

AIG ROP Select-a-TermSM



AGENT GUIDE

Premium protection.
Premium returns.
Pick your term.



Pricing effective May 16, 2008

Policy issued by:

American General Life Insurance Company

A subsidiary of American International Group, Inc. (AIG)

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THE STRENGTH TO BE THERE.®

AIG American
General

Premium protection. Premium returns. **Pick your term.**

Introducing AIG ROP Select-a-TermSM, a remarkable new product that combines return of premium cash value¹ with the ability to offer the exact length of coverage needed. Your clients are protected by the policy's death benefit in the event of the insured's death during the level term period. If the insured survives and maintains the policy to the end of the level-term period, the base cumulative premium paid in may be returned in a lump sum that is free of income tax² under current tax law. Your client can choose the period of time for protection – 15 years or any of 20 through 35 years³ – depending on issue age and tobacco use. It's that simple and that powerful.

Product Specifications

Policy Form	06001
Underwriting Classifications	<ul style="list-style-type: none"> • Preferred Plus (Pref. Plus) • Preferred Nontobacco (Pref. NT) • Standard Plus (Std. Plus) • Standard Nontobacco (Std. NT) • Preferred Tobacco (Pref. T) • Standard Tobacco (Std. T) • Special Nontobacco (Spec. NT) • Special Tobacco (Spec. T)
Substandard	<ul style="list-style-type: none"> • Through Table H (applied to Special Nontobacco rates for nontobacco and Special Tobacco for tobacco users) • See ratebook on Web site for rating factor for specific level-premium period • Factors vary by term and table • Run substandard illustrations on Rapid Rater or Winflex • No ROP on substandard extra charges
Minimum Death Benefit	\$100,000
Premium Face Amount Bands	<ul style="list-style-type: none"> • Band 1: Policy amounts from \$100,000 to \$149,999 • Band 2: Policy amounts from \$150,000 to \$249,999 • Band 3: Policy amounts from \$250,000 to \$499,999 • Band 4: Policy amounts of \$500,000 and higher
Policy Fee	None
Premium Calculations	<ul style="list-style-type: none"> • Annual: Multiply the rate in the table by the number of thousands (NO additional charge for policy fee or paying other than annual) • Semiannual: Multiply the annual premium by 0.50 • Quarterly: Multiply the annual premium by 0.25 • PAC: Multiply the annual premium by 0.0833 (only available through the pre-authorized checking payment method)
Loans²	<ul style="list-style-type: none"> • Loans are available on the cash value accrued on the policy • Loan interest rate is 8 percent per year, payable in arrears
Exchange Option (Conversion)	<ul style="list-style-type: none"> • AIG ROP Select-a-Term policies may be converted to a permanent life insurance plan of the company's choosing during the conversion period without evidence of insurability • The conversion period extends to the earlier of the end of the level-premium period or the insured's attainment of age 70 (age 75 in Florida) • If the policy holder chooses to convert during the level term period, any available cash value will be transferred to the new policy
Option on Premium Default	<ul style="list-style-type: none"> • As long as the policy has a cash value, a reduced paid-up policy will be provided should the policy owner stop making premium payments⁴
Illustrations	A signed illustration is not required. Illustrations available on both WinFlex (quoting premiums, cash values, and Reduced Paid Up face amounts) and Rapid Rater (does not show cash values)
Available Riders⁵	
Accidental Death	<ul style="list-style-type: none"> • Pays a death benefit in addition to the death benefit of the base policy if such death resulted from certain accidental injuries • Maximum face amount is the lesser of \$250,000 and the face amount of the base policy • Available to individuals rated standard or better • Pays double the death benefit if death was the result of an injury sustained while a passenger in a public conveyance being operated for hire by a common carrier • Coverage expires on the policy anniversary nearest the insured's 70th birthday • This rider can be added after issue and can be dropped after issue • See chart for issue ages in AIG ROP Select-a-Term ratebook on Web site
Child Rider	<ul style="list-style-type: none"> • Pays a death benefit to the insured parent upon the death of an insured child • Available for children age 15 days or more but less than 19 years old and not substandard-rated. For parents' issue ages, see chart in AIG ROP Select-a-Term ratebook on Web site • Minimum death benefit is 1/2 unit (\$500) and maximum death benefit is 10 units (\$10,000) • Expires at the earlier of the policy anniversary nearest the child's age 25 or the parent's age 65 • This rider can be added after issue and can be dropped after issue

Product Specifications (Cont'd.)

