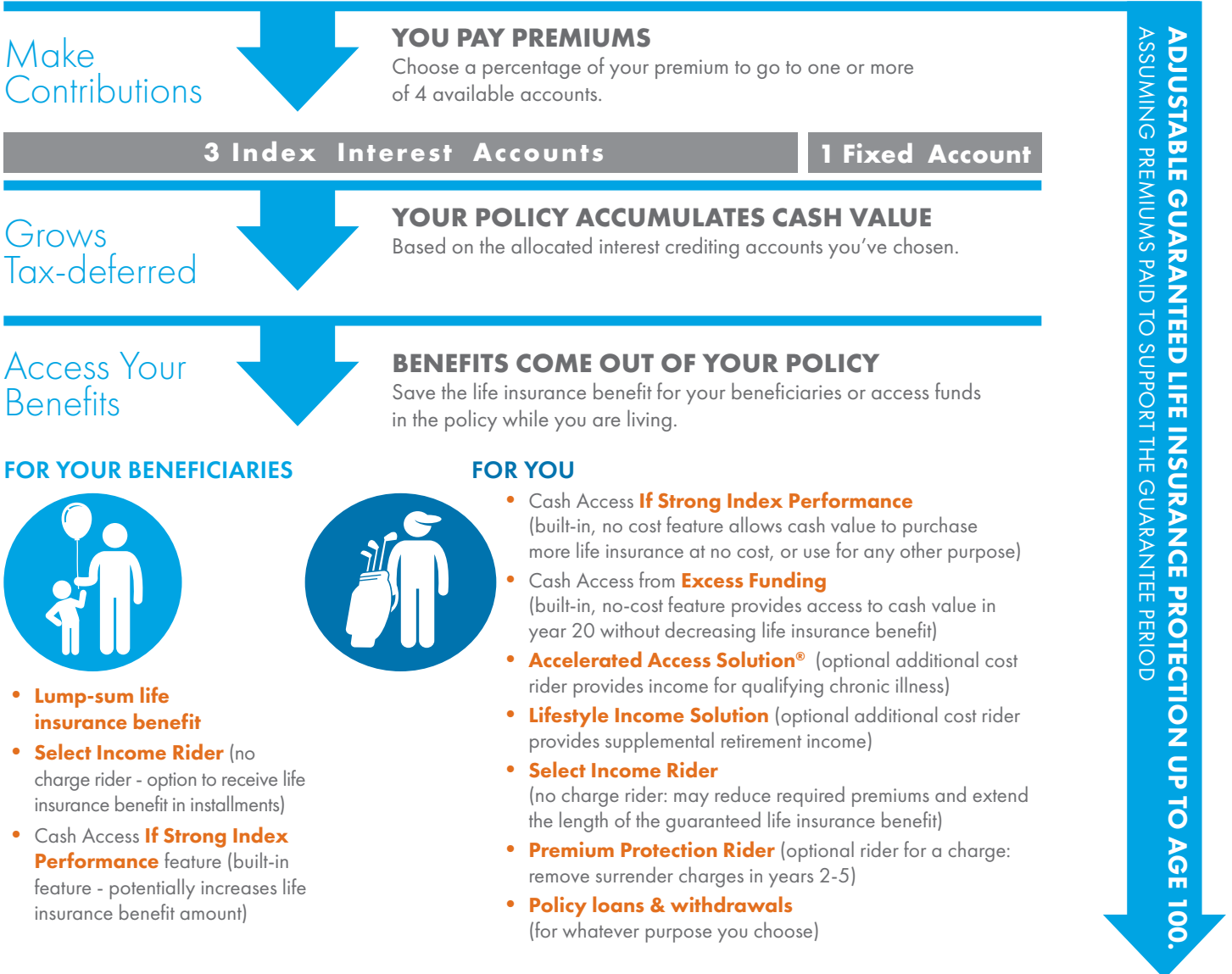
PROTECTION Helping provide security for beneficiaries

VALUE Offering extended guarantee periods at a competitive price

STABILITY Helping protect against losses due to market volatility

ACCESS Using unique liquidity options to increase life insurance benefits

Here's how Value+ Protector works



Withdrawals and Distributions – Multiple Options

FOR YOUR BENEFICIARIES

Flexible income for your family or business if you die too soon.



