

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
 Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
 Company Tracking Number: 0146PAL02-11  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: IUL Marketing Material Form A1-20191-A  
 Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

## Filing at a Glance

Company: Zurich American Life Insurance Company

Product Name: IUL Marketing Material Form A1-20191-A SERFF Tr Num: MLLM-127609508 State: Arkansas

TOI: L09I Individual Life - Flexible Premium SERFF Status: Closed-Filed- State Tr Num: 49703  
 Adjustable Life Closed

Sub-TOI: L09I.001 Single Life Co Tr Num: 0146PAL02-11 State Status: Filed-Closed

Filing Type: Form Reviewer(s): Linda Bird  
 Author: Jeff Kulesus Disposition Date: 09/08/2011  
 Date Submitted: 09/02/2011 Disposition Status: Filed-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: Zurich American Life Insurance Company

Status of Filing in Domicile: Not Filed

Project Number: 0146PAL02-11

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: The marketing material provided with this submission has not been submitted in the domiciliary state of Illinois.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 09/08/2011

State Status Changed: 09/08/2011

Deemer Date:

Created By: Jeff Kulesus

Submitted By: Jeff Kulesus

Corresponding Filing Tracking Number: MLLM-127089333

Filing Description:

Milliman, Inc. is filing this marketing material submission on behalf of Zurich American Life Insurance Company ("ZALICO", or "the Company"). Attached is a letter signed by a ZALICO officer authorizing Milliman, Inc. to submit this filing on their behalf.

The attached marketing material is designed for use with Flexible Premium Adjustable Life Insurance Policy with Index-

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
Company Tracking Number: 0146PAL02-11  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: IUL Marketing Material Form A1-20191-A  
Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

Linked Interest Options form number IUL121GN-01, which was approved by the Department on 05-19-2011, SERFF Tracking # MLLM-127089333, State Tracking # 485217. by Ms. Linda Bird.

The two marketing material items provided with this submission are the form A1-20191-A Power Point presentation entitled "Zurich Index UL The Zurich Index Interest Story" and the form A1-11941-A "Dear Valued Partner" e-mail announcement regarding same.

Two copies of form A1-20191-A are provided under the Forms Schedule Tab:

1. the slides, and
2. the transcribed audio script that accompanies the slides.

Both the slides and the accompanying script constitute form A1-20191-A in its entirety. The presentation will be made available via the Company website.

Thank you for your consideration of our filing. Please do not hesitate to contact me if you have any questions about this submission.

## Company and Contact

### Filing Contact Information

Jeff Kulesus, Consultant Jeff.Kulesus@Milliman.com  
2 Conway Park, Ste. 180 312-499-5635 [Phone]  
150 Field Drive 847-604-8671 [FAX]  
Lake Forest, IL 60045

### Filing Company Information

(This filing was made by a third party - MUSA01)

Zurich American Life Insurance Company CoCode: 90557 State of Domicile: Illinois  
1400 American Lane Group Code: 212 Company Type: Life and Annuity  
Schaumburg, IL 60196-6801 Group Name: State ID Number:  
(887) 275-6017 ext. [Phone] FEIN Number: 36-3050975

-----

## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
Company Tracking Number: 0146PAL02-11  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: IUL Marketing Material Form A1-20191-A  
Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11  
Retaliatory? No  
Fee Explanation: 2 advertising items X \$50.00@ = \$100.00  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Zurich American Life Insurance Company	\$100.00	09/02/2011	51237383

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
Company Tracking Number: 0146PAL02-11  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: IUL Marketing Material Form A1-20191-A  
Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed-Closed	Linda Bird	09/08/2011	09/08/2011

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
Company Tracking Number: 0146PAL02-11  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: IUL Marketing Material Form A1-20191-A  
Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

## Disposition

Disposition Date: 09/08/2011

Implementation Date:

Status: Filed-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
 Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
 Company Tracking Number: 0146PAL02-11  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: IUL Marketing Material Form A1-20191-A  
 Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	No	No
Supporting Document	Application	No	No
Supporting Document	Health - Actuarial Justification	No	No
Supporting Document	Outline of Coverage	No	No
Supporting Document	Third Party Authorization Letter	Yes	Yes
Form	Zurich Index UL The Zurich Index Interest Story	Yes	Yes
Form	Dear Valued Partner	Yes	Yes

