

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance Company State Tracking Number: 38455  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Filing at a Glance

Company: American General Life and Accident Insurance Company  
Product Name: AGLA 04174 Insert Page Filing SERFF Tr Num: AMGN-125528913 State: ArkansasLH  
TOI: L09I Individual Life - Flexible Premium SERFF Status: Closed State Tr Num: 38455  
Adjustable Life  
Sub-TOI: L09I.001 Single Life Co Tr Num: AGLA 04174 REV State Status: Approved-Closed  
0308, PGS 6/7, 10/11, 14/15, 16/17  
Filing Type: Form Co Status: Reviewer(s): Linda Bird  
Author: Marilyn Ellis Disposition Date: 04/01/2008  
Date Submitted: 03/19/2008 Disposition Status: Approved  
Implementation Date Requested: On Approval Implementation Date:  
State Filing Description:

## General Information

Project Name: Status of Filing in Domicile: Pending  
Project Number: AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17 Date Approved in Domicile:  
Requested Filing Mode: Review & Approval Domicile Status Comments: This filing has been  
submitted to our domicile state of Tennessee.  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Group Market Size:  
Overall Rate Impact: Group Market Type:  
Filing Status Changed: 04/01/2008 Deemer Date:  
State Status Changed: 04/01/2008  
Corresponding Filing Tracking Number:  
Filing Description:  
FILING FOR COMPLIANCE WITH 2001 CSO MORTALITY TABLE REQUIREMENTS

Insert Pages for Flexible Premium Adjustable Life Insurance Policy AGLA 04174

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

Form No.

Description

Replaces Previously Approved

AGLA 04174 REV 0308, Pg 6/7 Policy Insert Page AGLA 04174, Pg 6/7 3/11/04  
AGLA 04174 REV 0308, Pg 10/11 Policy Insert Page AGLA 04174, Pg 10/11 3/11/04  
AGLA 04174 REV 0308, Pg 14/15 Policy Insert Page AGLA 04174, Pg 14/15 3/11/04  
AGLA 04174 M1 REV 0308, Pg. 16/17 Policy Insert Page AGLA 04174 M, Pg 16/17 3/11/04  
AGLA 04174 M2 REV 0308, Pg 16/17 Policy Insert Page AGLA 04174 M Pg 16/17 3/11/04  
AGLA 04174 F1 REV 0308, Pg. 16/17 Policy Insert Page AGLA 04174 F, Pg 16/17 3/11/04  
AGLA 04174 F2 REV 0308, Pg 16/17 Policy Insert Page AGLA 04174 F Pg 16/17 3/11/04

The above policy insert pages are being submitted for your consideration and approval. Each replaces a previously approved insert page as shown above. The referenced forms have been submitted to our domicile state of Tennessee.

The above insert pages will be used with individual, nonparticipating Flexible Premium Adjustable Life Insurance Policy AGLA 04174, previously approved 3/11/04. The insert pages will be issued as follows:

1. AGLA 04174 REV 0308, Page 6/7, AGLA 04174 REV 0308, Page 10/11 and AGLA 04174 REV 0308, Page 14/15 will be used for both male and female issues in all bands.
2. AGLA 04174 M1 REV 0308, Page 16/17 will be used for male issues in bands F15 and F25 (see enclosed actuarial memorandum for explanation of banding).
3. AGLA 04174 M2 REV 0308, Page 16/17 will be used for male issues in bands F50 and F100.
4. AGLA 04174 F1 REV 0308, Page 16/17 will be used for female issues in bands F15 and F25.
5. AGLA 04174 F2 REV 0308, Page 16/17 will be used for female issues in bands F50 and F100.

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
 Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
 Company  
 Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: AGLA 04174 Insert Page Filing  
 Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

To comply with 2001 CSO Mortality Table requirements, the following changes have been made to the referenced insert pages:

1. The Table of Death Benefit Factors on policy page 6 has been expanded to show attained ages through 120.
2. The reference to "1980 Commissioners Standard Ordinary Male or Female, Smoker or Nonsmoker Mortality Table" on policy pages 11 and 14 has been replaced with "2001 Commissioners Standard Ordinary Male or Female, Smoker or Nonsmoker Mortality Table."
3. The Table of Guaranteed Monthly Cost of Insurance Rates per \$1,000 of Net Amount at Risk on policy page 16 has been updated based on the 2001 CSO Mortality Table.
4. The Table of Guaranteed Single Premium Rates per \$1,000 of Paid-Up Whole Life on policy page 17 has been updated based on the 2001 CSO Mortality Table.

In addition, a revised actuarial memorandum is enclosed for your review.

## Company and Contact

### Filing Contact Information

Kathryn Mitchell, Manager kathryn\_mitchell@aigag.com  
 American General Center (615) 749-1139 [Phone]  
 Nashville, TN 37250-0001 (615) 749-2521[FAX]

### Filing Company Information

American General Life and Accident Insurance CoCode: 66672 State of Domicile: Tennessee  
 Company  
 American General Center Group Code: 12 Company Type:  
 Nashville, TN 37250-0001 Group Name: AIG State ID Number:  
 (615) 749-1139 ext. [Phone] FEIN Number: 62-0306330  
 -----

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$140.00  
 Retaliatory? No

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17  
Fee Explanation: 7 forms x \$20 = \$140  
Per Company: No

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American General Life and Accident Insurance Company	\$0.00	03/19/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
91222035	\$140.00	03/10/2008

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	04/01/2008	04/01/2008

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Disposition

Disposition Date: 04/01/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
 Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
 Company  
 Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: AGLA 04174 Insert Page Filing  
 Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes
Rate	Actuarial Memorandum		Yes

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
 Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
 Company  
 Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: AGLA 04174 Insert Page Filing  
 Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Form Schedule

Lead Form Number: AGLA 4174 REV 0308, Pg 6/7, 10/11

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	AGLA 04174 REV 0308, Pg 6/7	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial		53	AGLA04174R EV0308P6.pdf
	AGLA 04174 REV 0308, Pg 10/11	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial		51	AGLA04174R EV0308P10.pdf
	AGLA 04174 REV 0308, Pg 14/15	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial		54	AGLA04174R EV0308P14.pdf
	AGLA 04174 M1 REV 0308, Pg. 16/17	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial		52	AGLA04174M 1REV0308.pdf
	AGLA 04174 M2 REV 0308, PG 16/17	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial		52	AGLA04174M 2REV0308.pdf

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
 Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
 Company  
 Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: AGLA 04174 Insert Page Filing  
 Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

AGLA 04174 F1 REV 0308, Pg 16/17	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial	52	AGLA04174F 1REV0308.pd f
AGLA 04174 F2 REV 0308, Pg 16/17	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Policy Insert Page	Initial	52	AGLA04174F 2REV0308.pd f



## DEATH BENEFIT AND DEATH BENEFIT OPTIONS

### DEATH BENEFIT PROCEEDS

If the Insured dies prior to the Maturity Date and while this policy is in force, we will pay the Death Benefit Proceeds to the Beneficiary after we receive due proof and proper written claim. The Death Benefit Proceeds will be subject to:

- (a) the Death Benefit Option in effect on the date of death; and
- (b) any increases or decreases made to the Specified Amount. The Initial Specified Amount is shown in the Policy Data on Page 1.

Guidelines for changing the Death Benefit Option or the Specified Amount can be found in the section entitled "Changing Your Insurance Policy."

The Death Benefit Proceeds will be the Death Benefit Amount, after reversing any premium received after the date of death, less any Loan Balance and will be subject to the other provisions of the Owner and the Beneficiary section.

