

PRODUCT UPDATE

New, Lower Premium Rates Announced for AG Select-a-Term®

American General Life Companies, a longstanding term insurance leader, announces a broad and substantial rate reduction on its flagship term product: AG Select-a-Term, issued by American General Life Insurance Company (AGL) and The United States Life Insurance Company in the City of New York (USL).

The pricing changes dramatically improve our competitive position:

AG Select-A-Term		
	Old Premium (11/16/2009)	New Premium (3/30/2011)
Rank #1	54 times	234 times
Rank Top Five	657 times	1,191 times
Comparison based on 10 core competitors, 1408 cells for term durations 15, 20, and 30 year, all underwriting classes, Male and Female, and face amounts \$100,000/\$250,000/\$500,000 and \$1,500,000. Competitor premium data as of 3/7/2011.		

Consider these sample pricing improvements. We've lowered premiums significantly in the 20-30 year durations and non tobacco underwriting classes:

Comparison of SAT 2011(March) Premiums to SAT 2009 (November) Premiums							
Sex	Issue Age	Class	Duration	Face Amount	Old Premium	New Premium	Pct chg in Premium
M	50	PP	15	\$100,000	\$272.00	\$237.00	-12.9%
M	40	PP	30	\$100,000	\$246.00	\$207.00	-15.9%
F	35	SNT	20	\$100,000	\$180.00	\$165.00	-8.3%
F	40	PP	30	\$100,000	\$203.00	\$170.00	-16.3%
M	35	PP	10	\$250,000	\$144.00	\$131.50	-8.7%
M	55	PP	25	\$250,000	\$1,416.50	\$1,141.50	-19.4%
M	40	PP	30	\$250,000	\$386.50	\$349.00	-9.7%
F	60	PP	25	\$250,000	\$2,274.00	\$1,689.00	-25.7%
F	30	PP	30	\$250,000	\$221.50	\$194.00	-12.4%
F	40	SNT	30	\$250,000	\$589.00	\$531.50	-9.8%
M	55	PP	30	\$500,000	\$3,134.00	\$2,814.00	-10.2%
F	35	PP	20	\$500,000	\$259.00	\$234.00	-9.7%
M	30	SNT	30	\$1,000,000	\$1,664.00	\$1,494.00	-10.2%
F	30	PP	30	\$1,000,000	\$674.00	\$574.00	-14.8%

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Rapid Rater

Instant rate quotes for all classes and durations are available on our updated Rapid Rater, found at <http://eStation.americangeneral.com>

Product Highlights

AG Select-a-Term offers a unique mix of flexibility and reach: guaranteed level term coverage for 17 durations, 10-year and 15 - 30 years, with three premium bands:

Band 1: \$100,000-\$249,999 (commissionable policy fee)

Band 2: \$250,000-\$499,999 (non-commissionable policy fee)

Band 3: \$500,00 + (non-commissionable policy fee)

- Issue ages and durations that make coverage available into the mid-80s for older clients
- Convertibility to all universal life policies issued by AGL and USL, including AG Secure Lifetime GULSM for the first five policy years
- Convertibility in the first two policy years to AG ROP Select-a-Term[®]

Transition Rules

Effective March 30, 2011, the repriced AG Select-a-Term 2011 product will be available.

- AG Select-a-Term applications issued starting March 30, 2011 and before May 16, 2011 will automatically receive the product with the lower rates.*
 - AG Select-a-Term applications issued May 16, 2011 or later will automatically receive the AG Select- a-Term 2011 product if approved in the state of issue.
 - States that approve the new 2011 product after the launch date will receive a minimum transition period of 30 days during which they will automatically receive the product with the lower rates.
 - Requests to reissue or replace recently issued cases for the purpose of obtaining lower rates will not be honored.
 - Due to the nature of the Select-a-Term rollout we are providing a longer than normal open period. Please carefully evaluate your client's case in selecting a product to optimize his or her needs and pricing considerations.
- * Please Note: During the transition period (March 30 to May 15), applications received will be submitted as the 2011 version. However, before the policy is issued, the 2009 premium rate will be compared with the 2011 rate and the policy version with the lower premium rate will actually be issued.

State Approvals

As of March 30, 2011 the new rates for AG Select-a-Term are approved in all states except: CT, MS, NC, OR and PA.

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Illustrations

AG Select-a-Term is now available on WinFlex and eConnections Desktop for approved states.

Marketing Materials

Product guides are being printed and will be available for order through Forms Depot.

AG Select-a-Term Producer Guide AGLC104704

AG Select-a-Term Consumer guide AGLC104552 REV 0311

Promotional Materials

Promotional flyers have been developed to help you promote the AG Select-a-Term's new lower rates to the producers in your downline. They contain a customizable area into for your contact information, and are available now for download at eStation.americangeneral.com, our secure website for producers. Stay tuned to our weekly newsletter for notice of additional promotional materials as they become available.

Competitor Comparison Rate flyer AGLC104824

Top 10 Reasons to Sell AG Select-a-Term AGLC104805

Client Approved Rate Flyer AGLC104862

Client Approved Term Laddering Sales Concept AGLC103913 REV 0311

Policies issued by: **American General Life Insurance Company, 2727-A Allen Parkway, Houston, Texas 77019**

AG Select-a-Term Policy Form Number 07007, AG ROP Select-a-Term Policy Form Number 10001, AG Secure Lifetime GUL Policy Form Number 10460, **The United States Life Insurance Company in The City of New York, One World Financial Center, 200 Liberty Street, New York, New York, 10281** AG Select-a-term Policy Form Number 09007N, AG ROP Select-a-Term Policy Form Number 10001N

The underwriting risks, financial and contractual obligations and support functions associated with products issued by American General Life Insurance Company (AGL) and The United States Life Insurance Company in The City of New York (USL) are the issuing insurer's responsibility. USL is authorized to conduct business in New York. Policies and riders not available in all states. Guarantees are subject to the claims-paying ability of the issuing insurance company. American General Life Companies, www.americangeneral.com, is the marketing name for a group of affiliated domestic life insurers, including AGL and USL. Important: prior to soliciting business, be certain that you are appropriately licensed and appointed with the insurer and that the product has been approved for sale by the insurer in that state. If uncertain, contact your American General Life Companies representative for assistance.

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