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
 Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
 Company Tracking Number: 0146PAL02-11  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: IUL Marketing Material Form A1-20191-A  
 Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

## Form Schedule

### Lead Form Number: A1-20191-A

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	A1-20191-A	Other	Zurich Index UL The Zurich Index Interest Story	Initial		0.000	A1-20191-A The Zurich Inedex Interest Story with Slides Only 08-31-2011.pdf A1-20191-A The Zurich Inedex Interest Story with Script 08-31-2011.pdf
	A1-11941-A	Other	Dear Valued Partner	Initial		0.000	A1-11941-A Dear Valued Partner.pdf

# Zurich Index UL™

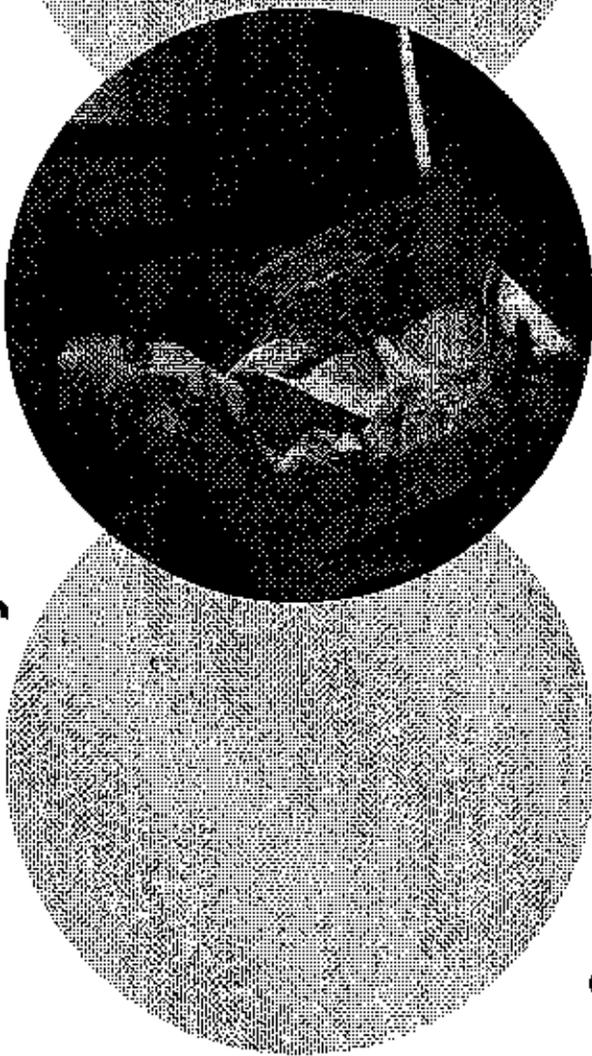
## *The Zurich Index Interest Story*

Presented by  
Affluent Markets Group  
Zurich American Life Insurance Company  
August 2011

Dennis H. Roberts, CLU, CFP®. Zurich American Life Insurance Company  
Timothy C. Pfeifer, FSA, MAAA. President, Pfeifer Advisory LLC