### Death Benefit Option

The Death Benefit Option that you have chosen is shown in the Policy Data on Page 1 as either Option A or Option B.

### Option A

If you have chosen Option A, the Death Benefit Amount will be the greater of:

- (a) the Specified Amount on the date of death; or
- (b) the Accumulation Value on the date of death multiplied by the applicable Death Benefit Factor.

### Option B

If you have chosen Option B, the Death Benefit Amount will be the greater of:

- (a) the Specified Amount plus the Accumulation Value on the date of death; or
- (b) the Accumulation Value on the date of death multiplied by the applicable Death Benefit Factor.

### DEATH BENEFIT FACTOR

The Death Benefit Factor will be based on the Insured's Attained Age on each Policy Anniversary as shown in the following table.

<b>Table Of Death Benefit Factors</b>					
<b>Att'd Age</b>	<b>Factor</b>	<b>Att'd Age</b>	<b>Factor</b>	<b>Att'd Age</b>	<b>Factor</b>
0-40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75-90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94	1.01
52	1.71	66	1.19	95-120	1.00
53	1.64	67	1.18		

## CHANGING YOUR INSURANCE POLICY

You may request a change in Specified Amount and in Death Benefit Option to become effective any time after the first Policy Anniversary. Your request must be submitted to our Home Office in writing.

### INCREASING THE SPECIFIED AMOUNT

Any increase in the Specified Amount cannot be less than the Minimum Increase Amount shown on the Policy Schedule. We will require a supplemental application and, except as provided in any Additional Insurance Option Rider, evidence of insurability satisfactory to us for any increase in the Specified Amount. An increase will be effective on the monthly Deduction Day on or next following the date the application for increase is approved by us.

### EXPENSE CHARGE FOR INCREASING SPECIFIED AMOUNT

If the Specified Amount is increased, an Expense Charge for Increasing Specified Amount will be deducted from the Accumulation Value in equal monthly amounts for a period of 12 months. This expense charge will not be greater than the Maximum Expense Charge for Increasing Specified Amount described on the Policy Schedule.

### DECREASING THE SPECIFIED AMOUNT

Any decrease will go into effect on the monthly Deduction Day following the day we receive the request. The Death Benefit Amount remaining in effect after any decrease cannot be less than the greater of:

- (a) the Minimum Specified Amount shown on the Policy Schedule; and
- (b) any Death Benefit Amount required to qualify this policy as life insurance under applicable tax laws.

Any such decrease will be applied in the following order:

- (a) against any Specified Amount provided by an increase, beginning with the most recent;
- (b) against the Initial Specified Amount.

Any decrease in Specified Amount that causes a reduction in Initial Specified Amount will be subject to surrender charges on a pro-rata basis, and the remaining surrender charge will be reduced on a pro-rata basis.

### CHANGING THE DEATH BENEFIT OPTION

You may request a change in the Death Benefit Option you have chosen.

- (a) If you request a change from Option A to Option B: the new Specified Amount will be the Specified Amount, prior to change, less the Accumulation Value as of the effective date of the change, but not less than zero.
- (b) If you request a change from Option B to Option A: the new Specified Amount will be the Death Benefit Amount as of the effective date of the change.

We will not require evidence of insurability for a change in the Death Benefit Option. The change will go into effect on the monthly Deduction Day following the date we receive your request for change.

### CHANGING THE TERMS OF YOUR POLICY

Any change in your policy must be approved by one of our officers. No agent has the authority to make any changes or waive any of the terms of your policy.

## POLICY VALUES

(Continued)

### MONTHLY GUARANTEE PREMIUM

The Monthly Guarantee Premium for the Initial Specified Amount and any benefit riders in force on the Date of Issue is shown on the Policy Schedule. The Monthly Guarantee Premium Period (Guaranteed Period) on the Date of Issue is also shown on the Policy Schedule. This policy will not terminate during the Guarantee Period if, on each monthly Deduction Day within the Guarantee Period the sum of premiums paid equals or exceeds:

- (a) the sum of the Monthly Guarantee Premiums from the start of the Guarantee Period, including the current month; plus
- (b) any partial surrenders and any increase in the loan amount since the start of the Guarantee Period.

If the Specified Amount is increased, a new Monthly Guarantee Premium will be provided.

If a benefit rider is added or increased the Monthly Guarantee Premium will be increased. If a benefit rider is removed or decreased the Monthly Guarantee Premium will be decreased. Neither change will affect the Guarantee Period then in effect, if any.

If a policy is reinstated with no change to the Specified Amount, Premium Class or any benefit riders, the Monthly Guarantee Premium upon reinstatement will be the same as it was when the policy lapsed. Reinstatement will not extend or otherwise change the Monthly Guarantee Premium Period that was in effect when the policy lapsed.

The policy value at the end of the Guarantee Period may be insufficient to keep the policy in force, unless an additional payment is paid thereafter to keep the policy in force.

### FULL SURRENDER

Subject to the Owner and the Beneficiary section, you may return your policy to us and request its Cash Surrender Value at any time during the Insured's lifetime before the Maturity Date. The Cash Surrender Value will be calculated as of the day we receive your request.

### PARTIAL SURRENDER

At any time, you may request withdrawal of a portion of the Cash Surrender Value of the policy. The remaining Cash Surrender Value must be at least \$250.00. Your request must be made in writing prior to the Maturity Date during the Insured's lifetime.

A partial surrender will result in a reduction of the Cash Value, Accumulation Value and the Death Benefit Amount. The Cash Value and Accumulation Value will be reduced by the amount of the partial surrender. If your Death Benefit Option is Option A, the Specified Amount will be reduced by the amount of the partial surrender. If your Death Benefit Option is Option B, the Specified Amount will not be reduced by the amount of the partial surrender. The Specified Amount remaining after this reduction must not be less than the Minimum Specified Amount shown on the Policy Schedule.

There will be a charge not to exceed the Partial Surrender Charge shown on the Policy Schedule for each partial surrender in addition to any applicable Surrender Charges. Any partial surrender that causes a reduction in Initial Specified amount will be subject to surrender charges on a pro-rata basis, and the remaining surrender charge will be reduced on a pro-rata basis.

### SURRENDER CHARGE

The Surrender Charge applicable to the Initial Specified Amount is described in the Table of Surrender Charges for \$1,000 of Coverage. Such surrender charge will apply if the Initial Specified Amount is surrendered or reduced during the Surrender Charge Period.

### PAYMENT OF CASH SURRENDER VALUE BENEFIT

We can defer payment of Cash Surrender Values for up to six months, or the period allowed by law, whichever is less.

### PAID-UP WHOLE LIFE OPTION

At any time while the Insured is living, you may use all or part of this policy's Cash Surrender Value to purchase paid-up whole life insurance. The effective date of this option shall be the monthly Deduction Day on or next following the date we receive your written request. The maximum amount of paid-up whole life insurance that may be purchased is equal to:

- (a) the Death Benefit Amount of this policy on the effective date of the change; less
- (b) the Cash Surrender Value of this policy on the effective date of the change; plus
- (c) the amount applied as the single premium for this option.

The minimum amount of paid-up whole life insurance that may be purchased is \$1,000.

## POLICY VALUES

(Continued)

The amount applied as the single premium cannot be greater than the Cash Surrender Value on the effective date of the change. Any Cash Surrender Value in excess of the amount applied as the single premium shall be paid in a lump sum to you. The paid-up whole life option shall not include any additional benefits provided by riders attached to this policy.

