

SERFF Tracking Number:	AGLL-125645754	State:	Arkansas
Filing Company:	AGL Life Assurance Company	State Tracking Number:	38985
Company Tracking Number:	VL-0901AR		
TOI:	L06I Individual Life - Variable	Sub-TOI:	L06I.002 Single Life - Flexible Premium
Product Name:	Flexible Premium Variable Life Insurance Contract		
Project Name/Number:	/VL-0901AR		

## Filing at a Glance

Company: AGL Life Assurance Company

Product Name: Flexible Premium Variable Life Insurance Contract  
 SERFF Tr Num: AGLL-125645754 State: ArkansasLH

TOI: L06I Individual Life - Variable

SERFF Status: Closed

State Tr Num: 38985

Sub-TOI: L06I.002 Single Life - Flexible Premium

Co Tr Num: VL-0901AR

State Status: Withdrawn

Filing Type: Form

Co Status:

Reviewer(s): Linda Bird

Author: Harley Misson

Disposition Date: 05/16/2008

Date Submitted: 05/14/2008

Disposition Status: Withdrawn

Implementation Date Requested: 01/01/2009

Implementation Date:

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile: Authorized

Project Number: VL-0901AR

Date Approved in Domicile:

Requested Filing Mode:

Domicile Status Comments: Individual variable life contracts are exempt from the form filing requirements of the Commonwealth of Pennsylvania.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 05/16/2008

State Status Changed: 05/16/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

AGL Life Assurance Company is filing this Flexible Premium Variable Life Insurance Contract, form VL-0901AR, in order to comply with the 2001 CSO requirements. This contract will replace the currently approved Flexible Premium Variable Life Contract, VL-396 (approved for use on 10/29/01), effective January 01, 2009.

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Product Name: Flexible Premium Variable Life Insurance Contract  
Project Name/Number: /VL-0901AR

In addition, we are taking the opportunity to replace the following amendments and endorsements to form VL-396 that are currently approved by the Department. The language of the amendments and endorsements has been incorporated into the new contract. The following forms will be discontinued as of January 01, 2009: VL-299b (approved 11/01/01); VL-396gp1 (approved 10/29/01); END-0001 (approved 02/22/02); END-0002 (approved 02/22/02); END-0203a (approved 04/06/07); END-0204 (approved 12/06/02); END-0504a (approved 02/22/06); END-0512 (approved 03/24/06); and END-599 (approved 10/29/01).

Please be advised that this contract is designed to accommodate both the guideline premium test and cash value accumulation life insurance qualification test. Should the client opt to choose the cash value accumulation test, Page 3 and Page 9 are replaced with the two pages filed as form number VL-0901ARcvat.

Form VL-0901AR will be used with the currently approved life insurance applications APP-0701AR (Part 1, approved 06/19/07) and APP-0502 (Part 2, approved 04/13/05).

AGL Life Assurance Company policy contracts are Private Placement offerings, exempt from registration under the Securities Act of 1933. Our policies are suitable for purchase only by individuals or corporations with substantial financial means. Because the policy forms have not been filed with the SEC, the products are offered for sale only to individuals, corporations, partnerships, etc. where we have reasonable grounds to believe that the purchasers are accredited investors, as defined by law or in an offer and sale which satisfies all the conditions applicable to offers and sales made under Regulation D. For the same reason, the policies have a Private Placement Memorandum instead of a Prospectus.

If you have any questions or need additional information, please contact me by phone at (484) 530-4805 or email at hmisson@philafin.com.

## Company and Contact

### Filing Contact Information

Harley Misson,  
610 W. Germantown Pike  
Plymouth Meeting, PA 19462

hmisson@philafin.com  
(484) 530-4805 [Phone]  
(484) 530-0265[FAX]

### Filing Company Information

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AGL Life Assurance Company  
610 W. Germantown Pike  
Suite 460  
Plymouth Meeting, PA 19462  
(484) 530-4800 ext. [Phone]

CoCode: 60232  
Group Code:  
Group Name:  
FEIN Number: 52-0795747  
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State of Domicile: Pennsylvania  
Company Type: Insurance  
State ID Number:

SERFF Tracking Number: AGLL-125645754 State: Arkansas  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$40.00  
Retaliatory? No  
Fee Explanation: \$40.00 per form filing fee  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
AGL Life Assurance Company	\$40.00	05/14/2008	20314574

SERFF Tracking Number: AGLL-125645754 State: Arkansas  
 Filing Company: AGL Life Assurance Company State Tracking Number: 38985  
 Company Tracking Number: VL-0901AR  
 TOI: L061 Individual Life - Variable Sub-TOI: L061.002 Single Life - Flexible Premium  
 Product Name: Flexible Premium Variable Life Insurance Contract  
 Project Name/Number: /VL-0901AR

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Withdrawn	Linda Bird	05/16/2008	05/16/2008

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Withdraw	Note To Reviewer	Harley Misson	05/15/2008	05/15/2008



SERFF Tracking Number: AGLL-125645754 State: Arkansas  
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 TOI: L061 Individual Life - Variable Sub-TOI: L061.002 Single Life - Flexible Premium  
 Product Name: Flexible Premium Variable Life Insurance Contract  
 Project Name/Number: /VL-0901AR

<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Certification/Notice		No
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Actuarial Memo		No
<b>Supporting Document</b>	Statement of Variability		No
<b>Form</b>	VL Contract		No
<b>Form</b>	Insert Pages		No

*SERFF Tracking Number:*      *AGLL-125645754*                      *State:*                      *Arkansas*  
*Filing Company:*              *AGL Life Assurance Company*                      *State Tracking Number:*      *38985*  
*Company Tracking Number:*      *VL-0901AR*  
*TOI:*                      *L06I Individual Life - Variable*                      *Sub-TOI:*                      *L06I.002 Single Life - Flexible Premium*  
*Product Name:*              *Flexible Premium Variable Life Insurance Contract*  
*Project Name/Number:*      *VL-0901AR*

**Note To Reviewer**

**Created By:**

Harley Misson on 05/15/2008 12:47 PM

**Subject:**

Withdraw

**Comments:**

Please withdraw this filing.

As of today, we have made revisions to the contract.

I will re-file shortly.

Thank you for your cooperation in this matter.

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## Form Schedule

Lead Form Number: VL-0901AR

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	VL-0901AR	Policy/Cont	VL Contract ract/Fratern al Certificate	Initial		47	VL-0901AR.pdf
	VL-0901AR	Policy/Cont	Insert Pages ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial			VL-0901ARcvat.pdf

# AGL Life Assurance Company

## FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE CONTRACT

### Provision of Benefits

AGL Life Assurance Company promises to provide the benefits described in this Contract. This promise is subject to the terms of this Contract. It is made in return for your Application and payment of the required premiums. This is a legal contract between you and us. PLEASE READ THIS CONTRACT CAREFULLY. The words "we," "us," "our," and "company" refer to AGL Life Assurance Company.

This Contract takes effect on the Contract Date. It continues in force as long as the Net Account Value is sufficient to pay the Monthly Charges, as described herein.

### Notice of 10 Day Right to Examine Your Contract (Free Look Period)

**This Contract may be canceled at any time within ten (10) days after it is received. This Contract must be returned to us at our Home Office or to the agent through whom it was purchased. Written notice of cancellation is also needed. If this Contract is canceled, it will be as though this Contract had never been issued. Any premium paid will be returned to you minus any Death Benefits paid, Partial Withdrawals taken, and any Contract Loans, together with accrued but unpaid interest on such Contract Loans.**

This Contract is issued by a stock company and is governed by the laws of the Governing Jurisdiction (See Contract Schedule A).

This contract may only be sold to an accredited investor as defined by law or in an offer and sale which otherwise satisfies all conditions applicable to offers and sales made under Regulation D. Its ownership may not be transferred without our permission. It may only be transferred to another accredited investor or in an offer and sale which otherwise satisfies all the conditions otherwise applicable to offers and sales made under Regulation D. If you cease to be an accredited investor or if all of the conditions applicable to offers and sales made under Regulation D are no longer satisfied, then we may exchange this contract for another contract that is exempt from registration or is registered as required by law. If you do not accept such change, you must notify us in writing within thirty (30) days of receipt of the new contract. We also reserve the right to prevent an exchange of this contract in accordance with Internal Revenue Code Section 1035 in a situation where such exchange would violate the investor control requirements of the Internal Revenue Code.

**ALL VALUES OR PAYMENTS PROVIDED BY THIS CONTRACT WHEN BASED ON THE EXPERIENCE OF A VARIABLE ACCOUNT MAY INCREASE OR DECREASE AND ARE NOT GUARANTEED AS TO DOLLAR AMOUNT. THE AMOUNT AND DURATION OF THE DEATH BENEFIT MAY BE VARIABLE OR FIXED UNDER CERTAIN CONDITIONS (SEE PART 3, INSURANCE PLAN).**

Signed at Plymouth Meeting, Pennsylvania, on the Contract Date.

[  ]

SECRETARY

[  ]

PRESIDENT

### Variable Life Insurance.

Face Amount payable if Insured dies while the contract is in force prior to age 120.

Flexible Premiums payable while the Insured is living until the Maturity Date.

Non participating, no dividends are payable.

Home Office: 610 West Germantown Pike, Suite 460, Plymouth Meeting, Pennsylvania 19462

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**CONTRACT SCHEDULE A**

**GENERAL CONTRACT AND INSURED INFORMATION**

Contract Number:	[Specimen]
Contract Holder:	[John Doe]
Contract Year:	[July 1 through June 30]
Contract Date:	[July 1, 2009]
Issue Date:	[July 1, 2009]
Maturity Date:	[July 1, 2064]
Beneficiary:	[Jane Doe]

Depending on the premium paid, the performance of the funds in the Variable Account, or changes in non-guaranteed charges, coverage may not continue to the Maturity Date. If coverage continues to the Maturity Date, the net account value to be paid may be zero or small.

**INSURED INFORMATION**

Insured:	[John Doe]	Date of Birth:	[07/01/1944]
Sex:	[Male]	Issue Age:	[65]
Underwriting Class:	[Standard Non-smoker]		
Social Security Number:	[111-11-1111]		
Residence:	[400 Harvest Drive Blue Bell, PA 19422]		

**BASIC CONTRACT INFORMATION**

Plan:	Flexible Premium Variable Life Insurance
Death Benefit Option:	Option [1]
Riders:	[None]
Governing Jurisdiction:	[PA]
State of Issuance:	[PA]
Initial Face Amount:	[\$5,400,000.00]
Option 3 Death Benefit on the Contract Date:	[N/A]
Initial Premium:	[\$250,000.00]
Initial Net Premium:	[\$233,750.00]
Minimum Premium:	[\$38,000.00]
Life Insurance Qualification Test:	[Guideline Premium Test]

**NET PREMIUM ALLOCATION LIMITATIONS**

You may direct the allocation of the Net Premium to any Investment Account as described in Contract Schedule C.

During the Free Look Period, however, the allocation of the Net Premium will be limited to the Money Market Investment Account.

No Net Premium may be allocated by you to our General Account.

**PARTIAL WITHDRAWALS**

Minimum withdrawal Amount: \$500.00

**BASIS OF COMPUTATIONS**

Mortality Table:	2001 Commissioners Standard Ordinary Table, Composite Ultimate, Age Nearest Birthday
Interest Rate:	4.00% per year 0.327374% monthly equivalent

**CONTRACT SCHEDULE B**

**CONTRACT CHARGES AND FEES**

Charges displayed in this schedule are the maximum charges under this Contract. Current charges may be lower than those shown.

**PREMIUM LOADS**

Premium Loads are deducted from each premium payment.

Distribution Charge:	[3.50%] of Initial Premium [3.50%] of Subsequent Premium
Premium Tax Charge:	A charge calculated to approximate the aggregate of taxes based on premiums received imposed on us by the jurisdiction in which you reside plus an amount equivalent to the cost of any applicable Federal DAC tax.

**MONTHLY CHARGES**

Monthly Charges are deducted from the Account Value.

Asset Charges:	Asset Charges are deducted by us on a daily basis from each Investment Account managed directly by one or more investment managers. The Asset Charges for the Investment Accounts are shown in Contract Schedule C.
Mortality and Expense Risk Charge:	[0.103575%] monthly (equivalent to [1.25%] annually)
Cost of Insurance:	See Contract Schedule E.

**CONTRACT LOAD**

A contract load is deducted on the contract date and on the effective date of any increase in Face Amount.

Contract Load at issue:	\$2,000.00
Contract Load per increase:	\$2,000.00

**OTHER CHARGES**

We reserve the right to deduct from this Contract's Account Value an amount equivalent to any federal, state, or local taxes or other governmental charge that we determine to be properly attributable to this Contract.

**CONTRACT LOANS**

Loan Interest Rate:	4.60% annually in arrears.
Minimum Credited Rate for the Borrowed Fund:	[4.00%]

## CONTRACT SCHEDULE C

### VARIABLE ACCOUNT

The Variable Account for this contract is the Life Variable Portfolio. The assets of the Variable Account shall be available to cover the liabilities of the general account only to the extent that the assets of the Variable Account exceed the liabilities of the Variable Account arising under the policies supported by the Variable Account. The assets of the Variable Account shall be valued as often as contract benefits vary but at least monthly. See the Valuation Period provision in Part 6, The Investment Accounts, for more details.

### THE INVESTMENT ACCOUNTS

Each of the Investment Accounts invests in securities authorized by Pennsylvania law. This Schedule may be amended from time to time to add or delete Investment Accounts.

### LIMITATION ON TRANSFER

The maximum number of transfers allowed among Investment Accounts per Contract Year is twelve (12).

#### [ Investment Account 1 -- Money Market

Objective: The highest level of current income consistent with preservation of capital and maintenance of liquidity.  
Strategy: Investing primarily in high-quality, short-term money market instruments.  
Asset Charges: 0.75% (annual equivalent)

#### Investment Account 2 -- Equity Growth Account

Objective: To achieve capital appreciation in excess of S & P's 500 Index over a period of market cycle, typically 3 years.  
Strategy: Invests primarily in common stocks through a portfolio structure that blends traditional, accelerating, and emerging growth companies.  
Asset Charges: 1.40% (annual equivalent)

#### Investment Account 3 -- Bond Account

Objective: To generate the highest current income consistent with low risk to principal.  
Strategy: Invests primarily in U.S. Government, U.S. Agency notes and bonds, floating rate notes, as well as investment grade corporate bonds.  
Asset Charges: 1.05% (annual equivalent)

#### Investment Account 4 -- Balanced Account

Objective: To provide consistent annual rate of return well in excess of the inflation rate as measured by CPI over a period of market cycle, typically 3 years.  
Strategy: The portfolio will primarily consist of U.S. dollar denominated fixed income and equity securities.  
Asset Charges: 1.35% (annual equivalent)]

**CONTRACT SCHEDULE D**

**FACE AMOUNT**

Minimum Face Amount: \$200,000

Maximum Face Amount: Subject to underwriting.

Increases in Face Amount will require evidence of insurability. Increases will be subject to a contract load as shown in Contract Schedule B.

<u>Contract Years</u>	<u>Table of Selected Face Amounts</u>
[All]	[\$5,400,000]

We reserve the right to reduce the Death Benefit of this contract by requiring one or more partial withdrawals. The function of these partial withdrawals shall be to limit the Net Amount at Risk to an amount not greater than Maximum Net Amount at Risk shown below. Failure to require any partial withdrawal under this provision shall not be deemed to waive our right to require future withdrawals permitted by this contract.

Maximum Net Amount at Risk: The smaller of (1) Face Amount; (2) the reduced Face Amount should you choose to reduce the Face Amount at a later date; or (3) the reduced Face Amount resulting from a partial withdrawal.