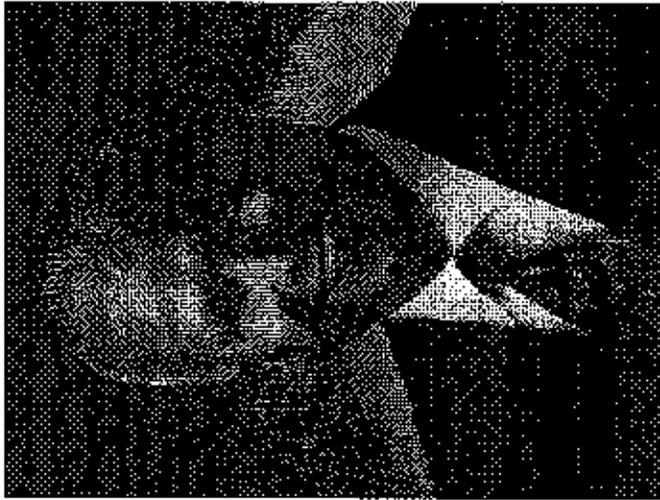


ZURICH®

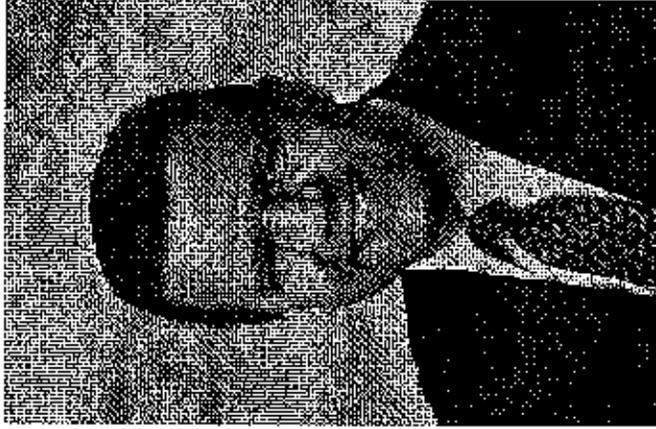


For Agents and Broker/Dealers Only. Not for Use with Clients of the Public

# The Zurich Index UL™ Today's Presenters



**Dennis H. Roberts, CLU, CFP®**  
Zurich Affluent Markets Group



**Timothy C. Pfeifer, FSA, MAAA**  
Pfeifer Advisory LLC

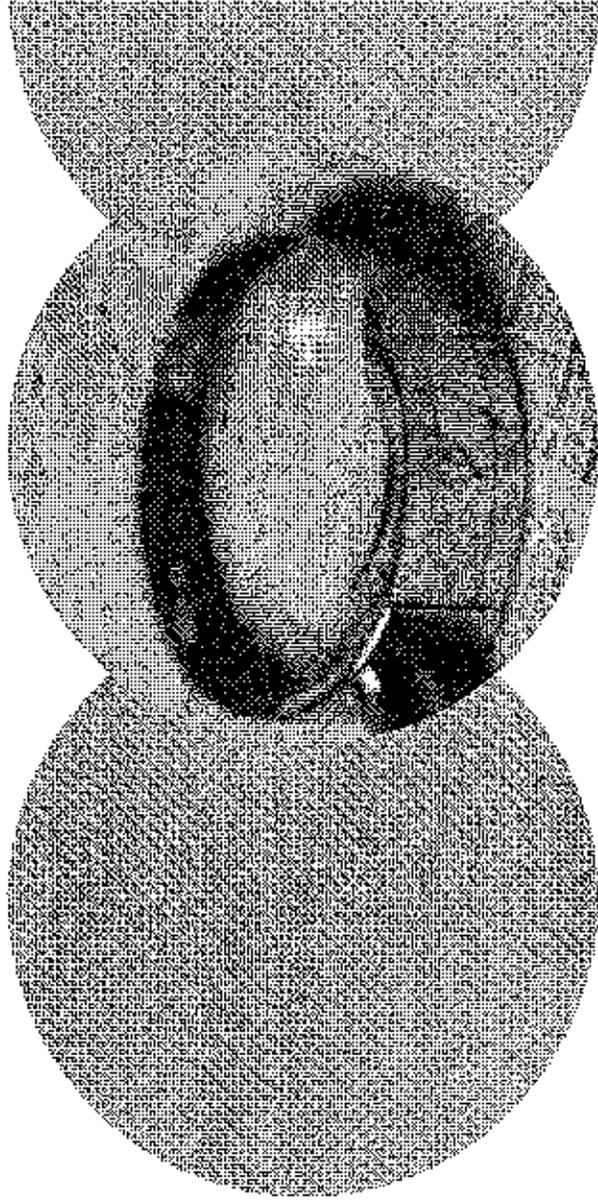
# The Zurich Index UL™ *Presentation Objectives*