The tax-free life insurance benefit can help ensure your family or business lives on with a lump-sum life insurance payment.

Another benefit you can choose is the optional **Select Income Rider**¹, which distributes life insurance benefits over a designated period of time rather than a lump-sum payment to help beneficiaries manage ongoing expenses. Or, you can opt for just a partial amount to be paid as a lump sum and the remainder in installments. Both options provide a guaranteed income stream for your beneficiaries that will grow at a fixed interest rate. Selecting this rider may lower your policy's cost of insurance charges, reduce your required premium payment amounts, and extend the length of the guaranteed life insurance benefit. This no cost rider is selected at issue and is irrevocable.



¹ Installment payments under this rider may be taxable.

Withdrawals and Distributions – Multiple Options

FOR YOU

Take income for any purpose.



Protect beneficiaries with increased benefit amount

If values in the policy exceed target assumptions due to **If Strong Index Performance feature**, this one-of-a-kind liquidity option allows you to withdraw the excess cash value,¹ either in policy year 20 or at age 85 – with no decrease in the initial life insurance or length of guarantee.² The cash value can be used as desired, or to **buy additional paid-up life insurance without further underwriting** which provides additional protection for your beneficiaries at no extra cost.

Protect life insurance benefit while accessing cash value

With the Cash Access from **Excess Funding** feature, when you pay extra premium into your policy to achieve additional tax advantaged growth, you can use this unique liquidity option to **withdraw excess premiums** in policy year 20 **with no decrease in your initial life insurance benefit**,^{3,4} if there is available cash surrender value in the policy.

Protect assets if chronically ill

If you have concerns about future medical expenses for a chronic illness or long-term care, an optional rider, called the **Accelerated Access Solution**[®], allows you to access a portion of your life insurance benefit if you suffer from a qualifying illness or condition.⁵ Choose from benefit payments of 2%, 4% or an IRS per diem amount monthly.⁶ The tax-free income can be used to cover medical expenses or long-term care, supplement lost income or for any other purpose. AAS is elected at the time of policy purchase for an additional charge.

Protect retirement assets

The optional longevity living benefits rider, the **Lifestyle Income Solution**, (LIS) enables you at age 85 or older to supplement your retirement income by translating the life insurance benefit into an income stream that can be used for any purpose. These payments are typically tax-free up to the amount of cumulative policy premiums. Any remaining death benefit will be paid to the beneficiaries. LIS is elected at the time of policy purchase for an additional charge.⁷

Protect premium from surrender charges

The **Protected Premium Rider** can be selected for those policies that will be funded early, for example through a single-pay premium or the transfer of a policy from another company. With this rider, you 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.

Added protection against the unexpected

Use the policy's **loan and withdrawal features** any time to access cash for any purpose⁸

¹ "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.

² 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).

³ "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.

⁴ 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.

⁵ Insured must be certified as chronically ill by a licensed physician and meet all eligibility requirements. This rider is not available in all states.

⁶ California residents should be provided the "California Resident Supplemental Information" flyer on the Accelerated Access Solution (AGLC108547) for specifics on the payout options available.

⁷ Rider is not available in all states.

⁸ Policy loans and withdrawals may be taxable.

Your Interest Crediting Choices

With Value+ Protector you have a choice of selecting from several interest crediting accounts to help your policy earn interest. Your choices include a **fixed interest account** and three distinct **index interest accounts**.

An **index interest account** uses a formula that calculates interest based in part on the movement of a stock market index. **Benefits of index interest accounts include:**

- Built in safety - no risk of loss of cash value
- Gains based in part on upward movement of an index
- Tax-free growth of cash value

A **fixed interest account** uses a fixed rate of interest that's declared by the company for a certain period of time.

It's important to note that while an IUL credits interest based in part on the upward movement of an index, this product is not an investment. Your cash value is never invested directly in the stock market.