**CONTRACT SCHEDULE E**

**COST OF INSURANCE**

The guaranteed maximum monthly Cost of Insurance rates per \$1,000 of Net Amount at Risk are the rates shown below increased by 25% per table for each table rating, if any, shown in Schedule A plus any flat extra rating indicated. No monthly Cost of Insurance will exceed 83.33333 per \$1,000 of Net Amount at Risk.

<u>Attained</u> <u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Attained</u> <u>Age</u>	<u>Male</u>	<u>Female</u>
0	0.080840	0.040002	40	0.137519	0.108345
1	0.046669	0.029168	41	0.149189	0.115013
2	0.032501	0.021667	42	0.163360	0.123349
3	0.022501	0.016667	43	0.179199	0.132518
4	0.017500	0.015834	44	0.199206	0.143354
5	0.017500	0.015000	45	0.220882	0.155858
6	0.018334	0.015000	46	0.241725	0.170863
7	0.018334	0.017500	47	0.264236	0.189202
8	0.018334	0.017500	48	0.277577	0.208377
9	0.019167	0.017500	49	0.293419	0.231720
10	0.019167	0.018334	50	0.313432	0.256733
11	0.022501	0.019167	51	0.338448	0.284247
12	0.027501	0.022501	52	0.372639	0.315933
13	0.032501	0.025001	53	0.411002	0.350123
14	0.039168	0.027501	54	0.458543	0.385982
15	0.050836	0.029168	55	0.514431	0.425181
16	0.061670	0.032501	56	0.573662	0.469387
17	0.072505	0.034168	57	0.637072	0.516100
18	0.078339	0.035835	58	0.689642	0.566988
19	0.081673	0.038335	59	0.749728	0.616213
20	0.083340	0.039168	60	0.822342	0.667946
21	0.083340	0.040002	61	0.912499	0.723857
22	0.085007	0.041668	62	1.021876	0.783113
23	0.085841	0.041668	63	1.143807	0.845715
24	0.087508	0.043335	64	1.271615	0.914168
25	0.089175	0.045002	65	1.406141	0.988476
26	0.093342	0.046669	66	1.541539	1.069476
27	0.097510	0.050003	67	1.676974	1.158841
28	0.097510	0.052503	68	1.824155	1.257412
29	0.095843	0.055003	69	1.973889	1.365195
30	0.095009	0.056670	70	2.152122	1.486373
31	0.094176	0.060837	71	2.351349	1.625137
32	0.094176	0.064171	72	2.616830	1.778156
33	0.095843	0.068338	73	2.893347	1.945444
34	0.098343	0.073339	74	3.183435	2.129525
35	0.100844	0.080840	75	3.504740	2.330418
36	0.106678	0.085841	76	3.854802	2.550656
37	0.111679	0.092509	77	4.261416	2.791940
38	0.120014	0.097510	78	4.735654	3.057654
39	0.128350	0.102511	79	5.282761	3.348676

**CONTRACT SCHEDULE E (continued)**

**COST OF INSURANCE**

The guaranteed maximum monthly Cost of Insurance rates per \$1,000 of Net Amount at Risk are the rates shown below increased by 25% per table for each table rating, if any, shown in Schedule A plus any flat extra rating indicated. No monthly Cost of Insurance will exceed 83.33333 per \$1,000 of Net Amount at Risk.

Attained			Attained		
<u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Age</u>	<u>Male</u>	<u>Female</u>
80	5.879365	3.668408	100	31.210443	23.517882
81	6.558568	4.109317	101	32.709347	25.451711
82	7.264053	4.600232	102	34.309779	27.591693
83	8.023023	5.093310	103	36.018925	29.959814
84	8.863708	5.637436	104	37.843223	32.578719
85	9.809457	6.242899	105	39.790170	35.426246
86	10.859154	6.795027	106	41.867443	38.361396
87	12.004908	7.623512	107	44.085646	41.385529
88	13.233676	8.494041	108	46.452917	44.445508
89	14.531472	9.422963	109	48.979474	47.651558
90	15.886776	10.264285	110	51.675845	50.950979
91	17.159480	10.683770	111	54.554754	54.141591
92	18.488105	11.538280	112	57.626545	57.254750
93	19.891280	12.798396	113	60.908527	60.105321
94	21.375691	14.396827	114	64.412950	64.149598
95	22.945520	16.403051	115	68.157340	67.939651
96	24.383748	18.300558	116	72.157064	71.900399
97	25.919865	20.276291	117	76.433024	76.275656
98	27.562656	20.595620	118	81.006092	80.345278
99	29.322834	21.731375	119	83.333333	83.333333

CONTRACT SCHEDULE F

DEATH BENEFIT COMPUTATION

TABLE OF MINIMUM DEATH BENEFIT FACTORS

<u>Attained</u> <u>Age</u>	<u>Factor</u>	<u>Attained</u> <u>Age</u>	<u>Factor</u>
[0-40	2.50	60	1.30
41	2.43	61	1.28
42	2.36	62	1.26
43	2.29	63	1.24
44	2.22	64	1.22
45	2.15	65	1.20
46	2.09	66	1.19
47	2.03	67	1.18
48	1.97	68	1.17
49	1.91	69	1.16
50	1.85	70	1.15
51	1.78	71	1.13
52	1.71	72	1.11
53	1.64	73	1.09
54	1.57	74	1.07
55	1.50	75-90	1.05
56	1.46	91	1.04
57	1.42	92	1.03
58	1.38	93	1.02
59	1.34	94	1.01
		95 & older	1.00]

## Part 1. Definitions

The following terms have special meaning as they are used in this contract. That meaning is explained here. Other terms that have special meaning are explained in the contract.

**Accumulation Units.** Accumulation Units are used to measure the Account Value allocated to each Investment Account.

**Age.** The Issue Age plus the number of completed Contract Years. Issue Age is the Attained Age of the Insured on the birthday nearest the Contract Date. Issue Age is shown in Schedule A.

**Beneficiary.** Any person or entity named in our records to receive the insurance proceeds after the Insured dies.

**Borrowed Fund.** An account established for any amounts transferred from the Investment Accounts as a result of loans. The account is credited with interest and is not based on the experience of any Investment Account.

**Contract Anniversary.** The day that marks the start of a new Contract Year.

**Contract Holder.** Referred to as You or Your. The owner of this Contract, as shown in our records. All of the rights and benefits of this Contract belong to you, unless otherwise stated herein.

**Contract Year.** Each successive twelve month period starting on the Contract Date.

**Face Amount.** The amount of insurance under this Contract. The Initial Face Amount is shown in Contract Schedule A. Thereafter, it may change in accordance with the terms of the provisions of Part 3, Insurance Plan, Part 9, Partial Withdrawals and Contract Schedule D.

**Governing Jurisdiction.** The state or jurisdiction in which this Contract is delivered and whose laws govern its terms.

**Investment Account.** Each of the Investment Accounts collectively comprise the Variable Account. The assets of each Investment account are invested separately.

**Contract Date.** The date used to begin calculating Monthly Charges and Annual Charges. The Contract Date is shown in Contract Schedule A. Computation of Contract Months starts with the Contract Date.

**Monthly Calculation Date.** This date determines the day for calculating Monthly Charges under this Contract. The day Monthly Charges are deducted from the Account Value. It is the same day of each succeeding month as the Contract Date except that whenever the Monthly Calculation Date falls on a day other than a Valuation Day it is deemed to be the next Valuation Day. If any Monthly Calculation Date would be the 29th, 30th, or 31st of a month that does not have that number of days, then the Monthly Calculation Date will be the last day of that month. If the Initial Premium is received after the Contract Date, the Monthly Charges are still calculated beginning on the Contract Date and deducted on the on the date the Initial Premium is received.

**Net Amount At Risk (NAR).** The Net Amount At Risk is calculated on any Monthly Calculation Date by subtracting the Account Value from the Death Benefit discounted to such Monthly Calculation Date at the interest rate specified in Contract Schedule A, under Basis of Computations.

**Net Investment Factor.** The Net Investment Factor is an index that measures the investment performance of an Investment Account from one Valuation Day to the next.

**NonSmoker.** A person who does not currently and has not in the twelve months before the application is signed smoked any cigarettes.

**S.E.C.** The United States Securities and Exchange Commission.

**Smoker.** A person who is not a NonSmoker as defined above.

**Settlement Agreement:** The supplemental agreement described herein to take effect on the death of the Insured.

**Valuation Day.** Valuation will occur periodically at such intervals as we may reasonably determine. It will be at least as often as contract benefits vary but at least monthly. The day a valuation takes place will be called Valuation Day. Each Valuation Day ends at the Valuation Time.

## Part 1. Definitions (continued)

**Valuation Time.** The Valuation Time is the close of trading on the New York Stock Exchange (or any successor exchange) or, if the securities in which the assets of an Investment Account are invested are not traded on the New York Stock Exchange, the close of trading on any exchange on which such securities are traded, except when the S.E.C. determines that an emergency exists that would make the determination of the value of the securities not reasonably practicable.

**Variable Account.** The Variable Account has been established under Pennsylvania Law. The Variable Account is not part of our General Account.

## Part 2. Qualification as Life Insurance

This Contract must qualify as life insurance under one of the following tests as defined in Section 7702 of the Internal Revenue Code of 1986. The life insurance qualification test for this Contract will be the Guideline Premium Test unless otherwise elected in the application. The Life Insurance Qualification for this Contract is shown in Contract Schedule A. The test may not be changed at any time after the contract is issued.

We reserve the right to restrict Contract transactions as necessary in order to qualify the Contract as a life insurance contract under Section 7702. If it is subsequently determined that this Contract does not satisfy Section 7702, We may take whatever steps are appropriate and necessary to attempt to cause this Contract to comply with Section 7702.

### Guideline Premium Test

Under this test, the amount of premium that can be paid in a contract year may not exceed the Maximum premium Limit. The Maximum Premium Limit for a contract year is the largest amount of premium which can be paid in that contract year such that the sum of the premiums paid under the contract will not at any time exceed the guideline premium limitation referred to in Section 7702 of the internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto.

In addition, a minimum margin must exist between the Death Benefit and the Account Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Death Benefit of the contract will be adjusted accordingly with factors show in Contract Schedule F to satisfy the requirements of this portion of the test. See the Death Benefit Options provision of Part 3. Insurance Plan for further details.

### Cash Value Accumulation Test

Under this test, the Account Value cannot at any time exceed the net single premium required to fund the future benefits under the contract. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Death Benefit of the Contract will be adjusted accordingly with factors shown in Contract Schedule F to satisfy the requirements of this test. See the Death Benefit Options provision of Part 3. Insurance Plan for further details.

## Part 3. Insurance Plan

This Contract provides insurance coverage on the life of the Insured. The Insured is named in Contract Schedule A.

### Death Benefit

If the Insured dies while this Contract is in force, a Death Benefit is payable to the Beneficiary when we receive due proof of death. The amount of Death Benefit depends on the Death Benefit Option selected by you and shown in Contract Schedule A and Contract Schedule D, if any. The amount of the Death Benefit payable is also adjusted as follows:

- (1) by deducting the amount of any unpaid Charges or Fees against the Account Value to the date of death; and
- (2) by deducting the amount of any Contract Loans outstanding against the Account Value on the date of death plus interest accrued but unpaid on such Contract Loans on the date of death; and
- (3) by deducting the amount of any unpaid charges for benefits provided by Rider, if any.

### **Part 3. Insurance Plan (continued)**

#### **Death Benefit Options**

There are three Death Benefit Options, described below. The Death Benefit Option for this Contract on the Contract Date is shown in Contract Schedule A.

Option 1: The greater of:

- (a) the Face Amount in effect on the date of death; and
- (b) the Account Value on the date of death multiplied by the Minimum Death Benefit Factor shown in Contract Schedule F.

Option 2: The greater of:

- (a) the Face Amount plus the Account Value on the date of death; and
- (b) the Account Value on the date of death multiplied by the Minimum Death Benefit Factor shown in Contract Schedule F.

Option 3: The greater of:

- (a) the Face Amount plus the Account Value on the date of death, such amount not to exceed the Option 3 Death Benefit on the Contract Date shown in Schedule A (This amount only appears if Option 3 Death Benefit has been elected.) and
- (b) the Account Value on the date of death multiplied by the Minimum Death Benefit Factor shown in Contract Schedule F.

#### **Face Amount**

Unless otherwise agreed, the Face Amount for this Contract may not be greater than that determined according to Contract Schedule D. The Face Amount on the Contract Date is shown in Contract Schedule A. The table of Selected Face Amounts is shown in Contract Schedule D.

#### **Minimum Death Benefit Factor**

A table of Minimum Death Benefit Factors is included in Contract Schedule F. To ensure that the Contract will qualify as life insurance under the Internal Revenue Code, the Death Benefit will never be less than the Account Value multiplied by the appropriate Minimum Death Benefit Factor.

#### **Changing the Face Amount**

You may, subject to our approval, change the Face Amount or the Table of Selected Face Amounts. You must request the change by notifying us in writing. If we approve the change, it will take effect on the next Monthly Calculation Date that is at least thirty (30) days after all the required information has been provided to us. Any limitations on the number and/or amount of such changes are shown in Contract Schedule D. Cost of Insurance amounts charged to the Account Value will be adjusted to provide for the change. No such change will be effective if the Insured dies before the date of such change.

#### **Changing the Death Benefit Option**

The Death Benefit Option for this Contract may be changed while this Contract is in effect. You must request the change by notifying us in writing. Changes in Death Benefit Option are subject to our approval and may require satisfactory evidence of insurability. If we approve the change, it will take effect on the next Monthly Calculation Date that is at least thirty (30) days after all the required information has been provided to us. The Cost of Insurance amounts will be adjusted to provide for the change. No such change will be effective if the Insured dies before the date of change.

**If the Death Benefit is changed from Option 1 to Option 2, the Face Amount after the change will equal the Face Amount immediately prior to the change less the Account Value at the time of the change.**

**If the Death Benefit is changed from Option 2 to Option 1, the Face Amount after the change will equal the Death Benefit immediately prior to the change.**

**Changes from Option 3 will be made based on the principal that the death benefit less account value shall not be increased as a result of such change. The Death Benefit of the changed contract will be for such amount as we approve. Option 3 may only be elected at issue of the contract.**

## Part 4. Variable Life Insurance Coverage

### Time of Payment of Death Benefit

A Death Benefit will usually be paid within seven (7) days of the date due proof of the Insured's death and surrender of the contract or proof of the interest of the claimant is received by us at our Home Office. Payment of any amount of Death Benefit based upon an Investment Account may be delayed if:

- (1) the New York Stock Exchange (or its successor or, if the securities in which the assets of the Investment Accounts are invested are not traded on the New York Stock Exchange, any principal exchange on which such securities are traded) is closed; or
- (2) the S.E.C. determines that an emergency exists that would make the disposal of securities held in the Investment Account or the determination of their value not reasonably practicable.

Settlement of any amounts not based upon an Investment Account will be made not more than sixty (60) days after due proof of death is received.

**Payment of Death Benefit:** When the Death Benefit of this Contract becomes payable, the portion of the Death Benefit payable equal to the sum of all Account Values, excluding the Borrowed Fund, shall be paid, as of the date of death, into the Settlement Agreement described below. The remaining portion of the Death Benefit payable, exclusive of Account Values, shall be paid according to Contract terms and conditions and may not be applied to the Settlement Agreement. Nothing here shall change the amount of the total Death Benefit payable as of the date such Death Benefit becomes payable. However, the value of assets paid into the Settlement Agreement may increase or decrease after the date on which such assets are paid into the Settlement Agreement, and You and/or any Beneficiary bear the risk of all such changes in value. Any amounts that are due to Us for misstatement of age or sex or for past charges due shall be deducted from or added to the Account Value before it is applied under this Endorsement.