The single premium for the new policy will be based on our single premium rates then in effect. However, the single premium rates for the standard premium class will not be greater than the rates shown in the Table of Guaranteed Single Premium Rates Per \$1,000 of Paid-Up Whole Life. The guaranteed rates are based on the 2001 Commissioners Standard Ordinary Male or Female,

Smoker or Nonsmoker Mortality Table for the appropriate gender and age last birthday and interest at the Guaranteed Interest Rate shown on the Policy Schedule.

### **PERIOD OF INSURANCE COVERAGE IF AMOUNT OR FREQUENCY OF PREMIUM PAYMENTS IS REDUCED OR IF PREMIUM PAYMENTS ARE DISCONTINUED**

If you reduce the amount or frequency of premium payments, or if you discontinue payments of premiums and do not surrender this policy, we will continue making Monthly Deductions, as long as there is sufficient Cash Surrender Value to make such deductions, until the Maturity Date.

## POLICY LOANS

### **POLICY LOAN**

On the first Policy Anniversary, or at any time thereafter while this policy is in force, you may obtain a Policy Loan on this policy if it has a Cash Value. This policy is the only security for the Policy Loan and must be assigned to us. The amount of the Policy Loan cannot be more than the Cash Value minus:

- (a) any existing Loan Balance; and
- (b) any Loan Interest to the next Policy Anniversary or next premium due date, whichever is earlier.

We can defer a Policy Loan for up to six months from the date we receive your request.

### **LOAN INTEREST**

Interest on a Policy Loan accrues daily at the annual Loan Interest rate shown on the Policy Schedule. Interest is due on each Policy Anniversary and when a Policy Loan is repaid. If the interest is not paid when due, it will be added to the Policy Loan and accrue interest at the same rate.

### **LOAN BALANCE**

We will deduct any Loan Balance from any amount payable under this policy.

### **REPAYMENT OF LOAN BALANCE**

You may repay any part of the Loan Balance at any time while this policy is in force. A Loan Balance that exists at the end of a Grace Period may not be repaid. (See the Reinstatement provision.) Failure to repay the Loan Balance will not terminate this policy unless the Loan Balance exceeds the Cash Value.

### **PREFERRED LOANS**

Starting on the tenth Policy Anniversary, this policy will be eligible for Preferred Loans. The maximum amount eligible for Preferred Loans during a policy year is restricted to policy earnings, defined as:

- (a) the Cash Surrender Value on a Policy Anniversary; less
- (b) the sum of premiums paid in excess of partial surrenders since the Date of Issue.

Interest credited to the amount of the Accumulation Value offset by a Preferred Loan:

- (a) will be at the annual effective rate that is equal to or less than the Policy Loan interest rate; and
- (b) will be at a higher rate than the rate used to credit interest to values offset by any other Policy Loan.

## GENERAL PROVISIONS

### CONTRACT

The consideration for this contract is the application and payment of the first premium. In return, we promise to provide the insurance coverage described in this policy.

The entire contract consists of:

- (a) the basic policy;
- (b) the riders that add benefits to the basic policy, if any;
- (c) endorsements, if any; and
- (d) the attached copy of your application, and any amendments or supplemental applications.

### DATE OF ISSUE

The Date of Issue of this policy is shown in the Policy Data on Page 1. It is the date from which all premium Due Dates, policy years, Policy Anniversaries, and Monthly Deduction dates are determined.

### ASSIGNING YOUR POLICY

During the lifetime of the Insured, you may assign this policy as security for an obligation. We will not be bound by an assignment unless it is received in writing at our Home Office. We will not be responsible for the validity of any assignment.

### INCONTESTABILITY

We rely on the statements made in the application for the policy and applications for any reinstatements or increases in Specified Amount. These statements, in the absence of fraud, are considered representations and not warranties. No statement may be used in defense of a claim under the policy unless it is in such applications.

Except as stated below, we cannot contest this policy after it has been in force during the Insured's lifetime for two years from the Date of Issue.

Exceptions: We cannot contest any claim related to an increase in Specified Amount after such increase has been in effect during the Insured's lifetime for two years.

If this policy is reinstated, we cannot contest this policy after it has been in force during the Insured's lifetime for two years from the date of reinstatement.

We can contest a reinstatement or an increase in Specified Amount only on the basis of the information furnished in the application for such reinstatement or increase.

This two-year limitation does not apply to any disability or accidental death benefit, or to the nonpayment of premium.

### SUICIDE EXCLUSION

If the Insured takes his or her own life, while sane or insane, within two years from the Date of Issue, we will limit the Death Benefit Proceeds to the premiums paid less any policy loans and less any partial cash surrenders paid.

If there are any increases in the Specified Amount (see the section entitled "Changing Your Insurance Policy") a new two year period shall apply to each increase beginning on the date of each increase. The Death Benefit Proceeds will be the costs of insurance associated with each increase.

### AGE AND GENDER INCORRECTLY STATED

The Insured's Age and gender on the Date of Issue are shown in the Policy Data on Page 1. If the Age or gender of the Insured is incorrectly stated, we will adjust the Death Benefit Amount. The adjusted Death Benefit Amount will be the amount that would have been purchased by the most recent Monthly Deduction at the Insured's correct attained Age and gender.

### STATUTORY BASIS OF POLICY VALUES

Cash Values, Guaranteed Costs of Insurance Rates and net single premiums are based on the Commissioners 2001 Standard Ordinary Male or Female, Smoker or Nonsmoker Mortality Table for the appropriate gender and age last birthday. Continuous functions are used with interest at the Guaranteed Interest Rate shown on the Policy Schedule.

The Cash Values are equal to or more than those required by law. A detailed statement of the method of computing values and benefits has been filed with the insurance supervisory official of the state in which this policy is delivered.

### NO DIVIDENDS

This policy will not pay dividends. It will not participate in any of our surplus or earnings.

### ANNUAL REPORT

We will send you at least once a year, without charge, an annual report which shows the following:

- (a) premiums paid;
- (b) expense charges deducted;
- (c) interest credited to your Accumulation Value;
- (d) the cost of insurance deducted;
- (e) partial surrender benefits paid to you;
- (f) the amount of any outstanding policy loan;
- (g) the current Cash Surrender and Accumulation Values.

## GENERAL PROVISIONS

(Continued)

### ILLUSTRATIVE REPORT

At any time while this policy is in force, the Owner may request from us an illustration of contract values. The values will be based on both guaranteed and then current assumptions. A reasonable fee, not to exceed \$50.00, may be charged for additional reports requested in a policy year.

### WHEN THIS POLICY TERMINATES

This policy will terminate if:

- (a) you request that this policy be terminated;
- (b) the Insured dies;
- (c) the policy matures;
- (d) the Grace Period ends; and
  - (1) there is not sufficient Cash Surrender Value to cover a Monthly Deduction; or
  - (2) the necessary Monthly Guarantee Premiums to keep the policy in force have not been paid.

### REINSTATEMENT

We will reinstate this policy at any time within five years after the end of the Grace Period and before the Maturity Date. To reinstate this policy, you must:

- (a) present evidence of insurability for the Insured satisfactory to us;
- (b) pay any Monthly Guarantee Premiums unpaid since the Due Date prior to termination and during any Monthly Guarantee Premium Period;
- (c) pay enough premium to keep the policy in force for two months; and
- (d) repay or reinstate any Loan Balance outstanding at the time of termination, including any loan interest.