Disability Income Rider	<ul style="list-style-type: none"> Disability Income Rider available on 20- and 30-year term only, refer to AIG ROP Select-a-Term ratebook on Web site
Terminal Illness Endorsement	<ul style="list-style-type: none"> An accelerated death benefit rider is provided at no additional premium on all eligible AIG ROP Select-a-Term plans, regardless of underwriting classification Terminal Illness benefit is a one-time acceleration of up to 50 percent of the death benefit proceeds payable under the base policy, not to exceed \$250,000 Insured may become eligible for this benefit if diagnosed by a qualified physician as having 12 months or fewer to live The amount received under this endorsement is reduced by an actuarial discount and a one-time administrative fee. The fee may not exceed \$250 Payment of a terminal benefit will reduce the amount of any death benefit that may be payable Not available in all states, and state variations may apply
Waiver of Premium	<ul style="list-style-type: none"> Waives premiums for the base policy and any attached riders upon the total disability of the insured after a 6-month waiting period Not available if the face amount of the base policy exceeds \$5 million Available on policies through Table D Coverage expires following the insured's attainment of age 65, unless total disability has on that date existed continuously for more than 5 years This rider cannot be added after issue but may be dropped after issue See chart for issue ages in AIG ROP Select-a-Term ratebook on Web site

AIG ROP Select-a-Term Period

Class

Issue Ages

Issue Ages	AIG ROP Select-a-Term Period	Class	Issue Ages
	AIG ROP Select-a-Term 15	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 65 20 - 55
	AIG ROP Select-a-Term 20	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 60 20 - 55
	AIG ROP Select-a-Term 21	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 59 20 - 54
	AIG ROP Select-a-Term 22	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 58 20 - 53
	AIG ROP Select-a-Term 23	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 57 20 - 52
	AIG ROP Select-a-Term 24	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 56 20 - 51
	AIG ROP Select-a-Term 25	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 55 20 - 50
	AIG ROP Select-a-Term 26	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 54 20 - 49
	AIG ROP Select-a-Term 27	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 53 20 - 48
	AIG ROP Select-a-Term 28	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 52 20 - 47
	AIG ROP Select-a-Term 29	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 51 20 - 46
	AIG ROP Select-a-Term 30	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 50 20 - 45
	AIG ROP Select-a-Term 31 ³	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 49 20 - 44
	AIG ROP Select-a-Term 32 ³	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 48 20 - 43
	AIG ROP Select-a-Term 33 ³	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 47 20 - 42
	AIG ROP Select-a-Term 34 ³	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 46 20 - 41
	AIG ROP Select-a-Term 35 ³	Pref. Plus, Pref. NT, Std. Plus, Std. NT, Special NT Pref. T, Std. T, Special T	20 - 45 20 - 40

Percent of Total Premiums Paid

AIG ROP Select-a-Term

Cash Values

Cash values are the percentage of the accumulated base premiums paid (not including substandard or rider premiums) based on the adjacent table:

Year	15	20	21	22	23	24	25	26	27	28	29	30	31 ³	32 ³	33 ³	34 ³	35 ³
1-4	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
6	6%	4%	4%	4%	4%	4%	3%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%
7	12%	7%	7%	7%	7%	7%	5%	4%	4%	3%	3%	3%	3%	3%	3%	3%	3%
8	18%	10%	10%	10%	10%	10%	8%	6%	6%	5%	5%	5%	5%	5%	5%	5%	5%
9	24%	13%	13%	13%	13%	13%	11%	10%	10%	7%	7%	7%	7%	7%	7%	7%	7%
10	30%	17%	17%	17%	17%	17%	15%	12%	12%	9%	9%	9%	9%	9%	9%	9%	9%
11	40%	23%	23%	20%	20%	20%	21%	16%	15%	11%	11%	11%	11%	11%	11%	11%	11%
12	55%	31%	31%	31%	31%	31%	29%	20%	18%	13%	13%	13%	13%	13%	13%	13%	13%
13	70%	38%	38%	38%	38%	38%	36%	25%	20%	15%	15%	15%	15%	15%	15%	15%	15%
14	85%	44%	44%	44%	44%	44%	42%	30%	25%	17%	17%	17%	17%	17%	17%	17%	17%
15	100%	50%	50%	50%	50%	50%	48%	35%	30%	19%	19%	19%	19%	19%	19%	19%	19%
16		60%	55%	55%	55%	55%	53%	40%	35%	21%	21%	21%	21%	21%	21%	21%	21%
17		70%	60%	60%	60%	60%	58%	45%	40%	23%	23%	23%	23%	23%	23%	23%	23%
18		80%	70%	65%	65%	65%	63%	50%	45%	25%	25%	25%	25%	25%	25%	25%	25%
19		90%	80%	70%	70%	70%	68%	55%	50%	30%	30%	30%	30%	29%	29%	29%	29%
20		100%	90%	80%	75%	75%	74%	60%	55%	35%	35%	35%	35%	31%	31%	31%	31%
21			100%	90%	80%	80%	77%	65%	60%	40%	40%	40%	40%	35%	33%	33%	33%
22				100%	90%	85%	81%	70%	65%	45%	45%	45%	45%	40%	35%	35%	35%
23					100%	90%	85%	75%	70%	50%	50%	50%	50%	45%	39%	39%	37%
24						100%	90%	80%	75%	60%	55%	55%	55%	50%	45%	41%	39%
25							100%	90%	80%	70%	60%	60%	60%	55%	50%	45%	43%
26								100%	90%	80%	70%	65%	65%	60%	55%	50%	47%
27									100%	90%	80%	70%	70%	65%	60%	55%	53%
28										100%	90%	80%	75%	70%	65%	60%	57%
29											100%	90%	80%	75%	70%	65%	63%
30												100%	90%	80%	75%	70%	67%
31													100%	90%	80%	75%	70%
32														100%	90%	80%	75%
33															100%	90%	80%
34																100%	90%
35																	100%

- 1 AIG ROP Select-a-Term accumulates a cash value that first appears beginning the fifth policy year. At the end of the level term period, the cash value of the inforce policy provides an endowment benefit equal to the total of all cumulative premiums paid, less any charges for substandard ratings and riders and any outstanding loan balance. If your needs change and you surrender the policy, or convert it to our permanent insurance, you will receive the cash value that has built up in relation to the age of the policy, minus any outstanding loan balance.
- 2 Consult with your tax professional to determine if transaction is a taxable event.
- 3 AIG ROP Select-a-Term 31 – 35 periods are not available in the state of Washington.
- 4 The amount of paid-up life insurance plus a reduced endowment is based on how much the cash value will buy when applied as a net single premium at the insured's age on the date of default.
- 5 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 qualified tax advisor.

These product specifications are not intended to be all-inclusive of product information. State variations may apply. Please refer to the policy for complete details.



Policy issued by:

American General Life Insurance Company

A subsidiary of American International Group, Inc. (AIG)

2727-A Allen Parkway, Houston, Texas 77019

Policy Form Number 06001; Accidental Death Benefit Rider 79002; Child Rider 79410; Terminal Illness Endorsement 91401;

Waiver of Premium Rider 79001; Disability Income Rider 06301

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