**Liquid Account Value:** The Account Value (or portion of such Account Value) paid into the Settlement Agreement described here is Liquid if it is not subject to any investment, liquidity, or withdrawal restrictions and is held by Us in the form of cash or cash equivalents (denominated in U.S. dollars).

**Settlement Agreement:** Provisions applicable to Account Values described in this Contract shall apply in the same manner to the Account Values of the Settlement Agreement, except as modified here. Payments from the Settlement Agreement shall be made to the Beneficiary. The Account Value of the Settlement Agreement shall be paid to the Beneficiary on the later of: (1) the date We receive due proof of death; and (2) the date on which the Account Value becomes Liquid. If a part of the Account Value becomes Liquid after We receive due proof of death, that part shall be paid when it becomes Liquid and the remaining portion shall remain in the Settlement Agreement until it is Liquid. No other withdrawal may be made from the Settlement Agreement. Neither this Settlement Agreement nor any rights of You or the Beneficiary under it may be assigned or transferred without our written permission. The Account Value of the Settlement Agreement may not be transferred to another Investment Account. The Settlement Agreement shall terminate when the entire Account Value has been paid.

**Death/Termination of Beneficiary of Settlement Agreement:** If a Beneficiary who is a natural person dies after the Settlement Agreement begins and before it terminates, such Beneficiary's share of payments from the Settlement Agreement shall be made to the estate of such Beneficiary. If a Beneficiary who is a non-natural person dissolves or is otherwise terminated after the Settlement Agreement begins and before it terminates, such Beneficiary's share of payments from the Settlement Agreement shall be made to the successors of such Beneficiary.

### Interest on Death Benefits

Interest on Death Benefits will be credited as prescribed by law.

### Beneficiary

You may name or change a Beneficiary by sending written notice to us. A Beneficiary may be revocable or irrevocable. An irrevocable Beneficiary may not be changed without his or her consent. Also an Irrevocable Beneficiary must consent to the exercise of certain other rights by you. There may be different classes of Beneficiaries, such as primary and secondary. These classes set the order of payments. There may be more than one Beneficiary in a class. The Beneficiary designation in effect on the Contract Date is stated in the Application for this Contract.

## **Part 4. Variable Life Insurance Coverage (continued)**

### **Suicide Exclusion**

If the Insured commits suicide, while sane or insane, within two years from the date coverage becomes effective on such person under this Contract, only a limited Death Benefit will be payable. In such case, the amount of the Death Benefit will be equal to the amount of the Premiums less any Partial Withdrawals and Contract Loans and any loan interest accrued but unpaid.

Furthermore, if the Insured commits suicide within two years from the date of receipt of any Subsequent Premium Payment which increases the amount of the Death Benefit, or any change of Face Amount or change of Death Benefit Option which increases the amount of the Death Benefit, the amount of the increase in the Death Benefit will be limited to a refund of the Cost of Insurance charges made for such increase.

## **Part 5. Premium Payments**

### **A. Premium Payments Generally**

You may make premium payments at any time, subject to limitations described in this Contract. However, we have the right to promptly refund any amount of premium paid (1) in order to keep this Contract in compliance with state and federal laws and (2) if the premium increases the Net Amount at Risk and requested evidence of insurability is not provided or does not satisfy current underwriting requirements.

If a premium payment would cause an increase in the Net Amount at Risk, we reserve the right to request evidence of insurability satisfactory to us within seven days of receipt of such premium and the entire premium payment will not be applied to the Contract until such satisfactory evidence is provided. Unless clearly marked otherwise, all funds received by us will be considered premium payments to the Contract.

### **Where to Pay Premiums**

All premiums are payable to us at our Home Office.

### **Premium Loads**

Any Premium Loads shown in Contract Schedule B are deducted from premiums received by us prior to allocation to the Investment Accounts. Premium Loads include charges for sales and distribution expenses as well as premium taxes.

### **Net Premiums**

A Net Premium is any premium we receive minus any Premium Load.

### **Initial Premium**

The Initial Premium is the first premium received and accepted by us.

### **Initial Net Premium**

The Initial Net Premium for this Contract is stated in Contract Schedule A.

### **Minimum Net Premium**

The Minimum Net Premium at any time is equal to twelve (12) times the first Monthly Charges for the current Contract Year.

### **Minimum Premium**

The Minimum Premium at any time is equal to the Minimum Net Premium plus the Premium Loads.

### **Maximum Premium**

If the Guideline Premium Test is in effect, the largest amount of premium which can be paid in any contract year is an amount such that the sum of the premiums paid under the contract will not, at any time, exceed the guideline premium limitation referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. Premiums in excess of this limit will not be accepted. This limit is in addition to all other limitations stated in the contract.

### **Subsequent Premiums**

Each premium payment made after the Initial Premium has been paid is known as a Subsequent Premium payment. Subsequent Premium payments may be made on any Valuation Day and in any amount, subject to certain limitations. The premium may not be less than the minimum premium stated in Schedule A. If the premium increases the Net Amount at Risk, evidence of insurability may be required.

## Part 5. Premium Payments (continued)

### Premium Payment to Prevent Lapse

Whenever this Contract is in danger of lapsing because the Net Account Value is insufficient to pay the Monthly Charges, the amount of premium required to prevent lapse is equal to three (3) times the Monthly Charges then due plus any applicable Premium Loads.

### Premium Payments to Reinstate Insurance Coverage

When insurance coverage has lapsed due to insufficient Net Account Value, the amount of premium required to reinstate the insurance coverage is equal to three (3) times the Monthly Charges due on the Monthly Calculation Date immediately preceding the effective date of Reinstatement, plus any applicable Premium Loads. Evidence of insurability satisfactory to us is required to reinstate.

The account value on the date of reinstatement is the contract value at the beginning of the grace period of lapse plus the payment made upon reinstatement less the premium load less past due Monthly Charges.

### Premium Notices

Notices of any premium payments necessary to prevent lapse of insurance coverage or to reinstate insurance coverage will be sent to you.

### B. Allocation of Net Premiums to or among the Investment Accounts

Net Premiums are allocated to or among the Investment Accounts in accordance with your instructions, subject to the Net Premium Allocation Limitations stated in Contract Schedule A, and further subject to any limitations stated in Contract Schedule C. If no instructions are received from you with a premium payment, such Net Premiums will be allocated to the Investment Accounts in the same proportions as stated in the most recent recorded instructions received from you.

#### Timing

Net Premiums received prior to the Valuation Time on any Valuation Day will be allocated as of the date they are received. Net Premiums received after such time will be allocated on the next Valuation Day.

#### During Free Look Period

Any Net Premiums received prior to the end of the Free Look Period will be allocated to the Money Market Investment Account. At the end of such period, the Net Account Value will be allocated to any Investment Accounts then available according to your instructions for allocation of Net Premiums. No allocation instructions received from you during the Free Look Period will be acted upon.

## Part 6. The Investment Accounts

Subject to the conditions set forth in this Part, you have the right to allocate and re-allocate the Account Value of this Contract among the Investment Accounts on any Valuation Day.

### The Investment Accounts

The assets in each Investment Account are kept segregated from our General Account and from any other of our Investment Accounts. We own the assets of the Investment Accounts. Those assets will only be used to support our variable products and for any other purposes permitted by applicable laws and regulations. The portion of the assets of an Investment Account equal to the reserves and other Contract liabilities with respect to such Investment Account will not be charged with liabilities that arise from any other business we may conduct. We may, however, transfer from an Investment Account to our General Account assets that exceed the reserves and other Contract liabilities with respect to such Investment Account. Income, gains, and losses, whether or not realized, from each Investment Account are credited to or charged against that Investment Account and without regard to the income, gains, or losses of any other Investment Account and without regard to any of our other income, gains, or losses.

With respect to the assets required to be maintained in the Investment Account for the benefit of you, the term "reserves" will in no event be less than an amount equal to the sum of the Net Account Value, pursuant to Part 7-Account Value.

We reserve the right to: (1) establish and operate the Variable Account as a managed account or an account which purchases shares from the portfolios of funds managed by investment managers retained by us; (2) register or deregister the Variable Account under the Investment Company Act of 1940; (3) operate the Investment Accounts as unit investment trust registered, or exempt from registration, under the Investment Company Act of 1940 or any other form permitted by law

## Part 6. The Investment Accounts (continued)

### Transfers

Transfers between or among Investment Accounts may be made on any Valuation Day (see, however, Availability of Funds, in Part 12). Transfers must be requested by you in a form acceptable to us. We reserve the right to limit the amount of any transfer. The maximum number of transfers per Contract Year is shown in Contract Schedule C. Written confirmation of each transfer will be sent to you.

### Investments of the Accounts

We may contract with investment managers to manage directly the assets held in the Investment Accounts. We may deduct an Asset Charge from the Account Value allocated to Investment Accounts that are managed directly as well as any costs and expenses arising from such Investment Accounts. In either case, investment managers are selected by us in our discretion.

### Changes in the Investment Accounts

We have the right to establish additional Investment Accounts, and to establish other investment options, from time to time. For any Investment Account, we have the right to substitute a new portfolio for the portfolio in which the Investment Account invests, to substitute new Investment Accounts, to combine two or more Investment Accounts, and to eliminate any existing Investment Accounts or any other investment option. Subject to any required regulatory approvals, we reserve the right to transfer assets of an Investment Account to another Investment Account that we determine to be associated with the class of contracts to which the Contract belongs.

### Valuation Period

The Valuation Period is the period of time between Valuation Times. The Valuation Period begins as of the end of the previous Valuation Day.

The value of an Investment Account reflects:

- Any amounts transferred to the Investment Account during the current Valuation Period;
- The investment income and realized and unrealized capital gains credited to such assets in the Valuation Period;
- Any amounts transferred from an Investment Account during the current Valuation Period;
- Realized and unrealized capital losses charged against those assets during the Valuation Period;
- Any amount charged or reserved against the Investment Account for taxes;
- Any expenses charged or reserved against the Investment Account for expenses incurred in operating such Investment Account;
- Any other Monthly Charges deducted from the Investment Account for this Contract including the mortality and expense risk charge.

The Account Value will increase or decrease in accordance with the increases and decreases in the value of the Investment Accounts in which the Account Value is invested.

### Accumulation Units

Accumulation Units are used to measure the Account Value allocated to each Investment Account. The value of a unit is determined as of the Valuation Time on each Valuation Day. The value of any unit will vary from Valuation Day to Valuation Day to reflect the investment performance of the Investment Account applicable to that unit.

Amounts allocated to the Investment Accounts are applied to provide Accumulation Units in each Investment Account. The number of Accumulation Units credited to each Investment Account is determined by dividing the amount allocated to an Investment Account by the dollar value of one Accumulation Unit for such Investment Account.

We reserve the right to split or consolidate the number of Accumulation Units credited to this Contract with a corresponding increase or decrease in the unit values. We may exercise this right whenever we consider an adjustment of units to be desirable. No adjustment will have any material effect on the benefits, provisions or investment return of this Contract, or on you, the Insured, any Beneficiary, any assignee or other person, or on us.

### Accumulation Unit Value

The Value of an Accumulation Unit in each Investment Account is \$1.00 on the first Valuation Day for that Investment Account. The value of any Accumulation Unit on any subsequent Valuation Day is equal to its value on the preceding Valuation Day multiplied by the Net Investment Factor for that Investment Account for the Valuation Period.

## Part 6. The Investment Accounts (Continued)

### Gross Investment Rate

The Gross Investment Rate of an Investment Account for any Valuation Period is equal to the net earnings of that Investment Account during the Valuation Period divided by the value of the total assets of that Investment Account at the beginning of the Valuation Period.

### Net Earnings

The Net Earnings of each Investment Account is equal to the accrued investment income and capital gains and losses (realized and unrealized) of that Investment Account, reduced by any amount charged against that Investment Account for taxes paid or reserved by us. The Gross Investment Rate and Net Earnings of each Investment Account will be determined by us in accordance with generally accepted accounting principles and applicable laws, rules, and regulations.

### Mortality and Expense Risk Charge

The Mortality and Expense Risk Charge is deducted monthly from each Investment Account. The maximum charge is stated in Contract Schedule B.

### Asset Charge

An Asset Charge may be deducted daily from each Investment Account managed directly by one or more investment managers. It consists of the money management fees, any custodial fees and other investment related expenses. Any Asset Charges applicable to such Investment Accounts are shown in Contract Schedule C.

### Net Investment Factor

The Net Investment Factor is determined for each Investment Account for each Valuation Period. The Net Investment Factor equals the Gross Investment Rate for such period plus one (1.0) and minus the Mortality and Expense Risk Charge and any Asset Charge.

### Crediting and Canceling Accumulation Units

Transactions that require the crediting and canceling of Accumulation Units will be made as of the Valuation Time on the Valuation Day in which the transaction is effected. Premium payments and requests for loans, withdrawals, transfers, etc. received after the Valuation Time will be effective on the next Valuation Day.

## Part 7. Account Value

### A. Contract Values

#### Account Value

The Account Value of this Contract on any date is the value of the Investment Accounts plus the value of the Borrowed Fund.

The Account Value when the Initial Premium is received is equal to the Net Premium invested in the Investment Accounts, less:

- (a) Cost of Insurance Charges (deducted on each monthly calculation date); and
- (b) Contract Loads; and
- (c) any Charges for Special Insurance Class Rating.

The Account Value on any subsequent Valuation Day is equal to the Account Value on the prior Valuation Day plus:

- (a) any new Net Premium invested in the Investment Accounts; and
  - (b) any increase in value of the Investment Account due to investment results (net of Mortality and Expense Risk Charges and any Asset Charges); and
  - (c) any interest credited to the Borrowed Fund;
- less;
- (a) any decrease in value of the Investment Account due to investment results (net of Mortality and Expense Risk Charges and any Asset Charges); and
  - (b) Cost of Insurance Charges (deducted only on Monthly Calculation Date); and
  - (c) any Partial Withdrawals taken; and
  - (d) any Rider Charges deducted from the Account Value; and
  - (e) any Contract Loads; and
  - (f) any Charges for Special Insurance Class Rating; and
  - (g) any Other Charges as stated in Contract Schedule B.

Contract Values are not less than required by the state in which the contract is delivered.

## Part 7. Account Value (continued)

### Net Account Value

Net Account Value is the Account Value minus any Contract Loan balance and accrued unpaid interest.

### B. Charges Deducted from the Account Value

The following charges may be deducted from the Account Value that is invested in the Investment Accounts. These charges are deducted pro-rata from each Investment Account.

#### Cost of Insurance

Cost of Insurance (COI) Charges are deducted from the Account Value on each Monthly Calculation Date. Guaranteed Cost of Insurance Charges are determined by multiplying the applicable COI rates from the table or tables in Contract Schedule E times the Net Amount At Risk (NAR) calculated as of the last day of the prior Contract Month, divided by 1,000. Current COI charges may be lower.

#### Rider Charges

Charges for Riders, if any, deducted from the Account Value are shown in the Contract Schedules for such Riders.

#### Contract Loads

Contract Loads may apply at issue and upon increases in Face Amount and changes in Death Benefit Option. These charges are deducted at issue or at the time of the increase in Face Amount or change in Death Benefit Option. Any Contract Loads are shown in Contract Schedule B.

## Part 8. Contract Loans

### Contract Loans

You may request a loan against this Contract. This Contract must be assigned to us as sole security for the loans. An amount equal to the amount borrowed will be transferred from the Investment Accounts to the Borrowed Fund of our general account. Any such transfer is made by canceling Accumulation Units in the Investment Accounts and applying the value of those units to the Borrowed Fund. Unless other specific instructions are received from you, the loan will be taken from the Investment Accounts in proportion to the amount of your then current Account Value in each Investment Account.