The Accumulation Value at the time of reinstatement will be:

- (a) the Accumulation Value at the lapse date; plus
- (b) the premiums, less any applicable Premium Payment Charges, paid at the time of reinstatement; less
- (c) an amount which is calculated as the difference in (1) and (2), where:
  - (1) is the Surrender Charge on the later of
    - (i) the lapse date, or
    - (ii) the end of the Monthly Guarantee Premium Period which, if any, was applicable on the lapse date; and
  - (2) is the Surrender Charge on the reinstatement date.

If a person other than the Insured is covered by an attached rider, coverage will be reinstated according to the rider.

### RIGHTS RESERVED BY US

Upon notice to you, this policy may be modified by us, but only if such modification is necessary to make any changes as required by the Internal Revenue Code or by any other applicable law, regulation or interpretation in order to continue treatment of this policy as life insurance.

When required by law, we will obtain your approval of changes and we will gain approval from any appropriate regulatory authority.

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES  
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
0	\$0.06	40	\$ 0.24	80	\$ 8.29
1	0.03	41	0.26	81	9.13
2	0.02	42	0.29	82	10.00
3	0.02	43	0.32	83	10.94
4	0.01	44	0.36	84	12.02
5	0.01	45	0.39	85	13.26
6	0.01	46	0.43	86	14.63
7	0.01	47	0.46	87	16.11
8	0.01	48	0.49	88	17.68
9	0.01	49	0.52	89	19.33
10	0.02	50	0.56	90	20.96
11	0.02	51	0.61	91	22.54
12	0.02	52	0.67	92	24.20
13	0.03	53	0.74	93	25.96
14	0.04	54	0.83	94	27.87
15	0.05	55	0.93	95	29.84
16	0.06	56	1.03	96	31.77
17	0.07	57	1.12	97	33.84
18	0.07	58	1.21	98	36.10
19	0.08	59	1.31	99	38.54
ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
20	0.10	60	1.43	100	40.90
21	0.11	61	1.59	101	42.98
22	0.11	62	1.77	102	45.22
23	0.12	63	1.96	103	47.64
24	0.13	64	2.15	104	50.49
25	0.13	65	2.34	105	54.03
26	0.14	66	2.52	106	57.96
27	0.15	67	2.70	107	62.35
28	0.15	68	2.89	108	67.27
29	0.15	69	3.10	109	72.85
30	0.15	70	3.34	110	79.19
31	0.15	71	3.64	111	83.33
32	0.15	72	3.98	112	83.33
33	0.15	73	4.33	113	83.33
34	0.16	74	4.71	114	83.33
35	0.17	75	5.14	115	83.33
36	0.18	76	5.61	116	83.33
37	0.19	77	6.16	117	83.33
38	0.20	78	6.80	118	83.33
39	0.22	79	7.51	119	83.33
				120	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

**TABLE OF GUARANTEED SINGLE PREMIUM RATES  
PER \$1,000 OF PAID-UP WHOLE LIFE**

<b>ATTAINED AGE</b>	<b>AGGREGATE</b>	<b>ATTAINED AGE</b>	<b>NO TOBACCO</b>	<b>NO TOBACCO</b>	<b>ATTAINED AGE</b>	<b>NO TOBACCO</b>	<b>NO TOBACCO</b>	
0	\$196.31	40	\$488.27	\$439.86	80	\$872.09	\$853.83	
1	200.15	41	497.76	448.90	81	879.27	862.36	
2	204.28	42	507.36	458.09	82	886.13	870.54	
3	208.61	43	517.04	467.41	83	892.72	878.38	
4	213.11	44	526.79	476.86	84	899.08	885.89	
5	217.74	45	536.58	486.43	85	905.14	893.03	
6	222.47	46	546.43	496.11	86	910.82	899.77	
7	227.31	47	556.35	505.93	87	916.11	906.07	
8	232.25	48	566.38	515.89	88	920.97	911.93	
9	237.30	49	576.57	526.04	89	925.42	917.33	
10	242.47	50	586.90	536.36	90	929.45	922.28	
11	247.74	51	597.34	546.82	91	933.16	926.85	
12	253.10	52	607.83	557.42	92	936.65	931.15	
13	258.54	53	618.34	568.12	93	939.94	935.18	
14	264.06	54	628.84	578.91	94	943.04	938.92	
15	269.61	55	639.27	589.75	95	945.91	942.36	
16	275.19	56	649.62	600.63	96	948.57	945.57	
17	280.82	57	659.92	611.55	97	951.10	948.62	
18	286.49	58	670.21	622.54	98	953.49	951.49	
19	292.25	59	680.52	633.62	99	955.71	954.16	
<b>ATTAINED AGE</b>	<b>NO TOBACCO</b>	<b>NO TOBACCO</b>						
20	330.25	\$292.79	60	690.83	644.76	100	957.69	956.54
21	336.81	298.70	61	701.06	655.92	101	959.48	958.70
22	343.48	304.75	62	711.16	667.05	102	961.27	960.81
23	350.26	310.95	63	721.06	678.13	103	963.07	962.87
24	357.16	317.28	64	730.76	689.12	104	964.94	964.86
25	364.18	323.75	65	740.30	700.05	105	966.86	966.79
26	371.30	330.35	66	749.71	710.93	106	968.73	968.67
27	378.54	337.08	67	759.06	721.78	107	970.54	970.49
28	385.93	343.96	68	768.38	732.62	108	972.30	972.25
29	393.49	351.01	69	777.70	743.45	109	974.00	973.96
30	401.24	358.24	70	787.00	754.26	110	975.64	975.61
31	409.18	365.64	71	796.26	765.01	111	977.23	977.20
32	417.31	373.22	72	805.39	775.63	112	978.76	978.74
33	425.62	380.98	73	814.33	786.06	113	980.23	980.22
34	434.10	388.89	74	823.13	796.33	114	981.65	981.64
35	442.75	396.99	75	831.80	806.44	115	983.01	983.00
36	451.57	405.24	76	840.32	816.40	116	984.32	984.31
37	460.53	413.66	77	848.66	826.17	117	985.57	985.57
38	469.64	422.24	78	856.77	835.70	118	986.77	986.76
39	478.89	430.97	79	864.59	844.93	119	987.91	987.90
						120	988.96	988.96

Divide the Cash Surrender Value on the effective date by the applicable rate above to obtain the maximum amount of paid-up coverage.

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES  
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
0	\$0.06	40	\$ 0.24	80	\$ 8.29
1	0.03	41	0.26	81	9.13
2	0.02	42	0.29	82	10.00
3	0.02	43	0.32	83	10.94
4	0.01	44	0.36	84	12.02
5	0.01	45	0.39	85	13.26
6	0.01	46	0.43	86	14.63
7	0.01	47	0.46	87	16.11
8	0.01	48	0.49	88	17.68
9	0.01	49	0.52	89	19.33
10	0.02	50	0.56	90	20.96
11	0.02	51	0.61	91	22.54
12	0.02	52	0.67	92	24.20
13	0.03	53	0.74	93	25.96
14	0.04	54	0.83	94	27.87
15	0.05	55	0.93	95	29.84
16	0.06	56	1.03	96	31.77
17	0.07	57	1.12	97	33.84
18	0.07	58	1.21	98	36.10
19	0.08	59	1.31	99	38.54
ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
20	0.10	60	1.43	100	40.90
21	0.11	61	1.59	101	42.98
22	0.11	62	1.77	102	45.22
23	0.12	63	1.96	103	47.64
24	0.13	64	2.15	104	50.49
25	0.13	65	2.34	105	54.03
26	0.14	66	2.52	106	57.96
27	0.15	67	2.70	107	62.35
28	0.15	68	2.89	108	67.27
29	0.15	69	3.10	109	72.85
30	0.15	70	3.34	110	79.19
31	0.15	71	3.64	111	83.33
32	0.15	72	3.98	112	83.33
33	0.15	73	4.33	113	83.33
34	0.16	74	4.71	114	83.33
35	0.17	75	5.14	115	83.33
36	0.18	76	5.61	116	83.33
37	0.19	77	6.16	117	83.33
38	0.20	78	6.80	118	83.33
39	0.22	79	7.51	119	83.33
				120	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

