

AIG Life Brokerage Product Glossary

Look how far we reach...

Policies/Annuities issued by:

American General Life Insurance Company

A member company of American International Group, Inc.

FOR AGENT USE ONLY —
NOT FOR DISSEMINATION TO THE PUBLIC



WE KNOW LIFE.®

AIG AMERICAN
GENERAL

Here's a quick overview of the American General Life products we offer.

TERM

LTG Ultra C 10-, 15-, 20- or 30-year guaranteed level term plans, designed for the smaller case market (under \$250,000). Offers commissionable policy fee, conversion credits and minimum face of \$50,000.

LTG Ultra 10-, 15-, 20-, or 30-year guaranteed level term plans. Minimum face \$250,000. This is our biggest selling term plan. Used in the mainstream broader, higher face market.

ROP Term 15-, 20-, or 30-year guaranteed level term. Pays a full return of premium (less riders and ratings) at the end of the level period. Offers choice of return of money or reduced paid-up coverage. Now offers policy loans. For clients with fixed insurance need. Allows you to "pay less for your term insurance by paying more." Can be used in combination with the SPIA to form a guaranteed single premium term plan.

CASH VALUE ULs

ContinUL Extend Flexible premium UL with pick a guarantee design flexibility. Lower the premium by decreasing the guarantee period. Also offers a one-time interest-free catch up (issue age 70 or less) to restore the guarantee to age 121 and continue at the original age 121 premiums.

Elite UL A traditional UL plan for cash accumulation where death benefit guarantees are not the primary objective.

Elite G UL A guaranteed death benefit and premium plan. Uses total premium paid method of determining the guarantee. Allows for unlimited interest-free catch ups. Minimum face as low as \$50,000.

Elite Index UL Same as Elite UL except it offers the option to reference the growth in the S&P 500 index on an annual basis to determine the policy interest rate. Has a 1% minimum interest and a current (but subject to change each year) 12% CAP on the S&P index growth used. Offers two premium/death benefit guarantees: 1) To age 85/90 (based on issue age) and 2) To age 100. Both guarantees use the total premium paid method for the guarantee. All the benefits of the Elite plan with interest crediting based on the S&P 500. Great for cash value growth.

Elite Global IUL A UL plan that offers both fixed and Index accounts. Has three Global index accounts and uses a formula with participation rate, but no cap, to determine crediting rate on a 5 year point to point basis. Minimum interest crediting rate 2.5%. Coverage to age 100 with maturity extension available. No surrender charge.

SURVIVORSHIP UL PLANS

Elite Survivor UL Same basic plan as Elite except insures two people and pays the death benefit out at the second death. Used mostly in estate planning or business needs.

Elite Survivor UL G Same basic plan as the Elite G except covers two people and pays the death benefit after the second death. Offers a premium/death benefit guarantee to the lesser of 50 years or age 100.

ANNUITIES

HorizonIndex A single premium deferred annuity (SPDA) with a Market Value Adjustment (MVA). Interest crediting accounts offered: Traditional Fixed (MYG rates), 1-year monthly point-to-point additive (S&P 500), 2-year point-to-point (S&P 500). Annual reallocations allowed. Has a 9- or 12-year surrender charge. Guaranteed return of premium at death. Pays first year premium bonus. Has option for full annuity value at death.

HorizonMYG SPDA with MVA. Has a 6-year fixed rate with first year bonus. Decreasing surrender charge for 10 years. Death benefit is the full annuity value, which makes it great for older clients or those in poor health.

HorizonPlus 2004 SPDA with MVA. Has 6-year fixed rate. Offers highest first-year bonus of any American General Life plan. A 9-year surrender charge. Guaranteed return of premium at death. Great for 1035s or rollovers.

HorizonSelect SPDA with MVA. Fixed interest for 5, 7, or 10 years with the right to "walk away" without surrender charge or MVA at the end of the initial guarantee period. Otherwise has a 10-year surrender charge. Death benefit is annuity value. No first-year bonus but offers highest base rates of any plan. For the client who wants to lock in top rate, without a long-term commitment.