### Maximum Loan

The Maximum Loan amount for this Contract is equal to the Account Value less the sum of the following:

- (a) outstanding loan amount together with unpaid accrued loan interest; and
- (b) the Minimum Net Premium for the current Contract Year; and
- (c) loan interest charges until the next Contract Anniversary.

### Borrowed Fund

The Borrowed Fund is a portion of our general account reserved for amounts held as collateral for Contract Loans. The initial amount of the Borrowed Fund will be equal to any loan principal. Interest will be credited to the Borrowed Fund at the Borrowed Fund Crediting Rate described below.

Interest credited to the Borrowed Fund will be transferred to the Investment Accounts on each Contract Anniversary. The amount so transferred will be allocated among the Investment Accounts in proportion to the Account Value in each Investment Account.

Amounts of interest charged against the loan principal and unpaid on each Contract Anniversary will be added to the amount of the loan principal in the Borrowed Fund. An amount equal to the unpaid interest will be transferred from the Investment Accounts to the Borrowed Fund on the Contract Anniversary. This amount will be transferred from the Investment Accounts in proportion to the Account Value in each Investment Account.

## **Part 8. Contract Loans (continued)**

### **Borrowed Fund Crediting Rate**

Interest credited to amounts held in the Borrowed Fund as collateral for loans will be at least equal to the rate stated under "Basis of Computations" in Contract Schedule A. Interest will be credited such that the Borrowed Fund Crediting Rate is always equal to or greater than the Minimum Credited Rate for the Borrowed Fund shown in Contract Schedule B. The Borrowed Fund Crediting Rate may not be changed more frequently than annually. Any change in the Borrowed Fund Crediting Rate for this Contract will be effective on a Contract Anniversary. You will be notified of any such change.

### **Loan Interest Rate**

The current Loan Interest Rate will be applied to the entire outstanding loan balance. Interest is due annually in arrears. Any unpaid interest on any outstanding loans will be added to the outstanding loan amount as of the Contract Anniversary.

### **Repayment of Loan**

All or part of any Contract Loan plus accrued interest may be paid at any time while this Contract is in force.

Any repayment of a Contract Loan will result in the transfer of values equal to the repayment out of the Borrowed Fund and the application of those values to the Investment Account. Unless other specific instructions are received from you, these values will be applied to the Investment Accounts in proportion to the amount of your current Account Value in each Investment Account.

## **Part 9. Partial Withdrawals**

### **Partial Withdrawals**

Partial Withdrawals from the Investment Accounts may be made. The withdrawal must be requested by you in a form acceptable to us.

Unless other specific instructions are received from you, the withdrawal will be taken from each Investment Account in proportion to your current Account Value in each Investment Account.

If Death Benefit Option 1 is in effect, the Face Amount and future scheduled Face Amounts will be reduced by the amount withdrawn. If Death Benefit Option 3 is in effect The Face Amount and future scheduled Face Amounts will be reduced by the amount withdrawn up to the amount which would cause the Death Benefit to fall below the Option 3 Death Benefit on the Contract Date. In every case, the Death Benefit will change according to the Death Benefit provision in Part 3, Insurance Plan.

### **Maximum Withdrawal Amount**

The Maximum Withdrawal Amount for this Contract is equal to the Account Value less the sum of the following:

- (a) outstanding loan amount together with unpaid accrued loan interest; and
- (b) the Minimum Net Premium for the current Contract Year; and
- (c) loan interest until the next Contract Anniversary.

However, the Maximum Withdrawal Amount is exceeded whenever such withdrawal would reduce the Face Amount below the Minimum Face Amount stated in Contract Schedule D.

No withdrawal will be permitted which causes this Contract to be disqualified as life insurance under Internal Revenue Code §7702.

### **Minimum Withdrawal Amount**

The amount of each withdrawal must be at least equal to the Minimum Withdrawal Amount shown in Contract Schedule A.

## **Part 10. Reports to Contract Holder**

### **Annual Report**

Each year within 30 days after a date that we specify, we will mail a report to you. The report will show the Account Value at the beginning of the previous year and all premiums paid since that time. It will also show the additions to and deductions from the Account Value during the year, and the Account Value, Death Benefit, Net Account Value, outstanding Contract Loans and accrued loan interest as of the specified date. This report will also include any additional information required by applicable law or regulation. Information in this report will be computed as of a date not more than 60 days before the report is mailed.

## Part 11. Termination and Maturity Provisions

### Continuation of Insurance

If premium payments cease, coverage provided under this Contract will continue subject to the Grace Period provision for as long as the Net Account Value is sufficient to cover the Monthly Charges. Any remaining Net Account Value will be payable on the Maturity Date.

### Grace Period

If the Net Account Value is not sufficient to cover the Monthly Charges due on any Monthly Calculation Date, a Grace Period is allowed for payment of the amount of premium needed to increase the Account Value so that the deduction of monthly charges can be made. This Grace Period begins on the date the deduction is due. It ends 61 days from that date or, if later, 61 days after the date we mail a written notice to you at the last known address shown on our records. This notice will state the amount needed to increase the Account Value to cover the Monthly Charges. During the Grace Period, the insurance coverage will continue in effect.

During the Grace Period, to continue the insurance coverage in force, you must make an additional premium payment at least equal to three (3) times the Monthly Charges due when the Grace Period began, plus any Premium Loads.

### Contract Termination

This Contract will terminate on the earliest of the following:

- (1) the end of the Grace Period for this Contract; or
- (2) this Contract is surrendered by you; or
- (3) the Maturity Date of this Contract; or
- (4) when all our obligations under this Contract have been fulfilled.

### Surrender

This Contract may be surrendered for its Net Account Value on any Valuation Date. You must request a Surrender in a form acceptable to us.

### Reinstatement

This Contract may be reinstated, prior to the Maturity Date, provided:

- (1) satisfactory evidence of insurability is provided to us; and
- (2) this Contract has not been surrendered for cash; and
- (3) you must request the Reinstatement in a form acceptable to us; and
- (4) the request must be within five (5) years of the date of Contract termination; and
- (5) the Reinstatement Premium must be paid at the time of Reinstatement. The Reinstatement Premium must be no less than the amount specified in Part 5, Premium Payments; and
- (6) the Insured must be alive on the date the Reinstatement becomes effective. The Reinstatement will become effective on the date that it is approved by us.

### Maturity Date

The Maturity Date is the Contact Anniversary nearest the Insured's 120<sup>th</sup> birthday. No insurance coverage will be effective on or after the Maturity Date except as provided in the Extended Maturity Date paragraph. If the Insured is living and this Contract is in force on this date the Net Account Value will be paid to you, and of our liability under this Contract will cease.

## Part 12. General Provisions

### Entire Contract

This Contract is issued in consideration of the Application and the initial premium payment. This Contract and Application, a copy of which is attached, together with any Contract Schedules, any Riders, and any applications for modification of the contract based on additional evidence of insurability, constitute the entire Contract. All statements contained therein shall, in the absence of fraud, be deemed representations and not warranties. Any applications for modifications in the contract based upon additional evidence of insurability shall be attached to the contract in order to become part of the contract. Any waiver or change of any provision in this Contract must be in writing and signed by an officer of our Company.

## Part 12. General Provisions (Continued)

### **Waiver Not Estoppel**

Our failure to enforce any provision of this Contract will not constitute or be construed as a waiver of such provision or of the right to enforce it at a later time, nor will the waiver of any provision by us on one or more occasions constitute or be construed as a waiver for all occasions and we will not be estopped from enforcing any provision of this Contract except as may be otherwise agreed to in writing by an officer of our Company.

### **Right to Amend**

If any provision in this Contract is in conflict with the laws of the state that govern this Contract, the provision will be deemed to be amended to conform with such laws. In addition, this Contract may be amended from time to time by us as may be required to meet the definition of "life insurance" under the Internal Revenue Code, its regulations or published rulings. You will be given the right to reject this change.

### **Contract Holder Covenants**

If any information contained in this Contract, Application or Contract Schedules is inaccurate or untrue on the date it is issued, you agree to promptly notify us and provide corrected information.

### **Company Covenants**

We agree that all statements in the Application will be deemed representations and not warranties in the absence of fraud. We also agree that no statement will be used to void this Contract or be used in defense of a claim for the insurance benefits under this Contract unless contained in the Application signed either by you or by the proposed Insured. A copy of the Application is attached to this Contract at issue.

### **Misstatement of Age or Sex**

If it is found that the amount of any benefit provided by this Contract is incorrect because of misstatement as to the age or sex (if applicable), the amount of the benefit will be adjusted on the basis of the correct facts. The death benefit will be that purchased by the most recent mortality charge at the correct age or sex. We will not adjust the Account Value due to a misstatement of age or sex.

### **Incontestability**

During but not after the contestable period, we can contest the validity of this contract or deny payment of benefits if there is any material misrepresentation of fact in the application. The contestable period starts when the contract becomes effective and, except for any agreement providing benefits for disability or for accidental death, ends after it has been in force during the lifetime of the Insured for two years from the Contract Date or from the effective date of any change requiring Evidence of Insurability, whichever occurs later. Except in the case of reinstatement, a new contestable period that follows any change requiring Evidence of Insurability shall apply only to such change and any contest shall be limited only to evidence provided for that transaction.

### **Evidence of Insurability**

Evidence of insurability may be required for any transaction that increases the Net Amount At Risk (NAR) of this Contract. Transactions that increase the NAR may include: Payment of Subsequent Premiums, a Change of Face Amount or Death Benefit Option, Partial Withdrawal, Reinstatement, or Reclassification of the Insured as a non-smoker. Waiver of evidence of insurability for one event shall not prohibit Us from requiring evidence for future events whether of the same or different nature.

### **Method of Computing Values**

A detailed statement of the method used to compute this Contract's benefits and values is filed with the insurance regulatory authority of the Governing Jurisdiction. These benefits and values are not less than those required by the laws of the Governing Jurisdiction.

## Part 12. General Provisions (Continued)

### Availability of Funds

Cash payments from this Contract for Contract Loans, Partial Withdrawals or Surrender, and Accumulation Units transferred between or among Investment Accounts will usually be affected within seven days after a satisfactory request is received at our Home Office. Payment may be delayed, however, (except when used to pay amounts due under this Contract) during any period that:

- (1) the New York Stock Exchange (or its successor or, if the securities in which the assets of the Investment Accounts are invested are not traded on the New York Stock Exchange, any principal exchange on which such securities are traded) is closed; or
- (2) the S.E.C. determines that a state of emergency exists that would make the determination of the value of the securities not reasonably practicable; or
- (3) the S.E.C. permits by an order the postponement for the protection of Contract Holders.

Notwithstanding the forgoing, We may defer transfers or payments under certain circumstances. These limits are in addition to provisions that limit availability of funds or the payment of a Death Benefit.

We may defer any cash payments from this contract for Contract Loans, Death of the Insured, Partial Withdrawals or Surrender. We may also defer transfer of Accumulation Units between Investment Accounts. Deferral may occur when: (1) it is not practical to fairly determine the value of an Investment Account; or (2) any assets of an Investment Account are subject to any investment, liquidity, or withdrawal restrictions. The maximum deferral period is six months.

### Claims of Creditors

The proceeds of this Contract will be free from creditor's claims to the extent allowed by law.

### Notice

Any written notice required by this Contract to be given by us to you will be effective five (5) days after it is mailed by first class mail or fifteen (15) days after it is mailed by third class mail (or when received, if sent by any other means) to you at your last known address as noted on our records. Any written notice required by this Contract to be given by you to us will be effective when received in a form acceptable to us at our Home Office. To be acceptable, a notice must be in written form, in the English language (except where applicable law requires otherwise), must include all pertinent information, and must be signed by you or an individual authorized to act for you and so designated on our records.

### Assignment

Neither this Contract nor any rights of you or the Beneficiary under it may be assigned or transferred without our written permission.

### Trustee

If a trustee is Owner, Beneficiary or Assignee of this contract, our actions will be determined by the terms of this contract and without regard to the provisions of any trust agreement. We will not be responsible for the application or disposal of any money paid to a trustee. Any such payment shall fully discharge our liability for the amount paid.

### Severability

In the event any provision of this Contract is declared illegal or otherwise unenforceable, it will be severed from this Contract and the remainder of this Contract will be valid and enforceable.

### Time Periods

All time periods mentioned in this Contract will begin and end at 12:01 A.M. local time at the owners address on the date in question.

# **FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE CONTRACT**

**Variable Life Insurance.**

**Face Amount payable if Insured dies while the contract is in force prior to age 120.**

**Flexible Premiums payable while the Insured is living until the Maturity Date.**

**Non participating, no dividends are payable.**

## **AGL Life Assurance Company**

**Home Office: 610 West Germantown Pike, Suite 460, Plymouth Meeting, Pennsylvania 19462**

## CONTRACT SCHEDULE A

### GENERAL CONTRACT AND INSURED INFORMATION

Contract Number: [Specimen]  
Contract Holder: [John Doe]  
Contract Year: [July 1 through June 30]  
Contract Date: [July 1, 2009]  
Issue Date: [July 1, 2009]  
Maturity Date: [July 1, 2064]  
Beneficiary: [Jane Doe]

Depending on the premium paid, the performance of the funds in the Variable Account, or changes in non-guaranteed charges, coverage may not continue to the Maturity Date. If coverage continues to the Maturity Date, the net account value to be paid may be zero or small.

### INSURED INFORMATION

Insured: [John Doe] Date of Birth: [07/01/1944]  
Sex: [Male] Issue Age: [65]  
Underwriting Class: [Standard Non-smoker]  
Social Security Number: [111-11-1111]  
Residence: [400 Harvest Drive  
Blue Bell, PA 19422]

### BASIC CONTRACT INFORMATION

Plan: Flexible Premium Variable Life Insurance  
Death Benefit Option: Option [1]  
Riders: [None]  
Governing Jurisdiction: [PA]  
State of Issuance: [PA]  
Initial Face Amount: [\$5,400,000.00]  
Option 3 Death Benefit on the Contract Date: [N/A]  
Initial Premium: [\$250,000.00]  
Initial Net Premium: [\$233,750.00]  
Minimum Premium: [\$38,000.00]  
Life Insurance Qualification Test: [Cash Value Accumulation Test]

### NET PREMIUM ALLOCATION LIMITATIONS

You may direct the allocation of the Net Premium to any Investment Account as described in Contract Schedule C.

During the Free Look Period, however, the allocation of the Net Premium will be limited to the Money Market Investment Account.

No Net Premium may be allocated by you to our General Account.