**TABLE OF GUARANTEED SINGLE PREMIUM RATES  
PER \$1,000 OF PAID-UP WHOLE LIFE**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	NO TOBACCO	ATTAINED AGE	NO TOBACCO	NO TOBACCO
0	\$150.95	40	\$378.45	\$339.40	80	\$759.75	\$731.82
1	153.80	41	386.10	346.52	81	770.80	744.28
2	156.92	42	393.87	353.77	82	781.65	756.58
3	160.22	43	401.71	361.14	83	792.38	768.75
4	163.67	44	409.62	368.61	84	802.98	780.75
5	167.24	45	417.59	376.19	85	813.33	792.47
6	170.89	46	425.62	383.87	86	823.24	803.80
7	174.62	47	433.74	391.68	87	832.60	814.64
8	178.45	48	442.01	399.64	88	841.36	824.89
9	182.38	49	450.52	407.80	89	849.46	834.51
10	186.41	50	459.24	416.15	90	856.89	843.45
11	190.53	51	468.14	424.69	91	863.79	851.84
12	194.73	52	477.18	433.38	92	870.36	859.83
13	199.00	53	486.33	442.22	93	876.63	867.40
14	203.33	54	495.54	451.20	94	882.58	874.53
15	207.67	55	504.77	460.28	95	888.13	881.14
16	212.02	56	514.02	469.45	96	893.30	887.35
17	216.38	57	523.30	478.73	97	898.27	893.31
18	220.76	58	532.70	488.17	98	903.00	898.97
19	225.20	59	542.28	497.78	99	907.40	904.26
20	254.82	60	552.00	507.57	100	911.34	909.01
21	259.92	61	561.78	517.49	101	914.92	913.33
22	265.10	62	571.52	527.49	102	918.50	917.57
23	270.36	63	581.15	537.52	103	922.14	921.71
24	275.71	64	590.65	547.58	104	925.93	925.75
25	281.14	65	600.08	557.71	105	929.84	929.68
26	286.64	66	609.52	567.94	106	933.65	933.52
27	292.22	67	619.08	578.33	107	937.37	937.26
28	297.90	68	628.81	588.92	108	940.99	940.90
29	303.73	69	638.80	599.77	109	944.51	944.43
30	309.72	70	649.07	610.89	110	947.92	947.85
31	315.88	71	659.60	622.26	111	951.23	951.17
32	322.21	72	670.27	633.80	112	954.42	954.38
33	328.71	73	681.01	645.45	113	957.51	957.48
34	335.36	74	691.92	657.27	114	960.49	960.47
35	342.16	75	703.02	669.30	115	963.37	963.35
36	349.13	76	714.28	681.56	116	966.13	966.11
37	356.24	77	725.69	694.03	117	968.78	968.77
38	363.51	78	737.14	706.63	118	971.33	971.32
39	370.91	79	748.51	719.25	119	973.75	973.75
					120	976.00	976.00

Divide the Cash Surrender Value on the effective date by the applicable rate above to obtain the maximum amount of paid-up coverage.

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES  
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
0	\$0.03	40	\$ 0.18	80	\$ 6.10
1	0.02	41	0.19	81	6.76
2	0.01	42	0.21	82	7.46
3	0.01	43	0.22	83	8.17
4	0.01	44	0.24	84	8.92
5	0.01	45	0.27	85	9.62
6	0.01	46	0.30	86	10.44
7	0.01	47	0.33	87	11.46
8	0.01	48	0.37	88	12.50
9	0.01	49	0.42	89	13.47
10	0.01	50	0.47	90	14.02
11	0.02	51	0.53	91	14.48
12	0.02	52	0.59	92	15.47
13	0.02	53	0.65	93	16.90
14	0.02	54	0.72	94	18.94
15	0.03	55	0.79	95	21.42
16	0.03	56	0.87	96	23.86
17	0.03	57	0.95	97	25.34
18	0.03	58	1.03	98	25.94
19	0.03	59	1.12	99	27.58
ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
20	0.04	60	1.21	100	29.86
21	0.05	61	1.31	101	32.39
22	0.05	62	1.42	102	35.24
23	0.05	63	1.53	103	38.43
24	0.06	64	1.65	104	42.28
25	0.06	65	1.77	105	46.95
26	0.07	66	1.91	106	52.04
27	0.07	67	2.07	107	57.56
28	0.07	68	2.23	108	63.58
29	0.08	69	2.42	109	70.31
30	0.08	70	2.63	110	77.66
31	0.09	71	2.87	111	83.33
32	0.10	72	3.13	112	83.33
33	0.11	73	3.41	113	83.33
34	0.12	74	3.71	114	83.33
35	0.13	75	4.02	115	83.33
36	0.14	76	4.36	116	83.33
37	0.15	77	4.73	117	83.33
38	0.16	78	5.13	118	83.33
39	0.17	79	5.56	119	83.33
				120	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

**TABLE OF GUARANTEED SINGLE PREMIUM RATES  
PER \$1,000 OF PAID-UP WHOLE LIFE**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	NO TOBACCO	ATTAINED AGE	NO TOBACCO	NO TOBACCO
0	\$178.49	40	\$462.13	\$409.03	80	\$844.00	\$812.04
1	182.16	41	471.35	417.51	81	851.77	821.79
2	186.00	42	480.71	426.14	82	859.10	831.21
3	190.00	43	490.21	434.92	83	866.04	840.30
4	194.11	44	499.84	443.85	84	872.63	849.10
5	198.32	45	509.58	452.92	85	878.87	857.59
6	202.64	46	519.44	462.12	86	884.94	865.84
7	207.05	47	529.38	471.46	87	890.73	873.76
8	211.54	48	539.38	480.91	88	896.04	881.17
9	216.13	49	549.42	490.48	89	900.91	888.10
10	220.83	50	559.48	500.15	90	905.50	894.65
11	225.62	51	569.55	509.92	91	910.35	901.25
12	230.50	52	579.62	519.77	92	915.70	908.07
13	235.48	53	589.68	529.71	93	921.14	914.73
14	240.54	54	599.72	539.71	94	926.41	920.91
15	245.69	55	609.74	549.80	95	931.10	926.34
16	250.95	56	619.73	559.95	96	934.91	930.89
17	256.30	57	629.68	570.14	97	937.87	934.59
18	261.76	58	639.62	580.40	98	940.68	938.12
19	267.32	59	649.53	590.71	99	944.08	942.15
20	306.97	60	659.42	601.08	100	947.60	946.21
21	313.46	61	669.29	611.52	101	951.02	950.10
22	320.08	62	679.14	622.03	102	954.33	953.82
23	326.83	63	688.95	632.59	103	957.56	957.35
24	333.71	64	698.76	643.21	104	960.72	960.65
25	340.73	65	708.55	653.89	105	963.76	963.70
26	347.88	66	718.31	664.61	106	966.52	966.47
27	355.15	67	728.04	675.36	107	969.03	968.99
28	362.57	68	737.71	686.14	108	971.32	971.29
29	370.11	69	747.32	696.93	109	973.43	973.40
30	377.80	70	756.85	707.72	110	975.32	975.30
31	385.63	71	766.25	718.48	111	977.00	976.98
32	393.60	72	775.52	729.20	112	978.52	978.51
33	401.71	73	784.62	739.87	113	980.00	979.99
34	409.94	74	793.55	750.47	114	981.56	981.55
35	418.30	75	802.32	760.98	115	982.93	982.92
36	426.79	76	810.95	771.41	116	984.24	984.24
37	435.40	77	819.44	781.74	117	985.49	985.48
38	444.16	78	827.77	791.95	118	986.57	986.57
39	453.07	79	835.96	802.05	119	987.63	987.63
					120	988.96	988.96

Divide the Cash Surrender Value on the effective date by the applicable rate above to obtain the maximum amount of paid-up coverage.