A Closer Look at Index Interest Accounts

What is an index?

An index is 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.

What are the indices used in Value+ Protector?

Value+ Protector index universal life offers two index interest accounts utilizing the **S&P 500® Index** as the basis for interest crediting and one account that uses the **ML Strategic Balanced Index®**.

S&P 500 Index

This index is often regarded as the standard for broad stock market performance. It is used to measure the average stock price changes of the 500 most widely held large capitalization companies representing over 100 specific industry groups.

ML Strategic Balanced Index

The ML Strategic Balanced Index® provides a systematic, rules-based process of blending equity and fixed income indices—the S&P 500 (without dividends), which serves to represent the 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 volatility, the Index may also systematically utilize cash allocations.* This index is designed to generate equal risk contribution to each asset class.

* It is important to note that volatility control measures may help to limit the impact of market downturns; however, these measures can also limit the impact of positive market performance.

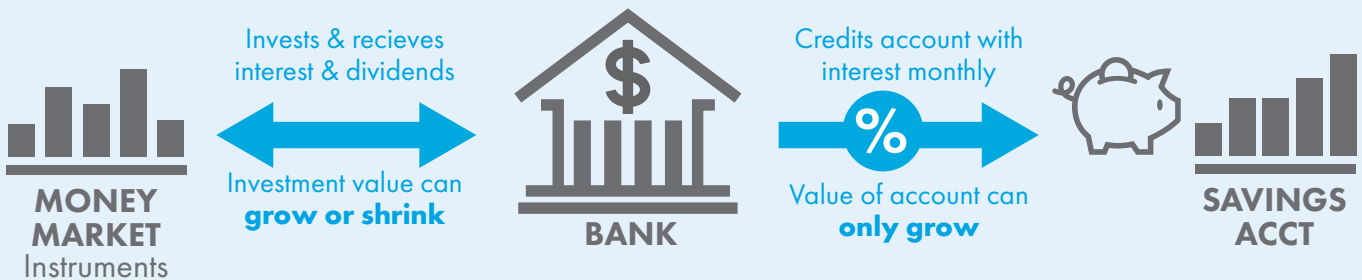
How do Index Interest Accounts work?

While an IUL policy is not a savings account, it may be easier to understand how an IUL account works by understanding the fundamentals of how a savings account at your bank works.

Traditional Savings Accounts

Banks credit an individual's savings account with interest. The interest rate that is earned in the individual savings account can go up and down, but the balance will not get smaller from the interest crediting – no money is lost. Bank savings accounts typically do not charge a fee. So how does the bank make money?

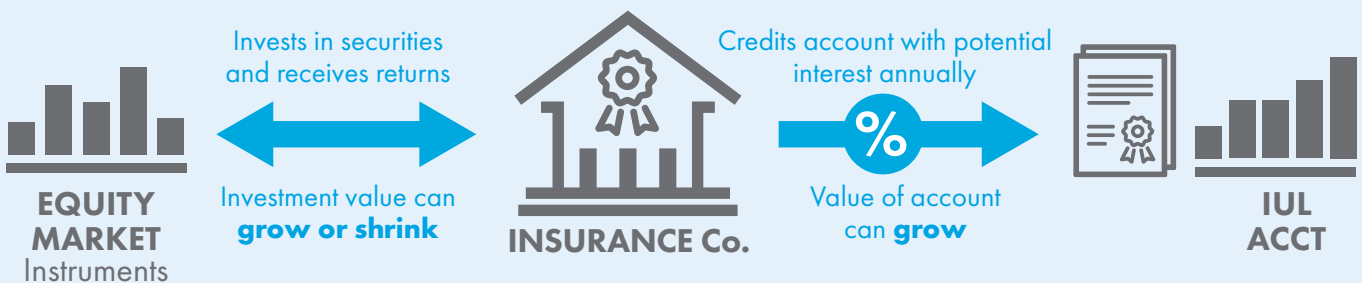
The bank, in turn, invests money in to money market instruments. The bank pays a fraction of its earnings as interest to your account.