### PARTIAL WITHDRAWALS

Minimum withdrawal Amount: \$500.00

### BASIS OF COMPUTATIONS

Mortality Table: 2001 Commissioners Standard Ordinary Table,  
Composite Ultimate, Age Nearest Birthday  
Interest Rate: 4.00% per year  
0.327374% monthly equivalent

**CONTRACT SCHEDULE F**  
**DEATH BENEFIT COMPUTATION**

**TABLE OF MINIMUM DEATH BENEFIT FACTORS**

Attained			Attained			Attained		
Age	Male	Female	Age	Male	Female	Age	Male	Female
0	16.00	19.08	34	5.01	5.68	68	1.73	1.93
1	15.60	18.50	35	4.84	5.48	69	1.69	1.89
2	15.12	17.89	36	4.67	5.29	70	1.65	1.84
3	14.62	17.28	37	4.51	5.11	71	1.61	1.79
4	14.11	16.66	38	4.36	4.94	72	1.58	1.75
5	13.60	16.07	39	4.21	4.77	73	1.54	1.71
6	13.11	15.49	40	4.07	4.60	74	1.51	1.67
7	12.64	14.93	41	3.93	4.45	75	1.48	1.63
8	12.18	14.40	42	3.80	4.30	76	1.45	1.59
9	11.74	13.88	43	3.67	4.15	77	1.42	1.56
10	11.32	13.38	44	3.55	4.01	78	1.39	1.52
11	10.91	12.90	45	3.43	3.87	79	1.37	1.49
12	10.51	12.44	46	3.32	3.74	80	1.34	1.46
13	10.14	12.00	47	3.21	3.62	81	1.32	1.43
14	9.78	11.57	48	3.11	3.50	82	1.30	1.40
15	9.44	11.16	49	3.01	3.39	83	1.28	1.37
16	9.13	10.77	50	2.92	3.28	84	1.26	1.35
17	8.83	10.39	51	2.82	3.17	85	1.24	1.33
18	8.54	10.03	52	2.73	3.07	86	1.23	1.30
19	8.27	9.68	53	2.65	2.97	87	1.21	1.28
20	8.01	9.35	54	2.57	2.88	88	1.20	1.26
21	7.75	9.02	55	2.49	2.79	89	1.18	1.24
22	7.50	8.70	56	2.41	2.71	90	1.17	1.23
23	7.26	8.40	57	2.34	2.63	91	1.16	1.21
24	7.02	8.11	58	2.27	2.55	92	1.15	1.19
25	6.79	7.82	59	2.21	2.48	93	1.14	1.17
26	6.57	7.55	60	2.14	2.41	94	1.13	1.15
27	6.36	7.28	61	2.08	2.34	95	1.12	1.14
28	6.15	7.03	62	2.03	2.28	96	1.10	1.12
29	5.95	6.78	63	1.97	2.21	97	1.09	1.10
30	5.75	6.55	64	1.92	2.15	98	1.07	1.07
31	5.56	6.32	65	1.87	2.10	99 +	1.04	1.04
32	5.37	6.10	66	1.82	2.04			
33	5.19	5.88	67	1.78	1.99			

SERFF Tracking Number: AGLL-125645754 State: Arkansas  
Filing Company: AGL Life Assurance Company State Tracking Number: 38985  
Company Tracking Number: VL-0901AR  
TOI: L061 Individual Life - Variable Sub-TOI: L061.002 Single Life - Flexible Premium  
Product Name: Flexible Premium Variable Life Insurance Contract  
Project Name/Number: /VL-0901AR

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: AGLL-125645754 State: Arkansas  
Filing Company: AGL Life Assurance Company State Tracking Number: 38985  
Company Tracking Number: VL-0901AR  
TOI: L061 Individual Life - Variable Sub-TOI: L061.002 Single Life - Flexible Premium  
Product Name: Flexible Premium Variable Life Insurance Contract  
Project Name/Number: /VL-0901AR

## Supporting Document Schedules

**Review Status:** 05/13/2008

**Satisfied -Name:** Certification/Notice

**Comments:**

**Attachments:**  
AR Flesch Certification.pdf  
AR Guaranty Notice.pdf  
AR Notice to Applicant.pdf

**Review Status:** 05/13/2008

**Satisfied -Name:** Application

**Comments:**  
APP-0701AR approved for use on 06/19/07  
APP-0502 approved for use on 04/13/05

**Attachments:**  
APP-0701AR.pdf  
APP-0502.pdf

**Review Status:** 05/13/2008

**Satisfied -Name:** Life & Annuity - Actuarial Memo

**Comments:**

**Attachment:**  
VL-0901AR Actuarial Memorandum.pdf

**Review Status:** 05/14/2008

**Satisfied -Name:** Statement of Variability

**Comments:**

**Attachment:**  
VL-0901AR Statement of Variability.pdf

**AGL LIFE ASSURANCE COMPANY**

**Flesch Readability Certification**

VL-0901AR.....47.4

I hereby certify that each Flesch Readability score listed above is correct and true.



\_\_\_\_\_  
Harley W. Misson  
Director of Compliance

\_\_\_\_\_  
May 13, 2008  
Date

**AGL LIFE ASSURANCE COMPANY  
610 W. GERMANTOWN PIKE, SUITE 460 PLYMOUTH MEETING, PA 19462  
(484) 530-4800**

**ARKANSAS LIFE AND HEALTH INSURANCE  
GUARANTY ASSOCIATION ACT NOTICE**

**LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH  
INSURANCE GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

**DISCLAIMER**

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in the state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

**The Arkansas Life and Health Insurance Guaranty Association**  
c/o The Liquidation Division  
1023 West Capitol  
Little Rock, Arkansas 72201

**Arkansas Insurance Department**  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

The state law that provides for this safety net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

**COVERAGE**

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity, or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

**(Please turn to back of page)**

## **EXCLUSIONS FROM COVERAGE**

However, persons holding such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution.
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal Law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliated benefit plan or its trustees).

## **LIMITS ON AMOUNT OF COVERAGE**

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

**AGL LIFE ASSURANCE COMPANY  
610 WEST GERMANTOWN PIKE, SUITE 460  
PLYMOUTH MEETING, PENNSYLVANIA**

**Arkansas Act 197 of 1987  
Notice to Applicant**

AGL Life Assurance Company  
610 W. Germantown Pike, Suite 460  
Plymouth Meeting, PA 19462

Customer Service Telephone: (866) 873-1641

Name of Agent: \_\_\_\_\_

Agent Address: \_\_\_\_\_

Agent Telephone: \_\_\_\_\_

If we at AGL Life Assurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department  
Consumer Services Division  
1200 West 3<sup>rd</sup> Street  
Little Rock, AR 72201-1904  
(800) 282-9134  
(501) 371-1811  
Legal: (501) 371-2820

# **AGL LIFE ASSURANCE COMPANY**

**610 West Germantown Pike, Suite 460 • Plymouth Meeting, PA 19462**

## **APPLICATION FOR LIFE INSURANCE**



# **AGL**

**Life Assurance Company**

**THE FOLLOWING NOTICES MUST BE GIVEN TO THE PROPOSED INSURED/OWNER/APPLICANT**

**INVESTIGATIVE CONSUMER REPORT NOTICE**

In compliance with federal and state laws, this is to advise you that an investigative consumer report may be made as a part of our procedure for processing your application for insurance. The information for this report is obtained through personal interviews with your neighbors, friends, or others with whom you are acquainted. The report may include information as to your character, general reputation, personal characteristics, and mode of living. You may request to be interviewed for the consumer report if one is to be done. You may, upon written request, be informed whether or not a report was ordered, and if so, the name and address of the consumer reporting agency which made the report. Upon proper identification, you have the right to inspect and/or receive a copy of the report from that agency. You have the right to make a written request to us within a reasonable period of time to receive additional detailed information about the nature and scope of this investigation. Write to: AGL Life Assurance Company, Underwriting Department, 610 West Germantown Pike, Suite 460, Plymouth Meeting, PA 19462.

**MEDICAL INFORMATION BUREAU DISCLOSURE NOTICE**

Information regarding your insurability will be treated as confidential. We, or our reinsurers, may however, make a brief report to the Medical Information Bureau (MIB). MIB is a non-profit membership organization of life insurance companies which operates an information exchange on behalf of its Members. If you apply to another MIB Member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information in its file.

Upon receipt of a request from you, MIB will arrange disclosure of any information it may have in your file. Please contact MIB at 866 692-6901(TYY 866 346-3642.) If you question the accuracy of information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the Federal Fair Credit Reporting Act. The address of MIB's information office is Box 105, Essex Station, Boston, Massachusetts 02112.

We, or our reinsurers, may also release information in its file to other life insurance companies to whom you may apply for life or health insurance or to whom a claim for benefits may be submitted.

**AGL LIFE ASSURANCE COMPANY  
APPLICATION FOR LIFE INSURANCE – PART I**

<b>A. FIRST INSURED</b>							
NAME First Middle Last			Birthdate	Birth Place (State or Country)	Citizenship: U.S. <input type="checkbox"/> Other _____		<input type="checkbox"/> Male <input type="checkbox"/> Female
Social Security Number		Driver's License No. and State		Occupation (include duties)			
Residence Address					Residence Phone Number		
Business Address					Business Phone Number		
<b>B. SECOND INSURED</b>							
NAME First Middle Last			Birthdate	Birth Place (State or Country)	Citizenship: U.S. <input type="checkbox"/> Other _____		<input type="checkbox"/> Male <input type="checkbox"/> Female
Social Security Number		Driver's License No. and State		Occupation (include duties)			
Residence Address					Residence Phone Number		
Business Address					Business Phone Number		
<b>C. COVERAGE</b>							
Plan of Insurance: <input type="checkbox"/> Flexible Premium: <input type="checkbox"/> Variable Life <input type="checkbox"/> Survivorship Variable Life <input type="checkbox"/> _____			Death Benefit Option (only if Universal Life): <input type="checkbox"/> Option 1 – Level <input type="checkbox"/> Option 2 – Face Amount + Account Value <input type="checkbox"/> Option 3 – Face Amount + Lesser of Account Value or Initial Net Premium				
			Premium Mode: <input type="checkbox"/> Annual <input type="checkbox"/> Other _____				
Face Amount: \$ _____			Paid with application \$ _____ Planned Premium (only if Universal Life) \$ _____				
<b>D. POLICY OWNER (Complete if other than Proposed Insured)</b>							
FULL NAME				Relationship to Insured	S.S. or Tax ID No.		
Owner's Address					Owner's Phone Number		
<b>E. BENEFICIARY</b>							
PRIMARY: Name					Relationship to Insured		
CONTINGENT: Name					Relationship to Insured		
<b>F. LIFE INSURANCE IN FORCE - FIRST INSURED</b>							
Company Name	Policy Number	Year Issued	Face Amount	Policy to be:			
				<input type="checkbox"/> replaced			
				<input type="checkbox"/> replaced			
				<input type="checkbox"/> replaced			
				<input type="checkbox"/> replaced			
				<input type="checkbox"/> replaced			
1.) Is the insurance now applied for intended to replace insurance or annuities in this or any other company? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "Yes," indicate which policies above)							
2.) Are you now applying for Life Insurance with any other company? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," state the company, type of policy, and face amount applied for. _____							

**APPLICATION FOR LIFE INSURANCE – PART 1 (Continued)**

<b>G. LIFE INSURANCE IN FORCE - SECOND INSURED</b>				
Company Name	Policy Number	Year Issued	Face Amount	Policy to be:
				<input type="checkbox"/> replaced
				<input type="checkbox"/> replaced
				<input type="checkbox"/> replaced
				<input type="checkbox"/> replaced
				<input type="checkbox"/> replaced

1.) Is the insurance now applied for intended to replace insurance or annuities in this or any other company?  Yes  No  
(If "Yes," indicate which policies above)

2.) Are you now applying for Life Insurance with any other company?  Yes  No If "Yes," state the company, type of policy, and face amount applied for. \_\_\_\_\_

**H. NON MEDICAL FACTORS - FIRST INSURED**

1.) Have you ever had any application for life insurance, or reinstatement for life insurance declined, postponed or rated?	<input type="checkbox"/>	<input type="checkbox"/>
2.) Are you a member, or do you intend to become a member of the armed forces, including the reserves?	<input type="checkbox"/>	<input type="checkbox"/>
3.) In the last 3 years have you, or do you have plans to travel, reside, or work outside of the United States?	<input type="checkbox"/>	<input type="checkbox"/>
4.) In the last 3 years have you, or do you intend to take flights other than as a fare paying passenger on a scheduled airline? (If "Yes," complete an Aviation Questionnaire).	<input type="checkbox"/>	<input type="checkbox"/>
5.) In the last 3 years have you, or do you have plans to engage in scuba/skin diving, motor vehicle racing, skydiving, rock climbing, mountaineering, or any other hazardous sporting activity? (If "Yes," provide details below.)	<input type="checkbox"/>	<input type="checkbox"/>
6.) In the last 5 years have you had a driver's license suspended or revoked, been convicted of a moving violation, or charged with driving while impaired or intoxicated?	<input type="checkbox"/>	<input type="checkbox"/>
7.) Have you ever been convicted of a felony? (If "Yes," provide details below including parole and probation status.)	<input type="checkbox"/>	<input type="checkbox"/>

**I. DETAILS - FOR SECTION H "YES" ANSWERS ABOVE**

Question	

**J. NON MEDICAL FACTORS - SECOND INSURED**

1.) Have you ever had any application for life insurance, or reinstatement for life insurance declined, postponed or rated?	<input type="checkbox"/>	<input type="checkbox"/>
2.) Are you a member, or do you intend to become a member of the armed forces, including the reserves?	<input type="checkbox"/>	<input type="checkbox"/>
3.) In the last 3 years have you, or do you have plans to travel, reside, or work outside of the United States?	<input type="checkbox"/>	<input type="checkbox"/>
4.) In the last 3 years have you, or do you intend to take flights other than as a fare paying passenger on a scheduled airline? (If "Yes," complete an Aviation Questionnaire).	<input type="checkbox"/>	<input type="checkbox"/>
5.) In the last 3 years have you, or do you have plans to engage in scuba/skin diving, motor vehicle racing, skydiving, rock climbing, mountaineering, or any other hazardous sporting activity? (If "Yes," provide details below.)	<input type="checkbox"/>	<input type="checkbox"/>
6.) In the last 5 years have you had a driver's license suspended or revoked, been convicted of a moving violation, or charged with driving while impaired or intoxicated?	<input type="checkbox"/>	<input type="checkbox"/>
7.) Have you ever been convicted of a felony? (If "Yes," provide details below including parole and probation status.)	<input type="checkbox"/>	<input type="checkbox"/>