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES  
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
0	\$0.03	40	\$ 0.18	80	\$ 6.10
1	0.02	41	0.19	81	6.76
2	0.01	42	0.21	82	7.46
3	0.01	43	0.22	83	8.17
4	0.01	44	0.24	84	8.92
5	0.01	45	0.27	85	9.62
6	0.01	46	0.30	86	10.44
7	0.01	47	0.33	87	11.46
8	0.01	48	0.37	88	12.50
9	0.01	49	0.42	89	13.47
10	0.01	50	0.47	90	14.02
11	0.02	51	0.53	91	14.48
12	0.02	52	0.59	92	15.47
13	0.02	53	0.65	93	16.90
14	0.02	54	0.72	94	18.94
15	0.03	55	0.79	95	21.42
16	0.03	56	0.87	96	23.86
17	0.03	57	0.95	97	25.34
18	0.03	58	1.03	98	25.94
19	0.03	59	1.12	99	27.58
ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO
20	0.04	60	1.21	100	29.86
21	0.05	61	1.31	101	32.39
22	0.05	62	1.42	102	35.24
23	0.05	63	1.53	103	38.43
24	0.06	64	1.65	104	42.28
25	0.06	65	1.77	105	46.95
26	0.07	66	1.91	106	52.04
27	0.07	67	2.07	107	57.56
28	0.07	68	2.23	108	63.58
29	0.08	69	2.42	109	70.31
30	0.08	70	2.63	110	77.66
31	0.09	71	2.87	111	83.33
32	0.10	72	3.13	112	83.33
33	0.11	73	3.41	113	83.33
34	0.12	74	3.71	114	83.33
35	0.13	75	4.02	115	83.33
36	0.14	76	4.36	116	83.33
37	0.15	77	4.73	117	83.33
38	0.16	78	5.13	118	83.33
39	0.17	79	5.56	119	83.33
				120	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

**TABLE OF GUARANTEED SINGLE PREMIUM RATES  
PER \$1,000 OF PAID-UP WHOLE LIFE**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	NO TOBACCO	ATTAINED AGE	NO TOBACCO	NO TOBACCO
0	\$137.17	40	\$357.30	\$315.29	80	\$721.07	\$676.70
1	139.94	41	364.63	321.92	81	731.92	689.00
2	142.86	42	372.12	328.69	82	742.38	701.21
3	145.92	43	379.77	335.61	83	752.44	713.32
4	149.08	44	387.56	342.67	84	762.15	725.39
5	152.32	45	395.50	349.86	85	771.52	737.38
6	155.64	46	403.59	357.18	86	780.84	749.43
7	159.03	47	411.81	364.64	87	789.94	761.38
8	162.49	48	420.13	372.21	88	798.43	772.88
9	166.04	49	428.53	379.91	89	806.32	783.90
10	169.66	50	436.99	387.72	90	813.85	794.53
11	173.37	51	445.51	395.64	91	822.07	805.62
12	177.14	52	454.07	403.66	92	831.49	817.49
13	180.99	53	462.67	411.76	93	841.33	829.39
14	184.89	54	471.30	419.96	94	851.06	840.66
15	188.86	55	479.96	428.26	95	859.81	850.67
16	192.92	56	488.63	436.63	96	866.94	859.13
17	197.04	57	497.33	445.07	97	872.44	866.01
18	201.25	58	506.06	453.59	98	877.69	872.62
19	205.53	59	514.84	462.20	99	884.24	880.37
20	\$236.14	60	523.67	470.91	100	891.11	888.31
21	241.16	61	532.57	479.73	101	897.84	895.98
22	246.28	62	541.53	488.67	102	904.43	903.38
23	251.51	63	550.58	497.74	103	910.88	910.45
24	256.85	64	559.74	506.94	104	917.27	917.13
25	262.30	65	569.02	516.30	105	923.44	923.32
26	267.84	66	578.44	525.80	106	929.08	928.97
27	273.49	67	588.00	535.45	107	934.24	934.15
28	279.26	68	597.68	545.26	108	938.97	938.89
29	285.14	69	607.48	555.23	109	943.32	943.26
30	291.13	70	617.39	565.36	110	947.26	947.21
31	297.24	71	627.39	575.65	111	950.76	950.72
32	303.47	72	637.43	586.09	112	953.93	953.90
33	309.81	73	647.52	596.68	113	957.02	957.00
34	316.26	74	657.66	607.46	114	960.29	960.27
35	322.81	75	667.88	618.43	115	963.20	963.18
36	329.45	76	678.24	629.60	116	965.97	965.95
37	336.21	77	688.73	641.00	117	968.61	968.60
38	343.09	78	699.35	652.63	118	970.92	970.91
39	350.12	79	710.13	664.52	119	973.17	973.16
					120	976.00	976.00

Divide the Cash Surrender Value on the effective date by the applicable rate above to obtain the maximum amount of paid-up coverage.

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
 Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
 Company  
 Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: AGLA 04174 Insert Page Filing  
 Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Rate/Rule Schedule

Review Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
	Actuarial Memorandum	AGLA 04174 Insert Pages	New		2001 CSO ALB Flex Suite Actuarial Memo.pdf

**AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY**  
**ACTUARIAL DESCRIPTION OF FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE**  
**POLICY**

**Policy Form AGLA 04174**

**I. DESCRIPTION OF POLICY CHARACTERISTICS**

**A. Death Benefits**

The policy provides adjustable life insurance coverage on the Insured. Insurance on the life of the Insured is integrated with the accumulation value of the policy. The death benefit will not be less than the accumulation value on the date of death multiplied by the death benefit percentage factors shown in the policy.

**B. Cash Values**

The accumulation value is an accumulation at interest of

1. net premiums, less charges assessed at the beginning of each policy month equal to
2. the cost of insurance based on the policy net amount at risk and
3. the monthly administration fee whose maximum amount is 7.50

The cash value is equal to the accumulation value less a surrender charge. The surrender charge declines to zero in the twentieth policy year.

On an increase in specified amount, the surrender charge does not increase, and there is a monthly charge for one year following the increase. The maximum charge is 1/24<sup>th</sup> the first year policy surrender charge at the attained age on the date of increase.

On a decrease in specified amount, the surrender charge is decreased proportionately, and the accumulation value is charged with the amount of the decrease.

**C. Continuation of Benefits (Nonforfeiture)**

Coverage terminates on the earliest of:

- a. The maturity date (anniversary on or after 121<sup>st</sup> birthday)
- b. Any Monthly Deduction date on which the Cash Value (less loan) is less than the Monthly Deduction, unless the policy is being continued under the Monthly Guarantee Premium (MGP) provision
- c. The monthly deduction day following full surrender
- d. the date of death of the insured

The MGP provision states that the policy will not terminate - even if Cash Value is negative - during the MGP period, as long as total premiums paid are at least as great as the total MGPs plus partial surrenders and loans.