Index Interest Accounts

Index interest accounts have a similar interest crediting strategy except instead of a bank, it is a life insurance company. Instead of tying the account's interest to money market instruments, the life insurance company ties the IUL policy's index interest account to an index, such as the S&P 500® Index, which is a statistical measure of a securities market. Think of it like an imaginary portfolio of securities that represents the stock market or a certain portion of it. It's important to remember, as we have mentioned before, the IUL policy is not invested in any securities. You cannot invest in an index.

Generally speaking, when the index goes up, the interest rate credited to your cash value account can go up. If the index goes down, there's simply no interest credited. You either receive interest payments or, in the worst case, you do not. Like a traditional savings account, the index interest account is not invested directly in the stock market and cannot lose money from the interest crediting strategy.* This is what is called **"upside potential with downside protection."**



* It is important to reiterate that an IUL policy and the index interest crediting accounts are not equivalent to a savings account. Savings accounts held at a bank are backed by the Federal Deposit Insurance Corporation or, in the case of a credit union, by the National Credit Union Administration. IUL policies and any guarantees associated with them are backed by the claims-paying ability of the issuing insurance company.



Interest Crediting Accounts – A Little More Detail

All three index interest account options are based in part on a single stock market index, offer guaranteed protection against loss of principal due to market performance, and use a one-year timeframe to calculate interest called a “point-to-point” strategy.

The **three index interest accounts** are broken into **two categories**:

- 1. Participation rate accounts:** a participation rate is used to determine interest credited to the insurance policy. These accounts share or “participate” in a percentage (i.e. 60%) of the index performance in positive years, while the negative years are protected by a “floor” (i.e. 0%).
 - **Blend Participation Rate Account** - based on ML Strategic Balanced Index® performance
 - **Participation Rate Account** - based on S&P 500 Index performance
- 2. Cap rate accounts:** Capped “cap” interest rate is used to determine interest credited to the insurance policy. These accounts enjoy 100% of the positive performance of the index up to a limit, a “cap” of a specified rate (i.e. 10%), while the negative years are protected by the same floor.
 - **Cap Account** - based on S&P 500 Index performance

Tailor Your Value+ Protector Policy with Rider Options¹

Value+ Protector Liquidity Benefit Options

Cash Access If Strong Index Performance Feature	<ul style="list-style-type: none"> Automatically included in policy at no extra cost Can be utilized either: (1) at the end of 20 years (for issue ages 0-64) or (2) the later of age 85 or the end of 5 policy years If policyholder's Actual Cash Surrender Value (ACSV) outperforms the Benchmark Cash Value (BCV) then policyholder may withdraw up to an amount equal to the difference. Clients can withdraw lesser of 10% of their initial death benefit or \$100,000² Will not incur a partial surrender charge, partial withdrawal fee, reduction in specified amount (the death benefit would reduce if the DB option is 2 or if the policy is in corridor), or reduction in CG Account Value Alternatively, can also use the difference to purchase a paid-up life insurance policy, completely separate from the base policy. The contract will be single premium whole life.
Cash Access Excess Funding Feature	<ul style="list-style-type: none"> Automatically included in policy at no extra cost Can be utilized if sum of the premiums paid in first 20 policy years (or the later of 5 years or to age 85 for issue ages above 65) exceeds sum of target premiums for the same period, and to the extent there is ACSV available for withdrawal² The policyholder may withdraw an amount up to the difference. Clients can withdraw the lesser of 10% of their initial death benefit or \$100,000. Will not incur a partial surrender charge, partial withdrawal fee, reduction in specified amount (the death benefit would reduce if the DB option is 2 or if the policy is in corridor)
Accelerated Access Solution® (Chronic Illness Rider)	<ul style="list-style-type: none"> Premium paying rider provides income for qualifying chronic illness. Three options available: 2% of AAS benefit per month; 4% of the AAS benefit per month; IRS per diem maximum of the AAS benefit per month³ Monthly benefit is capped at the maximum IRS daily rate at the time of claim. The 2018 maximum per diem is \$360/day or \$10,950/month. Subsequent years may be higher.
Lifestyle Income Solution®	<ul style="list-style-type: none"> Premium-paying rider provides guaranteed withdrawal benefits (regardless of the cash surrender value under the policy) Begins on the initial election date for withdrawal benefits and on each month thereafter Minimum specified amount \$100,000/Maximum specified amount \$10,000,000 (No other coverage in force) Minimum eligibility period for the rider is 15 years Based on current federal tax law, partial withdrawals are reportable to the policy owner and may be taxable. Limitations apply.
Premium Protection Rider	<ul style="list-style-type: none"> Any time during policy years 2 through 5, the policyholder may make a withdrawal for the lesser of the Accumulation Value or the excess of premiums paid over the sum of the annual target premiums at the beginning of the policy year, given no prior withdrawals have been made or a loan balance exists at the time of the withdrawal. There can be no other policy changes. Not a guaranteed return of premium option Affects the specified amount, accumulation value, and CG account value like a normal withdrawal