**K. DETAILS - FOR SECTION J "YES" ANSWERS ABOVE**

Question	

**APPLICATION FOR LIFE INSURANCE – PART 1 (Continued)**

<b>L. INSURABILITY DATA – FIRST INSURED</b>	
1. (a) Personal Physician(s) (If "None," list physician last consulted. Provide full name and address.)	
(b) Date last consulted, reason and results.	
(c) What treatment was given or medication prescribed?	
2. Height ___ ft. ___ in. Weight ___ lbs. Has your weight changed 10 pounds or more in the last year? Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," how much? ___ lbs. (Provide Explanation in Section N Details)	
<b>3. To the best of your knowledge and belief, have you ever been treated for or been diagnosed as having:</b>	
(a) Any disorder or disease of the eyes, ears, nose, mouth or throat?	Yes <input type="checkbox"/> No <input type="checkbox"/>
(b) Dizziness, headache, fainting, seizures, epilepsy, dementia, paralysis, stroke or any other disorder of the brain or nervous system?	<input type="checkbox"/> <input type="checkbox"/>
(c) Stress, depression, anxiety or any other emotional or psychological disorder?	<input type="checkbox"/> <input type="checkbox"/>
(d) Shortness of breath, chronic cough, bronchitis, asthma, emphysema, tuberculosis, or any other disorder or disease of the lungs or respiratory system?	<input type="checkbox"/> <input type="checkbox"/>
(e) Chest pain, angina, palpitation, irregular or rapid pulse, high blood pressure, elevated cholesterol, rheumatic fever, heart murmur, heart attack or other disorder of the heart or blood vessels?	<input type="checkbox"/> <input type="checkbox"/>
(f) Cirrhosis, hepatitis, intestinal bleeding, ulcer, hernia, colitis, rectal bleeding, recurrent indigestion, reflux, abdominal pain, or any other disease or disorder of the stomach, intestines, rectum, liver or gallbladder?	<input type="checkbox"/> <input type="checkbox"/>
(g) Protein or blood in the urine, nephritis, stone, or other disorder of the kidney, bladder or urinary system?	<input type="checkbox"/> <input type="checkbox"/>
(h) Diabetes; thyroid, pancreas or other endocrine disorder?	<input type="checkbox"/> <input type="checkbox"/>
(i) Neuritis, sciatica, arthritis, gout, or disorder or disease of the muscles, bone, spine, back or joints?	<input type="checkbox"/> <input type="checkbox"/>
(j) Amputation, phlebitis or swelling of legs or ankles?	<input type="checkbox"/> <input type="checkbox"/>
(k) Cancer, polyp, benign or malignant tumor or cyst, or any disease of the skin or lymph glands?	<input type="checkbox"/> <input type="checkbox"/>
(l) Anemia, or any disease or disorder of the blood?	<input type="checkbox"/> <input type="checkbox"/>
(m) Acquired Immune Deficiency Syndrome (AIDS), or any other immunological disease or disorder?	<input type="checkbox"/> <input type="checkbox"/>
(n) Sexually transmitted disease, or any disease or disorder of the uterus, ovaries, breasts, prostate, testes, or any other part of the reproductive system?	<input type="checkbox"/> <input type="checkbox"/>
(o) Any physical or mental disorder, operation, or injury not previously mentioned?	<input type="checkbox"/> <input type="checkbox"/>
4. Do you use alcohol? If "Yes," how many drinks per week? _____.	<input type="checkbox"/> <input type="checkbox"/>
<b>5. Have you:</b>	<b>Yes No</b>
(a) Ever sought or received treatment because of your alcohol use or drug use; or been medically advised to have treatment for the use of alcohol or drugs?	<input type="checkbox"/> <input type="checkbox"/>
(b) Ever used marijuana, barbiturates, amphetamines, hallucinogens, narcotics or any prescription drug except in accordance with a physician's instructions?	<input type="checkbox"/> <input type="checkbox"/>
(c) Used any tobacco or nicotine products in any form in the last 10 years? If "Yes," circle the product(s) used: cigarettes, cigars, pipe, gum, other _____ If "Yes," check one: <input type="checkbox"/> Use currently <input type="checkbox"/> Date quit _____	<input type="checkbox"/> <input type="checkbox"/>
<b>6. Within the last five years, have you:</b>	<b>Yes No</b>
(a) Had an examination, checkup or consultation with any physician or medical facility not previously mentioned?	<input type="checkbox"/> <input type="checkbox"/>
(b) Had any medical tests, including X-rays, electrocardiograms, and blood studies that were not previously mentioned?	<input type="checkbox"/> <input type="checkbox"/>
(c) Been advised to have surgery, hospitalization, or a test that has not been completed?	<input type="checkbox"/> <input type="checkbox"/>
(d) Taken any drug or medicine prescribed by a physician or other medical practitioner?	<input type="checkbox"/> <input type="checkbox"/>
7. Are you now under observation or taking any treatment or medication?	<input type="checkbox"/> <input type="checkbox"/>
8. Has any member of your immediate family been diagnosed or treated for heart disease or cancer?	<input type="checkbox"/> <input type="checkbox"/>



**APPLICATION FOR LIFE INSURANCE – PART 1 (Continued)**

<b>O. INSURABILITY DATA – SECOND INSURED</b>		
1. (a) Personal Physician(s) (If "None," list physician last consulted, provide full name and address.)		
(b) Date last consulted, reason and results.		
(c) What treatment was given or medication prescribed?		
2. Height ____ ft. ____ in. Weight ____ lbs. Has your weight changed 10 pounds or more in the last year? Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," how much? ____ lbs. <b>(Provide Explanation in Section Q Details)</b>		
<b>3. To the best of your knowledge and belief, have you ever been treated for or been diagnosed as having:</b>		<b>Yes No</b>
(a) Any disorder or disease of the eyes, ears, nose, mouth or throat?		<input type="checkbox"/> <input type="checkbox"/>
(b) Dizziness, headache, fainting, seizures, epilepsy, dementia, paralysis, stroke or any other disorder of the brain or nervous system?		<input type="checkbox"/> <input type="checkbox"/>
(c) Stress, depression, anxiety or any other emotional or psychological disorder?		<input type="checkbox"/> <input type="checkbox"/>
(d) Shortness of breath, chronic cough, bronchitis, asthma, emphysema, tuberculosis, or any other disorder or disease of the lungs or respiratory system?		<input type="checkbox"/> <input type="checkbox"/>
(e) Chest pain, angina, palpitation, irregular or rapid pulse, high blood pressure, elevated cholesterol, rheumatic fever, heart murmur, heart attack or other disorder of the heart or blood vessels?		<input type="checkbox"/> <input type="checkbox"/>
(f) Cirrhosis, hepatitis, intestinal bleeding ulcer, hernia, colitis, rectal bleeding, recurrent indigestion, reflux, abdominal pain, or any other disease or disorder of the stomach, intestines, rectum, liver or gallbladder?		<input type="checkbox"/> <input type="checkbox"/>
(g) Protein or blood in the urine, nephritis, stone, or other disorder of the kidney, bladder or urinary system?		<input type="checkbox"/> <input type="checkbox"/>
(h) Diabetes; thyroid, pancreas or other endocrine disorder?		<input type="checkbox"/> <input type="checkbox"/>
(i) Neuritis, sciatica, arthritis, gout, or disorder or disease of the muscles, bone, spine, back or joints?		<input type="checkbox"/> <input type="checkbox"/>
(j) Amputation, phlebitis or swelling of legs or ankles?		<input type="checkbox"/> <input type="checkbox"/>
(k) Cancer, polyp, benign or malignant tumor or cyst, or any disease of the skin or lymph glands?		<input type="checkbox"/> <input type="checkbox"/>
(l) Anemia, or any disease or disorder of the blood?		<input type="checkbox"/> <input type="checkbox"/>
(m) Acquired Immune Deficiency Syndrome (AIDS), or any other immunological disease or disorder?		<input type="checkbox"/> <input type="checkbox"/>
(n) Sexually transmitted disease, or any disease or disorder of the uterus, ovaries, breasts, prostate, testes, or any other part of the reproductive system?		<input type="checkbox"/> <input type="checkbox"/>
(o) Any physical or mental disorder, operation, or injury not previously mentioned?		<input type="checkbox"/> <input type="checkbox"/>
4. Do you use alcohol? If "Yes," how many drinks per week? _____		<input type="checkbox"/> <input type="checkbox"/>
<b>5. Have you:</b>		<b>Yes No</b>
(a) Ever sought or received treatment because of your alcohol use or drug use; or been medically advised to have treatment for the use of alcohol or drugs?		<input type="checkbox"/> <input type="checkbox"/>
(b) Ever used marijuana, barbiturates, amphetamines, hallucinogens, narcotics or any prescription drug except in accordance with a physician's instructions?		<input type="checkbox"/> <input type="checkbox"/>
(c) Used any tobacco or nicotine products in any form in the last 10 years? If "Yes," circle the product(s) used: cigarettes, cigars, pipe, gum, other _____ If "Yes," check one: <input type="checkbox"/> Use currently <input type="checkbox"/> Date quit _____		<input type="checkbox"/> <input type="checkbox"/>
<b>6. Within the last five years, have you:</b>		<b>Yes No</b>
(a) Had an examination, checkup or consultation, with any physician or medical facility not previously mentioned?		<input type="checkbox"/> <input type="checkbox"/>
(b) Had any medical tests, including X-rays, electrocardiograms, and blood studies that were not previously mentioned?		<input type="checkbox"/> <input type="checkbox"/>
(c) Been advised to have surgery, hospitalization, or a test that has not been completed?		<input type="checkbox"/> <input type="checkbox"/>
(d) Taken any drug or medicine prescribed by a physician or other medical practitioner?		<input type="checkbox"/> <input type="checkbox"/>
7. Are you now under observation or taking any treatment or medication?		<input type="checkbox"/> <input type="checkbox"/>
8. Has any member of your immediate family been diagnosed or treated for heart disease or cancer?		<input type="checkbox"/> <input type="checkbox"/>



**APPLICATION FOR LIFE INSURANCE – PART 1 (Continued)**

**R. NET PREMIUM ALLOCATION**

Allocate the payment to the following account(s) by checking the box(es) and indicating the percentage(s).

Investment Account	Percent
<input type="checkbox"/> _____	_____ %
<b>Total</b>	<b>100 %</b>

**S. SUITABILITY**

I understand that I have applied to purchase a Variable Life Insurance Policy and that the death benefit and cash values of such a policy may increase or decrease in amount or duration based on the investment experience of the underlying subaccounts. No minimum cash surrender value is guaranteed. All surrender values under the contract are variable and are not guaranteed as to fixed dollar amounts. The death benefit may be variable or fixed under specified conditions.

I believe that the Variable Life Insurance Policy for which I am applying is suitable to meet my financial objectives in light of my age and financial experience, and the assets available to me other than the Policy. I am not dependent upon the Variable Life Policy for which I am applying to satisfy my daily living expenses or other expenses that I reasonably expect to incur.

I have received a Private Placement Memorandum for the Variable Life Policy for which I am applying describing the Policy and the investment options available within the Policy.

**T. AGREEMENT**

I understand the Net Premium I allocate to the Variable Account will be invested in the Money Market subaccount for a time period not less than the Free Look period, unless otherwise permitted by the governing jurisdiction.

I recognize that AGL Life Assurance Company is not a bank and shares of the subaccounts are not backed or guaranteed by any bank or insured by the FDIC.

**U. REPRESENTATIONS, CONDITIONS AND AUTHORIZATION**

I represent that all answers to the questions in this application and any medical examinations required, are complete and true to the best of my knowledge and belief, and I agree that:

- (1) The answers to those questions, together with this agreement, are the basis for issuing any policy;
- (2) Only the President or a Vice President of the Company can make or change any contract or waive any of the Company's rights or requirements;
- (3) No insurance will take effect until the Initial premium is paid and the Policy is delivered to the Owner while there has been no change, from the date of application, in the insurability of all persons proposed for insurance.

I authorize any physician, medical practitioner, hospital, clinic, other medical or medically related facility; Veterans Administration; insurance or reinsurance company; the Medical Information Bureau; consumer reporting agency; other organization; institution; employer; relative; friend; or neighbor to disclose to AGL Life Assurance Company and/or its reinsurers, medical and any other information pertaining to me or any of my minor children who are proposed for insurance. The information that may be disclosed includes information about employment, other insurance, physical, mental, drug and/or alcohol conditions, character, habits, avocations, finances, general reputation, credit and other personal characteristics. I understand that the information obtained is for the purpose of determining eligibility for insurance and that this information may be reviewed in connection with claims that are later submitted. I agree that this authorization will be valid for two years from the date signed and that a photographic copy of this authorization is as valid as the original. I may request a copy of this authorization.

Under penalty of perjury, I confirm that (a) the Social Security or Tax Identification Number shown above is correct, and (b) that I am not subject to back-up withholding. (Strike this out and initial if not true).

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application is guilty of a crime and may be subject to fines and confinement in prison.

I have read and understand these representations, conditions and authorization and acknowledge receipt of notices regarding disclosure and the underwriting process.

Signed at (City, State) \_\_\_\_\_ on (Month, Day) \_\_\_\_\_, 20 \_\_\_\_

\_\_\_\_\_  
First Proposed Insured's Signature  
(parent or guardian if minor)

\_\_\_\_\_  
Second Proposed Insured's Signature  
(parent or guardian if minor)

\_\_\_\_\_  
Owner's Signature (if other than Proposed Insured)

\_\_\_\_\_  
Additional Signature

\_\_\_\_\_  
Agent's Signature

AGENT'S REPORT

A. FIRST AND SECOND INSURED

1. What is the First Insured's Annual Income?

\$ \_\_\_\_\_ Earned \$ \_\_\_\_\_ Unearned Net Worth? \$ \_\_\_\_\_

2. What is the Second Insured's Annual Income?

\$ \_\_\_\_\_ Earned \$ \_\_\_\_\_ Unearned Net Worth? \$ \_\_\_\_\_

3. Give name and address of First Insured's employer \_\_\_\_\_

Time in occupation? \_\_\_\_\_ Describe duties \_\_\_\_\_

4. Give name and address of Second Insured's employer \_\_\_\_\_

Time in occupation? \_\_\_\_\_ Describe duties \_\_\_\_\_

5. Do you know or have reason to believe that a replacement of existing insurance or annuity is intended with this Application?  Yes  No

If "Yes," explain and complete replacement form where required.

6. Does this transaction involve a 1035 exchange?  Yes  No

7. If First Insured is under age 18 amount of insurance on head of household \$ \_\_\_\_\_

8. If Second Insured is under age 18 amount of insurance on head of household \$ \_\_\_\_\_

9. Special Policy Date Request \_\_\_\_\_

10. What is the purpose of purchasing a new/additional life insurance policy?

11. Agent's Statement Details \_\_\_\_\_

B. AGENT (Please Print)

1. Name: Agent \_\_\_\_\_

2. Number: \_\_\_\_\_

C. AGENT'S STATEMENT

I represent that:  I have personally seen  I have not personally seen (Explain under A 11. above)

all the persons proposed for insurance. I affirm that I have made a true and accurate record on this application of the information as supplied to me by the Proposed Insured(s) and /or the Owner/Applicant. To the best of my knowledge and belief there is nothing adversely affecting the insurability of any person proposed for insurance that has not been recorded in this application. I have provided all required disclosures and notices as required by law or regulation.