Subject to the preceding termination conditions, for any month in which no premium is received, benefits provided under the policy continue, and the accumulation value will continue to be determined as described in B above. Cost of insurance calculations during such continuation will utilize the same cost of insurance rates as those that would otherwise be used.

If the Specified Amount increases, a new MGP begins on the effective date of the change. If the Specified Amount decreases, the MGP decreases. In either case, the MGP period remains unchanged.

**D. Flexibility**

At any time after the first policy year, the owner may change the Specified Amount. The Specified Amount may not be decreased below the minimum permitted by Company rules. Evidence of insurability is required for any increase in the Specified Amount.

Flexible premium payments are permitted. An initial premium is payable upon delivery of the policy. Subsequent premiums may be paid at any time and in any amount, subject to company rules and to the MGP provision.

**E. Banding**

There are 4 insurance amount bands for this product. The band with Specified Amount \$15,000 - \$24,999 is called F15. The band with Specified Amount \$25,000 - \$49,999 is called F25. The bands with Specified Amounts \$50,000 - \$99,999 and \$100,000+ are called F50 and F100, respectively. The differences in guarantees for the various bands are shown below.

<u>Band</u>	<u>Guaranteed % Premium Load</u>	<u>Guaranteed Interest Rates</u>
F15	10%	2.25%, all years
F25	10%	2.25%, all years
F50	7.5%	5% for 10 policy years & 2.25% thereafter*
F100	7.5%	5% for 10 policy years & 2.25% thereafter*

\* The 5% rate and 10 year period may be changed from time to time as new policies are issued. However, the interest rate will never be less than 2.25%. If these values are changed, the company will always make appropriate changes to the calculations described in this memorandum and will always check for continued compliance with the Standard Nonforfeiture Law.

**This memorandum is written for the John Doe policy in F50.**

**II. BASIS OF VALUES**

**A. Interest**

The guaranteed minimum interest rate applied in the determination of accumulation value is 5.00% per annum for the first 10 years and 2.25% per annum thereafter. However, the company may apply a higher rate of interest to

that portion of the accumulation value in excess of any outstanding policy loan indebtedness.

Because of the retrospective approach used for the calculation of the accumulation value, the use of an increased rate of interest produces a higher accumulation value. Therefore, such use is not in conflict with the maximum interest rate defined in the Standard Nonforfeiture Law.

**B. Cost of Insurance**

The guaranteed maximum cost of insurance rates applied in the determination of accumulation values for insureds with a Standard rating class are based on the 2001 Commissioners' Standard Ordinary Mortality Table, age last birthday. Separate NAIC tables are used for Male and Female Aggregates for ages less than 20; and for Male Nonsmokers, Male Smokers, Female Nonsmokers and Female Smokers for ages greater than 19.

The guaranteed rates for substandard lives reflect appropriate additions for medical impairments and special hazards.

The company may use cost of insurance rates lower than such guaranteed maximums, thus producing lower costs of insurance and higher accumulation values than those generated by the guaranteed cost of insurance rates. A table of guaranteed cost of insurance rates is attached.

- C. The same basis of values applies whether or not the policy is currently in a premium paying status.
- D. The policy provides for the determination of accumulation values on a monthly basis, using the retrospective approach described in I.B. above. The policy also provides for a cash value, applicable only upon surrender of the policy prior to the maturity date. The cash value provided is the then accumulation value less the surrender charge. The surrender charge declines to zero in the twentieth policy year.

**III. POLICY VALUE FORMULAS**

The following formulas develop the guaranteed cash values for this policy form:

- t = policy month as measured from original issue date
- i = interest rate applied to cash value for month t. For the first 10 years, this is the monthly equivalent of a 5.00% annual rate, or  $1.05^{1/12} - 1 = 0.0040741$ . Thereafter, it is the monthly equivalent of a 2.25% annual rate, or  $1.0225^{1/12} - 1 = 0.0018559$ .
- q = monthly cost of insurance rate for this policy month based on the aforementioned mortality table.  $q = (1 - Qcso)^{-1/12} - 1$ , except for ages 111-120 (set to 83.33)
- D = Total death benefit at the beginning of month t
- E = Monthly administration charge = \$7.50

- G = Gross premium collected in month t
- N = Net premium in month t  
= 0.925 G
- $A_{t-1}$  = Accumulation value on the anniversary date at the end of month t - 1
- A = Beginning Accumulation value for COI calculation =  $A_{t-1} + N - E$
- C = monthly cost of insurance for month t, calculated as:  
=  $q(D/(1+i) - A)$
- $A_t$  = accumulation value at end of month t  
=  $(A - C) (1 + i)$
- S = surrender charge for policy year t  
= the per 1,000 amount shown in the contract the number of 1,000's of Specified Amount.
- CV = Cash value at the end of policy month t.  
=  $A_t - S$

#### IV. Demonstration of Standard Nonforfeiture Law Compliance

All surrender charges for this product were calculated with a nonforfeiture interest rate of 2.25%, regardless of band.

There are no charges for this contract which vary by duration. Therefore, in order to demonstrate compliance with the Standard Nonforfeiture Law we must demonstrate that the surrender charges are less than or equal to the unamortized initial expense allowance.

The formula for the SNFL maximum expense allowance is:

$$EA = 0.01 \cdot ELA + 1.25 \cdot \text{Min}\{PNL, 0.04 \cdot ELA\}$$

PNL = Nonforfeiture net level premium = present value of benefits divided by present value of \$1.00 payable annually for duration of the contract.

The formula for the unamortized, unused EA is

$$UU = EA(\ddot{a}_{x+t} / \ddot{a}_x) = \text{unamortized unused expense allowance at the end of policy year } t$$

The actual surrender charges used in this contract are:  
Years 1-10 - 100% of the 10<sup>th</sup> maximum unamortized expense allowance  
Years 11-19 – Linear gradation to zero.

**Sample Calculation for \$1,000 male smoker age 35**

$$PNL = 1000A_{35}/\ddot{a}_{35} = 437.8432/25.5469 = 17.1388$$

$$EA = 10 + 1.25(17.1388) = 31.4235$$

10th Year unamortized expense allowance

$$= EA(\ddot{a}_{45}/\ddot{a}_{35}) = 31.4235(21.3302/25.5469) = 26.24$$

Tabular surrender charge for years 1-10 = 26.24. For years 11-20, the tabular surrender charge =  $SC_{10}(20-t)/10$ . Since the unamortized EA curve is concave downward, the surrender charges cannot be greater than the unamortized expense allowance.

On an increase in specified amount, since the increase charge is less than the initial additional Expense Allowance, the additional surrender charge (that is, zero) is less than any unamortized expense allowance.

Therefore the surrender charge at each duration is less than or equal to the unamortized unused expense allowance, and the cash surrender values are never less than the minimum nonforfeiture values.

**V. RESERVES**

The statutory reserves are defined by the Standard Valuation Law and by the regulations for Universal Life Insurance which interpret the Standard Valuation Law. The prescribed method for reserves is the Commissioners' Reserve Valuation Method (CRVM).

The reserve interest rate is 4.0%, unless a lower rate is required in a specific state. Mortality is ultimate '01 CSO sex and smoker distinct, with no select factors.

**DEFINITION OF TERMS**

PVFB = Present value of future guaranteed benefits at issue assuming the future Guaranteed Maturity Premiums are paid.

PVFB<sub>s</sub> = Present value of future guaranteed benefits at the end of policy year s. In the case where  $r_s = 1$ , PVFB<sub>s</sub> is less than 1, PVFB<sub>s</sub> is generated using AV<sub>s</sub>.