Value+ Protector Additional Riders

Select Income Rider	<ul style="list-style-type: none"> Optional rider converts a portion or all of the life insurance benefit for beneficiaries to a predefined guaranteed set of annual payments⁴ Minimum percentage of life insurance benefit available to convert is 10% (up to 100%) May lower the policy's cost of insurance charges, which may enable cash value to accumulate faster Schedule of life insurance benefit payments will be determined at issue Benefit schedule will be based on the initial face amount of the policy at issue and is irrevocable for the beneficiary Life insurance benefit payments will increase annually at a rate set at issue
Accidental Death Benefit Rider (ADB)	<ul style="list-style-type: none"> Provides an additional death benefit if death resulted from certain accidental injuries Double ADB is paid if the death is sustained while a fare-paying passenger on a licensed public conveyance Minimum: \$25,000; Maximum: The lesser of \$200,000 or the initial sum insured under the policy
Children's Insurance Benefit Rider (CIB)	<ul style="list-style-type: none"> Provides term insurance on the base insured's dependent children with coverage through attained age 24 Minimum: 1 unit (\$1,000); Maximum: 25 units (\$25,000)
Overloan Protection Rider	<ul style="list-style-type: none"> Rider guarantees that base policy will not lapse due to an outstanding loan Rider must be activated in writing once the loan balance exceeds 94% of cash value. A one-time charge will be deducted from the accumulation value, and future monthly deductions will be waived. Rider benefit can be activated at or after the later of attained age 75 or 15th policy anniversary
Spouse/Other Insured Rider	<ul style="list-style-type: none"> Provides level term insurance on the owner's spouse The minimum spouse rider term amount available is \$10,000. The maximum is 2 time base specified amount. Minimum: \$10,000; Maximum: Two times the base policy
Terminal Illness Accelerated Benefit Rider	<ul style="list-style-type: none"> Provides accelerated death benefit (living benefit) when insured is diagnosed with terminal illness (24 months or less to live) One-time accelerated benefit of up to 50% of the base policy death benefit (less policy loans and excluding riders) Maximum: \$250,000 Subject to an administrative fee. Some states require a signed disclosure form at time of application
Waiver of Monthly Deduction Rider	<ul style="list-style-type: none"> Waives the monthly deduction while the insured is disabled after six months of disability Rider charges are based on the insured's attained age and increase annually Rider not available for face amounts greater than \$5 million

¹ There may be a charge for each rider selected. See the rider for details regarding the benefit descriptions, limitations and exclusions. 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. Riders are not available in all states.

² Under current federal tax law, partial withdrawals are reportable to the policy owner and may be taxable. Limitations apply.

³ California residents should be provided the "California Resident Supplemental Information" flyer on the Accelerated Access Solution (AGLC108547) for specifics on the payout options available.

⁴ The rider must be selected at the time of policy purchase. There is no additional fee for this rider. A portion of the installment payments under this rider may be taxable.

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For nearly a century, we have been dedicated to providing innovative solutions to help our customers secure and enhance their financial futures.

Disclosures from Index Companies

Information about the ML Strategic Balanced Index®

The ML Strategic Balanced Index® 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® 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.

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