Agent's Signature \_\_\_\_\_ Date (Month, Day) \_\_\_\_\_, 20\_\_\_\_

**AGL LIFE ASSURANCE COMPANY  
APPLICATION FOR LIFE INSURANCE – PART II**

<b>A. PROPOSED INSURED</b>						
NAME	First	Middle	Last	Date of Birth	Social Security Number	
<b>B. INSURABILITY DATA</b>						
1. (a) Personal Physician(s) (If "None," list physician last consulted. Provide full name and address.)						
(b) Date last consulted, reason and result.						
(c) What treatment was given or medication prescribed?						
2. Measured Height _____ ft. _____ in. Scale Weight _____ lbs. Has your weight changed 10 pounds or more in the last year? Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," how much? _____ lbs. (Provide Explanation in Section C Details)						
<b>3. To the best of your knowledge and belief, have you ever been treated for or been diagnosed as having:</b>					<b>Yes No</b>	
(a) Any disorder or disease of the eyes, ears, nose, mouth or throat?					<input type="checkbox"/>	<input type="checkbox"/>
(b) Dizziness, headache, fainting, seizures, epilepsy, dementia, paralysis, stroke or any other disorder of the brain or nervous system?					<input type="checkbox"/>	<input type="checkbox"/>
(c) Stress, depression, anxiety or any other emotional or psychological disorder?					<input type="checkbox"/>	<input type="checkbox"/>
(d) Shortness of breath, chronic cough, bronchitis, asthma, emphysema, tuberculosis, or any other disorder or disease of the lungs or respiratory system?					<input type="checkbox"/>	<input type="checkbox"/>
(e) Chest pain, angina, palpitation, irregular or rapid pulse, high blood pressure, elevated cholesterol, rheumatic fever, heart murmur, heart attack or other disorder of the heart or blood vessels?					<input type="checkbox"/>	<input type="checkbox"/>
(f) Cirrhosis, hepatitis, intestinal bleeding, ulcer, hernia, colitis, rectal bleeding, recurrent indigestion, reflux, abdominal pain, or any other disease or disorder of the stomach, intestines, rectum, liver or gallbladder?					<input type="checkbox"/>	<input type="checkbox"/>
(g) Protein or blood in the urine, nephritis, stone, or other disorder of the kidney, bladder or urinary system?					<input type="checkbox"/>	<input type="checkbox"/>
(h) Diabetes; thyroid, pancreas or other endocrine disorder?					<input type="checkbox"/>	<input type="checkbox"/>
(i) Neuritis, sciatica, arthritis, gout, or disorder or disease of the muscles, bones, spine, back, or joints?					<input type="checkbox"/>	<input type="checkbox"/>
(j) Amputation, phlebitis or swelling of legs or ankles?					<input type="checkbox"/>	<input type="checkbox"/>
(k) Cancer, polyp, benign or malignant tumor or cyst, or any disease of the skin or lymph glands?					<input type="checkbox"/>	<input type="checkbox"/>
(l) Anemia, or any disease or disorder of the blood?					<input type="checkbox"/>	<input type="checkbox"/>
(m) Acquired Immune Deficiency Syndrome (AIDS), or any other immunological disease or disorder?					<input type="checkbox"/>	<input type="checkbox"/>
(n) Sexually transmitted disease, or any disease or disorder of the uterus, ovaries, breasts, prostate, testes, or any other part of the reproductive system?					<input type="checkbox"/>	<input type="checkbox"/>
(o) Any physical or mental disorder, operation, or injury not previously mentioned?					<input type="checkbox"/>	<input type="checkbox"/>
4. Do you use alcohol? If "Yes," how many drinks per week? _____					<input type="checkbox"/>	<input type="checkbox"/>
<b>5. Have you:</b>					<b>Yes No</b>	
(a) Ever sought or received treatment because of your alcohol use or drug use; or been medically advised to have treatment for the use of alcohol or drugs?					<input type="checkbox"/>	<input type="checkbox"/>
(b) Ever used marijuana, barbiturates, amphetamines, hallucinogens, narcotics or any prescription drug except in accordance with a physician's instructions?					<input type="checkbox"/>	<input type="checkbox"/>
(c) Used any tobacco or nicotine products in any form in the last 10 years? If "Yes," circle the product(s) used: cigarettes, cigars, pipe, patch, gum, other _____ If "Yes," check one: <input type="checkbox"/> Use currently <input type="checkbox"/> Date quit _____					<input type="checkbox"/>	<input type="checkbox"/>
<b>6. Within the last five years, have you:</b>					<b>Yes No</b>	
(a) Had an examination, checkup or consultation with any physician or medical facility not previously mentioned?					<input type="checkbox"/>	<input type="checkbox"/>
(b) Had any medical tests, including X-rays, electrocardiograms, and blood studies that were not previously mentioned?					<input type="checkbox"/>	<input type="checkbox"/>
(c) Been advised to have surgery, hospitalization, or a test that has not been completed?					<input type="checkbox"/>	<input type="checkbox"/>
(d) Taken any drug or medicine prescribed by a physician or other medical practitioner?					<input type="checkbox"/>	<input type="checkbox"/>
7. Are you now under observation or taking any treatment or medication?					<input type="checkbox"/>	<input type="checkbox"/>
8. Has any member of your immediate family been diagnosed or treated for heart disease or cancer?					<input type="checkbox"/>	<input type="checkbox"/>



**AGL LIFE ASSURANCE COMPANY – APPLICATION FOR LIFE INSURANCE – PART II (CONTINUED)**

**E. FAMILY HISTORY**

Family Record	Age(s) if Living	Health	Age(s) At Death	Cause of Death
Father				
Mother				
Brothers - No. Living _____				
Brothers - No. Deceased _____				
Sisters - No. Living _____				
Sisters - No. Deceased _____				

**F. MEDICAL REPORT – TO BE COMPLETED AND SIGNED BY EXAMINER**

1. Chest (full Inspiration) _____ in.	Chest (Full Expiration) _____ in.		Abdomen, at umbilicus _____ in.						
2. Blood Pressure (Record 2 additional readings if the initial blood pressure is greater than 145 systolic or 90 diastolic)			<b>1<sup>st</sup> Reading</b>	<b>2<sup>nd</sup> Reading</b>	<b>3<sup>rd</sup> Reading</b>				
	<b>Systolic</b>								
	<b>Diastolic</b>								
3. Pulse (At Rest)	Rate _____		Irregularities per minute _____						
4. Cardiovascular Exam Findings									
	<b>Yes</b>	<b>No</b>	<b>Murmur Location</b>	<b>Yes</b>	<b>No</b>	<b>With change of position:</b>	<b>Yes</b>	<b>No</b>	<b>Examiner's Clinical Impression of Murmur:</b>
Enlargement?	<input type="checkbox"/>	<input type="checkbox"/>	Constant	<input type="checkbox"/>	<input type="checkbox"/>	Soft (Gr. 1-2)	<input type="checkbox"/>	<input type="checkbox"/>	
Dyspnea?	<input type="checkbox"/>	<input type="checkbox"/>	Inconstant	<input type="checkbox"/>	<input type="checkbox"/>	Mod. (Gr. 3-4)	<input type="checkbox"/>	<input type="checkbox"/>	
Edema?	<input type="checkbox"/>	<input type="checkbox"/>	Transmitted	<input type="checkbox"/>	<input type="checkbox"/>	Loud (Gr. 5-6)	<input type="checkbox"/>	<input type="checkbox"/>	
Murmur?	<input type="checkbox"/>	<input type="checkbox"/>	Localized	<input type="checkbox"/>	<input type="checkbox"/>	Increased	<input type="checkbox"/>	<input type="checkbox"/>	
			Systolic	<input type="checkbox"/>	<input type="checkbox"/>	Absent	<input type="checkbox"/>	<input type="checkbox"/>	
			Presystolic	<input type="checkbox"/>	<input type="checkbox"/>	Unchanged	<input type="checkbox"/>	<input type="checkbox"/>	
			Diastolic	<input type="checkbox"/>	<input type="checkbox"/>	Decreased	<input type="checkbox"/>	<input type="checkbox"/>	

**5. Is there on examination any abnormality of the following (Please provide details for any "Yes" answers):**

	<b>Yes</b>	<b>No</b>	<b>DETAILS</b>
(a) Eyes, ears, nose, mouth or throat?	<input type="checkbox"/>	<input type="checkbox"/>	
(b) Skin (include scars), lymph nodes, varicose veins or peripheral arteries?	<input type="checkbox"/>	<input type="checkbox"/>	
(c) Nervous system (include reflexes, gait, paralysis)?	<input type="checkbox"/>	<input type="checkbox"/>	
(d) Lungs or respiratory system?	<input type="checkbox"/>	<input type="checkbox"/>	
(e) Abdomen (include liver, spleen and scars)?	<input type="checkbox"/>	<input type="checkbox"/>	
(f) Endocrine system (including thyroid)?	<input type="checkbox"/>	<input type="checkbox"/>	
(g) Musculoskeletal system ( include spine, joints, amputations, and deformities)?	<input type="checkbox"/>	<input type="checkbox"/>	
6. Can the Proposed Insured speak and understand English? (If "No," explain.)	<input type="checkbox"/>	<input type="checkbox"/>	
7. After reviewing the answers and as a result of your examination are you aware of additional medical history not specifically mentioned in this application?	<input type="checkbox"/>	<input type="checkbox"/>	
8. If blood and urine are required as part of this examination, have they been sent?	<input type="checkbox"/>	<input type="checkbox"/>	

Examined at \_\_\_\_\_, Date \_\_\_\_\_, 20\_\_\_\_, Time \_\_\_\_\_

Examiner \_\_\_\_\_  
 \_\_\_\_\_ Print Name \_\_\_\_\_ Signature

Address: \_\_\_\_\_

**Mail to:** AGL Life Assurance Company, Underwriting Dept., 610 West Germantown Pike, Suite 460, Plymouth Meeting, PA 19462

**ACTUARIAL MEMORANDUM**

**POLICY FORM: VL-0901AR**

**FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE**

**AGL LIFE ASSURANCE COMPANY**

610 W. Germantown Pike  
Suite #460  
Plymouth Meeting PA 19460



Richard F. Plush  
Senior Vice President and Chief Actuary  
April 11, 2008

## **PRODUCT DESCRIPTION**

### **General Description**

This contract form is a Flexible Premium Variable Life Insurance Contract ("Contract"). The Contract is a Private Placement offering exempt from registration under the Securities Act of 1933. The contract is a suitable purchase only for individuals or corporations of substantial financial means. Because the contract form has not been registered with the SEC, the product will be offered for sale only to individuals, corporations, partnerships, etc. where AGL Life Assurance Company ("Company") has reasonable grounds to believe that the purchasers are "sophisticated investors".

### **Investment Accounts**

The Investment Accounts are not required to be registered under the Investment Company Act of 1940, in reliance on an exemption provided by Section 3(c)(1) of the Act. In order to comply with that provision, no more than 100 persons may beneficially own interests in any Investment Account at any time. To ensure compliance with this limitation, the Company will limit the number of Contracts.

The number of transfers between Investment Accounts, as well as the maximum number of Investment Accounts a Contract's account value may be invested in, will vary by Contract. For contracts which have several Investment Accounts all of which are managed by different money managers, as few as one transfer per year may be allowed. For contracts which have several Investment Accounts all managed by the same money manager, as many as 12 transfers are allowed per year.

### **Premiums**

After the initial premium is paid, premium payments are flexible. The premium will be limited such that the contract meets the definition of life insurance as defined in the guideline premium test of Section 7702 of the Internal Revenue Code (IRC). Premium loads are deducted from each premium payment. These loads are a distribution charge and premium tax charges, including an amount equivalent to the cost of any applicable Federal DAC tax. The premium tax charges will be based on the residence of the Contract Holder.

### **Determination of the Account Value**

The Account Value is the sum of the value in each Investment Account of the Variable Account plus the value of the Borrowed Fund. The value in each Pooled Investment Account of the Variable Account is determined by multiplying the total number of units under the contract for the Pooled Investment Account by the Unit Value of the Pooled Investment Account.

The total number of units for a Pooled Investment Account of the Variable Account is equal to the number of units credited to the Pooled Investment Account by premium payment or transfer minus the number of units released by transfers, withdrawals or payments of contract charges. With each premium payment, withdrawal, contract charge payment, or transfer, the number of units credited to or subtracted from an Investment Account will be determined by dividing the amount of the premium payment, withdrawal, contract charge payment, or transfer applied to that Pooled Investment Account by the then current Unit Value of that Investment Account on the Valuation Date that coincides with the date of the transaction.

The Unit Value of each Pooled Investment Account of the Variable Account was set by the Company on the first Valuation Date of the Pooled Investment Account. The current Unit Value of a Pooled Investment Account on any subsequent Valuation Date is determined by multiplying the Unit Value of the Pooled Investment Account on the immediately preceding Valuation Date

by the Net Investment Factor for that Investment Account for the Valuation Period just ended. The Net Investment Factor is defined in the Contract.

Managed Investment Accounts are also available. These Investment Accounts are valued at market value or where market values are not available, at fair value according to generally accepted accounting principles determined in good faith.

### **Face Amounts and Death Benefits**

There are three death benefit options available:

- Option 1: The Death Benefit equals the Face Amount.
- Option 2: The Death Benefit equals the Face Amount plus the Account Value on the date of the insured's death.
- Option 3: The Death Benefit equals the Face Amount plus the Account Value on the date of the insured's death, such amount not to exceed the Face Amount plus the Account Value on the Contract Date after reduction for all loads and fees due on that date.

Regardless of the death benefit option, the death benefit will always be subject to a minimum to ensure that each Insurance Account meets the definition of life insurance as defined in the guideline premium test of Section 7702 of the Internal Revenue Code (IRC).

### **Loans and Withdrawals**

Loans and withdrawals are available on any valuation day, subject to maximums set forth in the contract. For loans, a fixed loan interest rate of 4.60%, payable annually in arrears, is applicable. Account Values backing policy loans will earn interest at a minimum rate set by the company. Such rate will never be less than 4.0%.

### **Contract Termination**

A 61 day Grace Period will begin when the Net Account Value is insufficient to pay the monthly charges due. If premium sufficient to keep the coverage in-force is not paid by the end of the Grace Period, then the Contract will terminate.

### **Substandard Insureds**

Substandard ratings will be available. There are two different types of substandard rating for this contract form, described below. Any charges will be set forth in the Contract.

- **Table Rating:** A table rating will be charged by taking the appropriate multiple of the insured's cost of insurance rate. For example, the cost of insurance rates for an insured rated Table E (200% of standard) would be 2 times the cost of insurance rates for a non-rated insured.
- **Flat Extra:** Both permanent and temporary flat extras are allowed. These charges are deducted from the account value each month as part of the Monthly Deduction Amount.

### **Cost of Insurance**

The cost of insurance rates are based on the insured's age, sex, and underwriting class. The cost of insurance rates declared in any contract year will never exceed the Maximum Cost of Insurance Rates.

The Maximum Cost of Insurance Rates, for a standard rate class, will not exceed rates based upon 100% of the applicable 2001 CSO, Composite Ultimate, ANB table. The monthly cost of insurance rates will not exceed .083333333.

The variations of the 2001 CSO are as follows:

Sex	Table
Male	2001 CSO, Male Composite Ultimate, ANB
Female	2001 CSO, Female Composite Ultimate, ANB

### **Contract Factors**

Maturity Age:	Age 120
Issue Ages:	Age Nearest Birthday. Maximum 90. Minimum 0.
Minimum Contract Size:	Larger of \$200,000 or the amount that can be purchased with the minimum initial premium and still have the contract qualify as life insurance under IRC7702.
Cost of Insurance Rates:	The maximum cost of insurance rates are based on the 2001 CSO, Composite Ultimate, ANB. Monthly maximum cost of insurance rates are attached in Appendix A.
Contract Loan Interest Rates:	A fixed loan interest rate specified at the issue date applies. The maximum rate that will be specified is 4.60%, payable annually in arrears.
Loan Interest Spread:	The difference between the interest rate charged to the loan and the interest rate credited to loaned contract values. The maximum Loan Interest Spread is 0.60%.
Premium Loads:	The Premium Load is the sum of the state Premium Tax Charge and the Distribution Charge.
Distribution Charge:	A percentage of premium charged, not to exceed 3.5%.
Premium Tax Charge:	This charge will be based on the premium tax rate for the jurisdiction, that is, the state, county, and municipality, where the Contract Holder resides plus an amount equivalent to the cost of any applicable Federal DAC tax.
Contract Load:	An amount equal to \$2,000 per contract.
Mortality and Expense:	The maximum Mortality and Expense Risk charge is 0.10357% monthly, equivalent to 1.25% annually.
Surrender Charges:	None

### **Minimum Reserves**

This contract is subject to the Variable Life Insurance Model Regulation. The Variable Life Model Regulation requires that the statutory reserve liabilities for variable life insurance policies shall be established according to the Standard Valuation Law in accordance with

actuarial procedures that recognize the variable nature of the benefits provided and any mortality guarantees. The Variable Life Model Life Regulation also calls for a Guaranteed Minimum Death Benefit Reserve, but the product in this filing does not contain any such benefit.

Since this contract is a flexible premium variable universal life contract, the most relevant valuation procedures for this product are those contained in the Universal Life Insurance Model Regulation. The Universal Life Insurance Model Regulation requires CRVM.

The mortality basis for the reserves is the 2001 CSO, Composite Ultimate, ANB tables, gender distinct, aggregate as to smoking status. The interest basis is the lower of Maximum Valuation Interest Rate and the rate used to demonstrate compliance with non-forfeiture requirements. The demonstration shown utilizes 4.00%.

The Company plans to reserve the contract on a monthly basis. The definitions, formulas and a sample reserve calculation follow.