AV<sub>s</sub> = Accumulation value of policy at the end of policy year s.

GMP = Guaranteed Maturity Premium, which is the level gross premium that will mature the policy based on guarantees at issue.

GMF<sub>s</sub> = Guaranteed Maturity Fund at the end of policy year s, which is that fund which when combined with future GMPs will mature the policy based on guarantees at issue.

ELA = Equivalent level death benefit  
 =  $PVFB^1 / A_x$

$$r_s = \min \left\{ \frac{AV_s}{GMF_s}; 1 \right\}$$

$$\bar{P}_{x+1} = \overline{PVFB}_1 / \bar{a}_{x+1}$$

$${}_{19}\bar{P}_{x+1} = ELA \cdot \bar{A}_{x+1} / \bar{a}_{x+1:19}$$

$$\bar{P}_x = \overline{PVFB} / \bar{a}_x, \text{ calculated using continuous functions}$$

If  $\bar{P}_{x+1} \leq {}_{19}\bar{P}_{x+1}$  then

$$\bar{B} = \bar{P}_x + (\bar{P}_{x+1} - 1000\bar{c}_x) / \bar{a}_x$$

If  $\bar{P}_{x+1} > {}_{19}\bar{P}_{x+1}$  then

$$\bar{B} = \bar{P}_x + ({}_{19}\bar{P}_{x+1} - 1000\bar{c}_x) / \bar{a}_x$$

$${}_s\bar{V} = r_s (\overline{PVFB}_s - \bar{B}a_{x+s})$$

Note that if  ${}_s\bar{V} < CV_s$ , the cash surrender value at the end of policy year s, CV will be held as the reserve.

**Sample statutory reserve calculation:**

This sample uses a 4.0% reserve interest rate.

Male Issue Age = 35 Smoker

Credited Interest Rate = 5.00% Years 1-10  
 2.25% Years 11+

Values below are per \$1,000 for a policy with \$50,000 Specified Amount

Annual Mode GMP = \$20.23 = assumed premium being paid on the policy in this sample calculation

ELA = \$1,000

$$\begin{aligned} \bar{P}_{36} &= \overline{PVFB} / \bar{a}_{36} \\ &= 261.6977 / 18.8243 \\ &= 13.9021 \end{aligned}$$

$${}_{19}\bar{P}_{36} = 1000\bar{A}_{36} / \bar{a}_{36:19}$$

$$= 261.6977 / 12.9995$$

$$= 20.1314$$

$$1000 \bar{c}_{35} = 2.0103$$

$$\bar{P}_{35} = \overline{PVFB} / \bar{a}_{35}$$

$$= 253.1269 / 19.0428$$

$$= 13.2925$$

$$\bar{B}_{35} = \bar{P}_{35} + (\bar{P}_{36} - 1000 \bar{c}_{35}) / \bar{a}_{35}$$

$$= 13.2925 + (13.9021 - 2.0103) / 19.0428$$

$$= 13.9170$$

$${}_5 \bar{V} = \text{Max} \{ r_5 [ \overline{PVFB}_5 - (\bar{B}_{35} \bar{a}_{40}) ], CV_5 \}$$

$$= \text{Max} \{ 1.00000 [ 298.6602 - (13.9170) (17.8819) ], 57.32 \}$$

$$= 57.32$$

### **Actuarial Certification**

To the best of my knowledge and judgment, this filing is in compliance with the applicable laws and regulations of the state in which it is being filed. In addition, all benefits are reasonable in relation to the premiums.



---

Scot Larson, ASA, MAAA

SERFF Tracking Number: AMGN-125528913 State: Arkansas  
Filing Company: American General Life and Accident Insurance State Tracking Number: 38455  
Company  
Company Tracking Number: AGLA 04174 REV 0308, PGS 6/7, 10/11, 14/15, 16/17  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: AGLA 04174 Insert Page Filing  
Project Name/Number: /AGLA 04174 REV0308, Pgs 6/7, 10/11, 14/15, 16/17

## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** Certification/Notice 03/07/2008

**Comments:**

This filing is not applicable to requirements of Rule & Regulation 49 and ACA 23-79-138 as the filing is for insert pages; not a policy filing.

**Attachments:**

ARCERT2.pdf

ARCERT4.pdf

ARCERT5.pdf

### Review Status:

**Bypassed -Name:** Application 03/07/2008

**Bypass Reason:** Not applicable as this filing is for insert pages only; not a policy.

**Comments:**

### Review Status:

**Bypassed -Name:** Health - Actuarial Justification 03/07/2008

**Bypass Reason:** This is an insert page filling for a life policy form.

**Comments:**

### Review Status:

**Bypassed -Name:** Outline of Coverage 03/07/2008

**Bypass Reason:** This is an insert page filling for a life policy form.

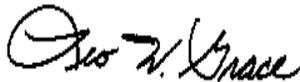
**Comments:**

AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ARKANSAS CERTIFICATION

Subject: AGLA 04174 REV 0308, Pg 10/11	Policy Insert Page
AGLA 04174 REV 0308, Pg 14/15	Policy Insert Page
AGLA 04174 M1 REV 0308, Pg 16/17	Policy Insert Page
AGLA 04174 M2 REV 0308, Pg 16/17	Policy Insert page
AGLA 04174 F1 REV 0308, Pg 16/17	Policy Insert Page
AGLA 04174 F2 REV 0308, Pg 16/17	Policy Insert page

This is to certify that, to the best of my knowledge and belief, the above forms comply with the requirements of Ark. Stat. Ann. 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.



Leo W. Grace  
Vice President

DATE: March 7, 2008

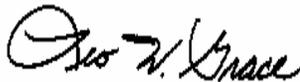
AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ARKANSAS CERTIFICATION

Subject: AGLA 04174 REV 0308, Pg 10/11	Policy Insert Page
AGLA 04174 REV 0308, Pg 14/15	Policy Insert Page
AGLA 04174 M1 REV 0308, Pg 16/17	Policy Insert Page
AGLA 04174 M2 REV 0308, Pg 16/17	Policy Insert Page
AGLA 04174 F1 REV 0308, Pg 16/17	Policy Insert Page
AGLA 04174 F2 REV 0308, Pg 16/17	Policy Insert Page

I certify, as an officer and qualified actuary of American General Life and Accident Insurance Company, that I have reviewed Rule and Regulation 34 and that, to the best of my knowledge and belief, the subject Insert pages of policy form AGLA 04174 and its supporting actuarial material comply with Rule and Regulation 34.

I further certify that the reserves shall not be less than the actual Cash Values provided for under policy form .



---

Leo W. Grace  
Vice President

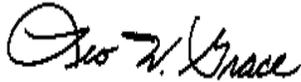
DATE: March 7, 2008

AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ARKANSAS CERTIFICATION

SUBJECT:	AGLA 04174 REV 0308, Pg 10/11	Policy Insert Page
	AGLA 04174 REV 0308, Pg 14/15	Policy Insert Page
	AGLA 04174 M1 REV 0308, Pg 16/17	Policy Insert Page
	AGLA 04174 M2 REV 0308, Pg 16/17	Policy Insert page
	AGLA 04174 F1 REV 0308, Pg 16/17	Policy Insert Page
	AGLA 04174 F2 REV 0308, Pg 16/17	Policy Insert page

This is to certify that the above forms, to the best of my knowledge and belief, meet the provision of Arkansas Rule and Regulation 19 as well as all applicable requirements of the State of Arkansas Department of Insurance.



Leo W. Grace  
Vice President

DATE: March 7, 2008