



**WITH SELECT-A-TERM**  
18 TERM DURATIONS AND NEW LOWER RATES



September 17, 2018

Bulletin 18-113

## New, more competitive rates on Select-a-Term

We are pleased to announce lower rates on Select-a-Term nationwide (including New York) in certain issue ages and risk classes. The rate changes include decreases and some increases. Both annual and monthly rates are very competitive.

Here's how strong we are in the \$500,000 and above market<sup>a</sup>:

- Nationwide, nearly 80% of the premium rates rank in the top 2 and 86% rank in the top 3
- In New York, over 87% of the premium rates rank in the top 2 and 90% rank in the top 3

### What's Changed?

- Lowered the monthly modal factor for Select-a-Term issued by American General Life Insurance Company (AGL) from 8.65% to 8.55% improving it's competitive position on a monthly basis
- Rates now vary between Select-a-Term policies issued by AGL and policies issued by The United States Life Insurance Company in the City of New York (US Life)
- Select-a-Term has a new minimum face amount of \$100,000 that applies to both AGL and US Life business. As of September 17, 2018, application submission platforms will not allow a new case to be started that is below the new \$100,000 minimum face. Applications in progress prior to September 17, 2018 and received during the transition will get the old product and rates. Applications received after the transition below the minimum \$100,000 death benefit, will not be accepted. Please see transition rules for additional details.

### No Change

- Modal factors on the US Life (New York) product remain the same

We continue to be focused on you and the needs of your clients. Choose Wisely. Choose Select-a-Term.

### Invaluable Flexibility

Select-a-Term offers a unique mix of flexibility and reach:

- Guaranteed level term coverage for 18 durations, including 10-year and 15 through 30 years and a 35-year term, with renewable coverage until age 95 for older clients

Click [here](#) for an **Important Update** on Part A Forms and LTLIA Applications.

### Sales and Marketing Materials

Visit [www.aig.com/termilife](http://www.aig.com/termilife) for more information on the nationwide competitive pricing, superior flexibility of Select-a-Term and other key resources.

For the New York product resources, visit [aig.com/newyorkproducts](http://aig.com/newyorkproducts)

Printed materials are available for order through Forms Depot at [eStation.americangeneral.com](http://eStation.americangeneral.com)

a. Comparison based on 15, 20, 25, 30-year term durations, male and female quinquennial ages 20-75, \$500K and \$1.5M face amounts in non-tobacco underwriting classes (640 cells) against 15 leading competitors (11 in New York) on August 10, 2018. Nationwide denotes the entire country except New York.  
b. Select-a-Term may not be converted to a Survivorship Universal Life policy.

Policies issued by: American General Life Insurance Company (AGL), Policy Form Numbers ICC16-16901, 16901, ICC16-16900 and 16900 except in New York, where issued by The United States Life Insurance Company in the City of New York (US Life), Policy Form Numbers 16901N and 16900N. Issuing companies AGL and US Life are responsible for financial obligations of insurance products and are members of American International Group, Inc. (AIG). Products may not be available in all states and product features including rates may vary by state. All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. They are not backed by the broker/dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

## Invaluable Flexibility (cont'd)

- Select-a-Term remains convertible to the earlier of age 70 or the end of the level term period
- Extended conversion eligibility to the full suite<sup>b</sup> of AGL and US Life products for the first 8 years for 10 year term durations, or the first 10 years for term durations of 15 years and greater
- A competitive conversion credit feature, where a portion of the term premium is applied to the new permanent policy. This feature is available under the same conversion eligibility rules.

## Transition Rules for General Distribution

- New product rates and \$100,000 minimum face amount requirements are effective September 17, 2018
- Applications received in the Home Office before September 17, 2018 will automatically receive the old product rates
- Applications received in the Home Office starting September 17, 2018 and through October 16, 2018
  - During this transition period, applications received with face amount less than \$100,000 will be given the old product and old rate
  - During this transition period, applications received with face amounts of \$100,000 or greater will manually be given the product with the lowest rates prior to policy issue
- Applications received in the Home Office on October 17, 2018 or later will automatically receive the new product rates and must have a minimum face amount of \$100,000
- Reissue requests to new plan will not be honored
- New applications submitted to replace existing inforce coverage with the new rates will not be honored within 90 days of the existing coverage going inforce

## AG Quick Ticket

- New product rates and \$100,000 minimum face amount requirements are effective September 17, 2018
- Applications received in the Home Office before September 17, 2018 will automatically receive the old product rates
- Applications received in the Home Office starting September 17, 2018 and through October 31, 2018
  - During this transition period, applications received with face amount less than \$100,000 will be given the old product and old rate
  - During this transition period, applications received with face amounts of \$100,000 or greater will manually be given the product with the lowest rates prior to policy issue
- Applications received in the Home Office on November 1, 2018 or later will automatically receive the new product rates and must have a minimum face amount of \$100,000
- Reissue requests to new plan will not be honored
- New applications submitted to replace existing inforce coverage with the new rates will not be honored within 90 days of the existing coverage going inforce

## Illustrations

Select-a-Term is available on Winflex Web and Winflex Desktop. The new rates will be available starting September 17, 2018.

## State Approvals

As of September 17, 2018, the new rates for Select-a-Term are approved in all states.