HorizonSecure SPDA without MVA. Fixed interest for 5 or 7 years with the right to "walk away" without a surrender charge at the end of the initial guarantee period. Otherwise has a 10-year surrender charge. Annuity value at death. No interest bonus, but offers a competitive rate for non-MVA products. For the client who does not like the uncertainty of an MVA but wants an MYG rate with a "walk away" feature.

HorizonMultiValue Indexed SPDA with MVA. Interest crediting accounts offered: 5-year fixed MYG; 1-year monthly point-to-point additive (S&P 500); 1-year annual point-to-point (S&P 500); 5-year point-to-point (S&P 500). Annual reallocations allowed. Built with a 5-year "walk away" option on a 15-year surrender charge chassis (other options available). Pays a bonus at the end of each 5-year period. Death benefit is annuity value (owners age 75 or younger at issue); otherwise withdrawal value. For the client who wants the convenience of short-term indexed product with the flexibility to stay in longer.

Emerging Edge Index Annuity Offers up to 4 mix and match accounts. One fixed and three S&P 500 index with different crediting rates.

HorizonFlex Flexible Premium Deferred Annuity (FPDA). Offer first-year bonus that is paid on ALL premiums paid into the contract during the first policy year. A true flex plan, with an 8-year surrender charge that is based on policy year, NOT payments. Therefore, after 8 years there are no further surrender charges. Death benefit is equal to the annuity value. For clients who want to build their annuity over time. Guaranteed minimum rate for 2006 issues is 3%.

Platinum Income Annuity Single Premium Immediate Annuity (SPIA). Pays an income for a set period of time (period certain) or up to a lifetime. Can cover 1 or 2 people. Payments are guaranteed for the time chosen. Option to have increasing payments. Clients who are less than standard health may benefit from a better rate. Quotes are only good for 7 days at a time. Used in any situation where the client desires a guaranteed income for a period of time. Primary uses: retirement income; income for special needs children; payment of non-MEC UL premiums; payment of ROP Term premium; and payout of deferred compensation, just to name a few.

ACCIDENT & HEALTH

AIG CriticalCare Plus Pays a lump sum on diagnosis of lifestyle changing illness specified in the policy such as heart attack, stroke or cancer. Face amounts up to \$500,000 available. Also pays for Loss of Independent Living and a return of premium at death, if the policy is still in force. Benefits are paid in cash directly to the owner.

AIG EmergencyCare An accident-only plan that offers coverage for emergency care services, as named in the policy. Plus optional riders to cover Accidental Death and Dismemberment, Hospital Cash and an Accident only Disability Income for 6- or 12-month benefit periods. Offers both individual and family coverage. Does not exclude children's sports programs from coverage. No medical underwriting. Great family accident protection. Could be combined with CriticalCare to offer limited protection if not covered by a normal health plan.

AIG CancerCare A cancer-only hospital and surgical payment plan. Offers to cover some of the high costs of fighting cancer. Low-cost protection. Can also cover spouse and children.

AIG Disability Care A worksite-only product providing short term DI protection. Multiple benefit periods and elimination period options. Off-the-job only and 24-hour protection available.

For complete details about any of these insurance policies contact your AIG Life Brokerage representative or go to our agent Web site: www.aiglifebrokerage.com.

FOR AGENT USE ONLY — NOT FOR DISSEMINATION TO THE PUBLIC

Yeah, AIG American General insurance portfolio stretches THAT far

For further information contact:

IMO/Producer Name

Address

Address

City, State, Zip

Policies/Annuities issued by:

American General Life Insurance Company

A member company of American International Group, Inc.

2727-A Allen Parkway, Houston, Texas 77019

The underwriting risks, financial obligations and support functions associated with the policies issued by American General Life Insurance Company (American General Life) are solely its responsibility. American General Life is responsible for its own financial condition and contractual obligations.

American General Life does not solicit business in the state of New York. Policies not available in all states.

© 2006 American International Group, Inc. All rights reserved.

AGLC101851 REV0806

FOR AGENT USE ONLY — NOT FOR DISSEMINATION TO THE PUBLIC