**RESERVE CALCULATIONS  
FOR  
FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE  
POLICY FORM NUMBER VL-0901AR**

## Definitions

**General:**

- x - issue age
- t - policy duration in months
- s - policy duration in months at time of valuation

**Benefits:**

- $F_t$  - Insurance amount, month t
- F - Specified insurance amount
- $GDB_t$  - Guarantee death benefit, month t
- $g_t$  - Death benefit multiple, month t
- OPT - Death Benefit Indicator, = 0 for Option 1, 1 for Option 2
- GMV -Guaranteed Maturity Value under projection assumptions

**Premiums:**

- GMP - Guaranteed Maturity Premium

**Interest:**

- i - compound monthly equivalent of 4.0% per annum (0.32737%); or such lower rate as established by regulatory requirements as of the date of policy issue

**Charges:**

- L% - percentage of premium load
- L - Initial expense load
- $q_t$  - Monthly equivalent of annual mortality rate, 2001 CSO, composite, Ultimate, ANB
- $MD_t$  -Monthly Deduction, month t

**Values:**

- $PV_t$  - Actual Policy Value, month t
- GMF - Guaranteed Maturity Fund; recalculated if the policyholder initiates a change in the benefit structure of the policy
- r - Ratio of Policy Value to Guaranteed Maturity Fund;  $\leq 1$
- ${}_tVNL_x$  - Net Level Reserve, issue age x, month t
- ${}_tVCR_x$  - CRVM Reserve, issue age x, month t
- $c_t$  - Cost of one term insurance for month t
- $EA_t$  - Unamortized CRVM expense allowance, month t
- ${}_tV$  - Final Reserve

Death Benefit Multiples,  $g_t$

Attained Age Beginning of Policy Year							
	Percent		Percent		Percent		Percent
0 to 40	250%	51	178%	61	128%	71	113%
41	243	52	171	62	126	72	111
42	236	53	164	63	124	73	109
43	229	54	157	64	122	74	107
44	222	55	150	65	120	75 to 90	105
45	215	56	146	66	119	91	104
46	209	57	142	67	118	92	103
47	203	58	138	68	117	93	102
48	197	59	134	69	116	94	101
49	191	60	130	70	115	95 & over	100
50	185						

## Formulas

Reserves:

$$F_1 = \text{Max} [ (F + \text{OPT}), \\ ( (\text{GMP} \times (1 - L\%)) - L) \times (1+i) \times g_1 ]$$

For  $t > 1$ ,

$$F_t = \text{Max} [ (F + \text{OPT}), \\ ( (\text{GMF}_{t-1} + (\text{GMP} \times (1 - L\%))) \times (1+i) \times g_t ) ]$$

$$\text{MD}_t = (q_t / (1 - q_t)) \times \\ [ F_t / (1 + i) - \text{GMF}_{t-1} - \text{GMP} \times (1 - L\%) ]$$

$$\text{GMF}_t = (\text{GMF}_{t-1} + \text{GMP} \times (1 - L\%)) \times (1 + i)$$

GPM is determined through successive approximations such that  $\text{GMF}_t \times (1 + i) = F$  for  $t =$  final month prior to maturity age.

$$r_t = \text{Min} [ \text{PV}_t / \text{GMF}_t, 1 ]$$

Recalculate  $F_t$ ,  $\text{MD}_t$ ,  $\text{GMF}_t$ , for all  $t > s$  beginning with  $\text{GMF}_s = \text{Max} [ \text{prior GMF}_s, \text{PV}_s ]$

$$\text{GDB}_t = F_t \text{ recalculated;}$$

$$\text{GMV}_t = \text{GMF}_t \cdot (1 + i) \text{ for } t = \text{final month prior to maturity age}$$

$$A_x = \sum \text{GDB}_t \times {}_{t-1}P_x \times q_{x+t-1} / (1 + i)^t$$

$$\text{PNL} = A_x / \ddot{a}_x$$

$${}_t\text{VNL}_x = r_t \cdot (A_{x+t} - \text{PNL} \times \ddot{a}_{x+t})$$

$$\text{EA}_t = (\text{PNL} - \alpha) \times \ddot{a}_{x+t} \div a_x$$

$${}_t\text{VCR}_x = {}_t\text{VNL}_x - r_t \times \text{EA}_t$$

$$c_x = F_t \times q_t / (1 + i)^{1/2}$$

$$\text{SV}_t = \text{PV}_t$$

$${}_t\text{V} = \text{Max} [ {}_t\text{VCR}_x, c_x, \text{SV}_t ]$$

$$\text{PV}_t = \text{Actual Contract Value}_{\text{end of month } t}$$

$$\text{GP}_t = \text{Actual Gross Premium Paid in month } t$$

### Sample Calculation #1

$$\begin{aligned}
 x &= 65 \text{ male} \\
 t &= 24 \text{ months} \\
 F &= 5,400,000 \\
 OPT &= 0 \\
 L\% &= 3.5\% \text{ distribution charge plus } 2\% \text{ premium tax plus } 1\% \text{ DAC tax} = 6.5\% \\
 L &= \text{Initial policy load, } \$2,000 \\
 GMP &= 255,789.91 \\
 GMF_{24} &= 317,476 \\
 GP_1 &= 831,317 \\
 GP_{13} &= 204,632 \\
 PV_{24} &= 869,770 \\
 F_{25} &= \text{Max} [ 5,400,000 + 0 , (869,770 + (255,790 \times .935)) \times 1.0032737 \times 1.18 ] , \\
 &= 5,400,000 \\
 MD_{25} &= ( .001677 / ( 1 - .001677 ) ) \times \\
 &= [ \{ 5,400,000 / 1.0032737 \} - 869,770 - 255,790 \times (.935) ] \\
 &= 7,719 \\
 R_{24} &= \text{Min} [ 869,770 / 317,476 , 1 ] \\
 &= 1 \\
 GDB_{24} &= 5,400,000 \\
 A_x &= 2,917,567 \\
 \ddot{a}_x &= 12.10 \\
 pNL &= 2,917,567 / 12.10 \\
 &= 241,121 \\
 {}_{24}VNL_x &= 1 \times (3,063,376 - 241,121 \times 11.38) \\
 &= 319,419 \\
 EA_{24} &= ( 252,234 - 87,480 ) \times 11.38 \div 12.10 \\
 &= 154,951 \\
 {}_{24}VCR_x &= 319,419 - 1 \times 154,951 \\
 &= 164,468 \\
 c_{x+24} &= 5,400,000 \times .001677 / 1.0032737^{1/2} \\
 &= 9,071 \\
 SV_{24} &= \text{Max} [ 869,770 , 0 ] \\
 &= 869,770 \\
 {}_tV &= \text{Max} [ 164,468 , 9,071 , 869,770 ] \\
 &= 869,770
 \end{aligned}$$

**DEMONSTRATION OF COMPLIANCE  
WITH  
STANDARD NONFORFEITURE LAWS  
  
FOR  
FLEXIBLE PREMIUM VARIABLE LIFE INSURANCE  
POLICY FORM NUMBER VL-0901AR**

### Non-Forfeiture Compliance

The NAIC Model Variable Life Insurance Regulation requires that for variable plans the resulting account values and non-forfeiture benefits will be at least equal to the minimum values for a general account contract with the same premiums and benefits.

Demonstrating that the Variable Life contract's Cash Surrender Value always exceeds the minimum required amount is accomplished by (1) showing that the contract's excess first year expense charges are never greater than the Standard Non-forfeiture Law maximum initial expense allowances defined in the regulation. This contract has no surrender charges.

The contract's expense charges consist of a Premium Load which is charged in all years in which there is a premium payment and a Contract Load which is only charged at issue or when there is an increase in the amount of coverage. Thus, the excess first year expense charge is the Contract Load.

The maximum initial expense allowance is determined as:

$$\min[125\%NLP^{WL}, 4\%IssueFace] + 1\%IssueFace$$

Thus, compliance with the Non-Forfeiture Law is established if

$$\min[125\%NLP^{WL}, 4\%IssueFace] + 1\%IssueFace > \text{Contract Load}$$

The Contract Load is \$2,000. When expressed as a percent of the face amount, the Contract Fee is greatest for the minimum size contract, \$200,000. For a \$200,000 face amount contract, the Contract Load is 1% of Issue Face.

Since the maximum expense allowance of the Non-Forfeiture Regulation is greater than 1% of Issue Face, compliance is always assured.

**Appendix A**

**COST OF INSURANCE RATES**

The guaranteed maximum monthly Cost of Insurance rates per \$1,000 of Net Amount at Risk are the rates shown below increase by 25% per table for each table rating, if any shown in Schedule A plus any flat extra rating shown indicated. No monthly Cost of Insurance will exceed 83.33333 per \$1,000 of Net Amount at Risk.

Attained			Attained		
Age	Male	Female	Age	Male	Female
0	0.080840	0.040002	40	0.137519	0.108345
1	0.046669	0.029168	41	0.149189	0.115013
2	0.032501	0.021667	42	0.163360	0.123349
3	0.022501	0.016667	43	0.179199	0.132518
4	0.017500	0.015834	44	0.199206	0.143354
5	0.017500	0.015000	45	0.220882	0.155858
6	0.018334	0.015000	46	0.241725	0.170863
7	0.018334	0.017500	47	0.264236	0.189202
8	0.018334	0.017500	48	0.277577	0.208377
9	0.019167	0.017500	49	0.293419	0.231720
10	0.019167	0.018334	50	0.313432	0.256733
11	0.022501	0.019167	51	0.338448	0.284247
12	0.027501	0.022501	52	0.372639	0.315933
13	0.032501	0.025001	53	0.411002	0.350123
14	0.039168	0.027501	54	0.458543	0.385982
15	0.050836	0.029168	55	0.514431	0.425181
16	0.061670	0.032501	56	0.573662	0.469387
17	0.072505	0.034168	57	0.637072	0.516100
18	0.078339	0.035835	58	0.689642	0.566988
19	0.081673	0.038335	59	0.749728	0.616213
20	0.083340	0.039168	60	0.822342	0.667946
21	0.083340	0.040002	61	0.912499	0.723857
22	0.085007	0.041668	62	1.021876	0.783113
23	0.085841	0.041668	63	1.143807	0.845715
24	0.087508	0.043335	64	1.271615	0.914168
25	0.089175	0.045002	65	1.406141	0.988476
26	0.093342	0.046669	66	1.541539	1.069476
27	0.097510	0.050003	67	1.676974	1.158841
28	0.097510	0.052503	68	1.824155	1.257412
29	0.095843	0.055003	69	1.973889	1.365195
30	0.095009	0.056670	70	2.152122	1.486373
31	0.094176	0.060837	71	2.351349	1.625137
32	0.094176	0.064171	72	2.616830	1.778156
33	0.095843	0.068338	73	2.893347	1.945444
34	0.098343	0.073339	74	3.183435	2.129525
35	0.100844	0.080840	75	3.504740	2.330418
36	0.106678	0.085841	76	3.854802	2.550656
37	0.111679	0.092509	77	4.261416	2.791940
38	0.120014	0.097510	78	4.735654	3.057654
39	0.128350	0.102511	79	5.282761	3.348676

**Appendix A (continued)**

**COST OF INSURANCE RATES**

The guaranteed maximum monthly Cost of Insurance rates per \$1,000 of Net Amount at Risk are the rates shown below increase by 25% per table for each table rating, if any shown in Schedule A plus any flat extra rating shown indicated. No monthly Cost of Insurance will exceed 83.33333 per \$1,000 of Net Amount at Risk.

<u>Attained</u> <u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Attained</u> <u>Age</u>	<u>Male</u>	<u>Female</u>
80	5.879365	3.668408	100	31.210443	23.517882
81	6.558568	4.109317	101	32.709347	25.451711
82	7.264053	4.600232	102	34.309779	27.591693
83	8.023023	5.093310	103	36.018925	29.959814
84	8.863708	5.637436	104	37.843223	32.578719
85	9.809457	6.242899	105	39.790170	35.426246
86	10.859154	6.795027	106	41.867443	38.361396
87	12.004908	7.623512	107	44.085646	41.385529
88	13.233676	8.494041	108	46.452917	44.445508
89	14.531472	9.422963	109	48.979474	47.651558
90	15.886776	10.264285	110	51.675845	50.950979
91	17.159480	10.683770	111	54.554754	54.141591
92	18.488105	11.538280	112	57.626545	57.254750
93	19.891280	12.798396	113	60.908527	60.105321
94	21.375691	14.396827	114	64.412950	64.149598
95	22.945520	16.403051	115	68.157340	67.939651
96	24.383748	18.300558	116	72.157064	71.900399
97	25.919865	20.276291	117	76.433024	76.275656
98	27.562656	20.595620	118	81.006092	80.345278
99	29.322834	21.731375	119	83.333333	83.333333

**AGL LIFE ASSURANCE COMPANY  
610 W. GERMANTOWN PIKE  
PLYMOUTH MEETING, PA 19462**

**Statement of Variability for  
Flexible Premium Variable Life Insurance Contract  
VL-0901AR**

When approved for use, the following described changes shall be the only permitted use of form VL-0901AR in the State of Arkansas. Only the bracketed language may be subject to change.

**Cover Sheet:**

Self Explanatory:

*Secretary:* [Name]

*President:* [Name]

**Page 3:**

Self Explanatory:

**Contract Schedule A, General Contract and Insured Information**

*Contract Number:* [Number]

*Contract Holder:* [Name]

*Contract Year:* [Each successive 12 month period starting on Contract Date]

*Contract Date:* [Date]

*Issue Date:* [Date]

*Maturity Date:* [Date]

*Beneficiary:* [Name]

**Contract Schedule A, Insured Information**

*Insured:* [Name]

*Sex:* [Sex]

*Date of Birth:* [Date]

*Issue Age:* [Age]

*Underwriting Class:* [Class]

*Social Security Number:* [Number]

*Residence:* [Address]

**Contract Schedule A, Basic Contract Information**

*Death Benefit Option:* [1, 2 or 3]

*Riders:* [Title]

*Governing Jurisdiction:* [State]

*State of Issuance:* [State]

*Initial Premium:* [\$ Figure]

*Life Insurance*

*Qualification Test:* [Guideline Premium or Cash Value Accumulation]

**Page 3:**

Explanation:

**Contract Schedule A, Basic Contract Information**

*Initial Face Amount:*     [\$]

This dollar figure is a minimum \$200,000 with no maximum

*Option 3 Death Benefit on the Contract Date:*     [\$ Figure or N/A]

If Death Benefit Option Three is chosen, this field will be populated with a dollar figure.

*Initial Net Premium:*     [\$]

This number represents the Initial Premium less fees.

*Minimum Premium:*     [\$]

The minimum premium at any time is equal to the Minimum Net Premium plus the Premium Loads

**Page 4:**

Explanation:

**Contract Schedule B, Premium Loads**

*Distribution Charge:*     [%] of Initial Premium

                                          [%] of Subsequent Premium

This percentage range is from 0 to 3.50% for initial premium and 0 to 3.50% for subsequent premium.

*Mortality and Expense*

*Risk Charge:*             [%]monthly; [%]annually

The percentage range is from 0 to 0.103575% for monthly and 0 to 1.25% for annually.

*Minimum Credited Rate*

*For the Borrowed Fund:* [%]

This percentage range has a minimum of 4.00% and no maximum

**Page 5:**

Explanation:

**Contract Schedule C, Limitation on Transfer**

*[Investment Accounts]*

This section will list the investment accounts available under the contract.

**Page 6:**

Explanation:

**Contract Schedule D, Face Amount**

*Contract Years:*           [# or All]

Yearly breakdown based on applicant.

*Table of Selected*

*Face Amounts:*           [\$]

The dollar amounts are determined at the time of application.

**Page 9:**

Explanation:

**Contract Schedule F**

This table is for the guideline premium test. Different table used for cash value accumulation test based on the choice of the applicant