- Which Market Index to Use?
- How to Analyze Historical Performance?
- How to Responsibly Illustrate an Index UL?
- 3 Zurich Index Interest Accounts
  - S&P 500® Index Interest Account
  - Domestic Multi Index Interest Account
  - Global Multi Index Interest Account



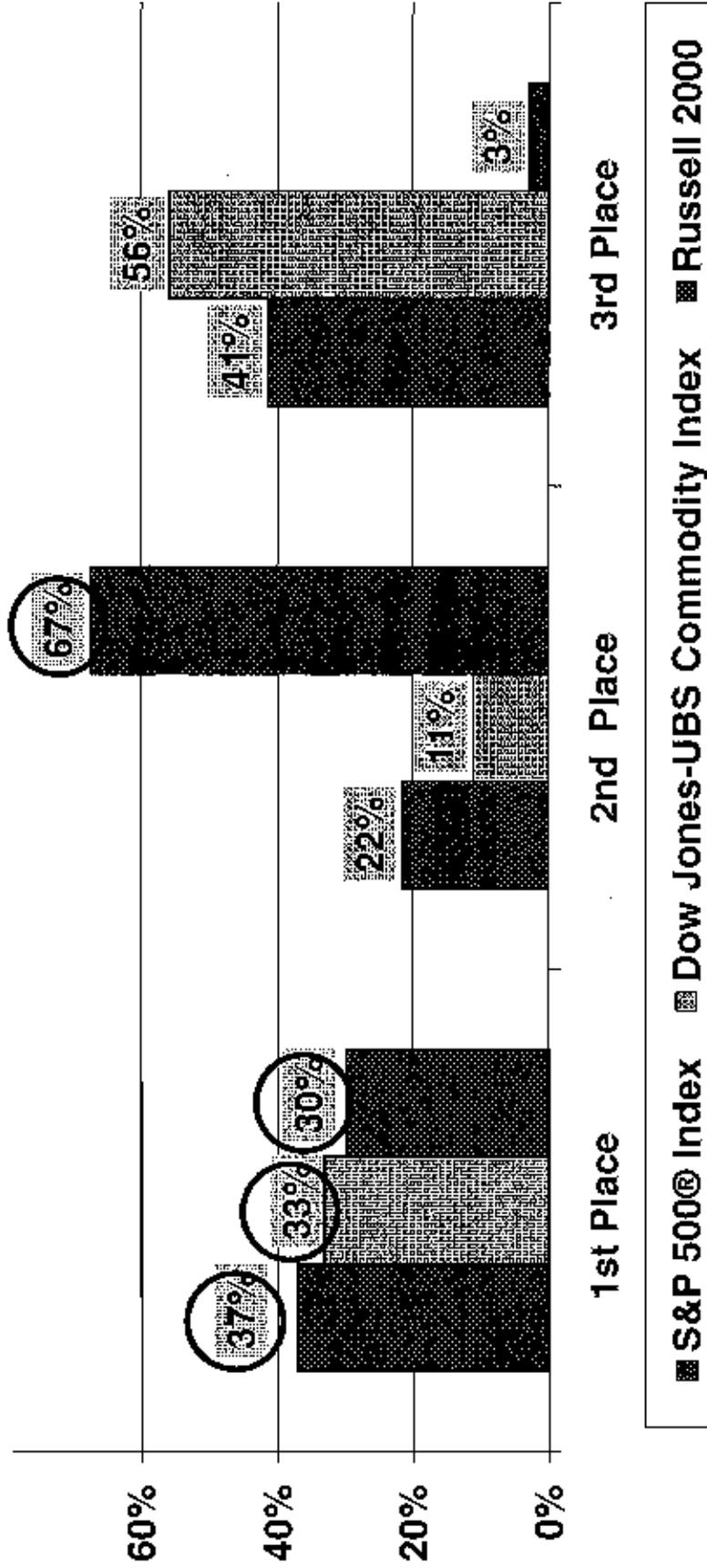
# Which Market Index to Use?



# Which Market Index to Use?



Finishing Positions of 3 U.S. Based Indexes  
Period: May 1991 – May 2011



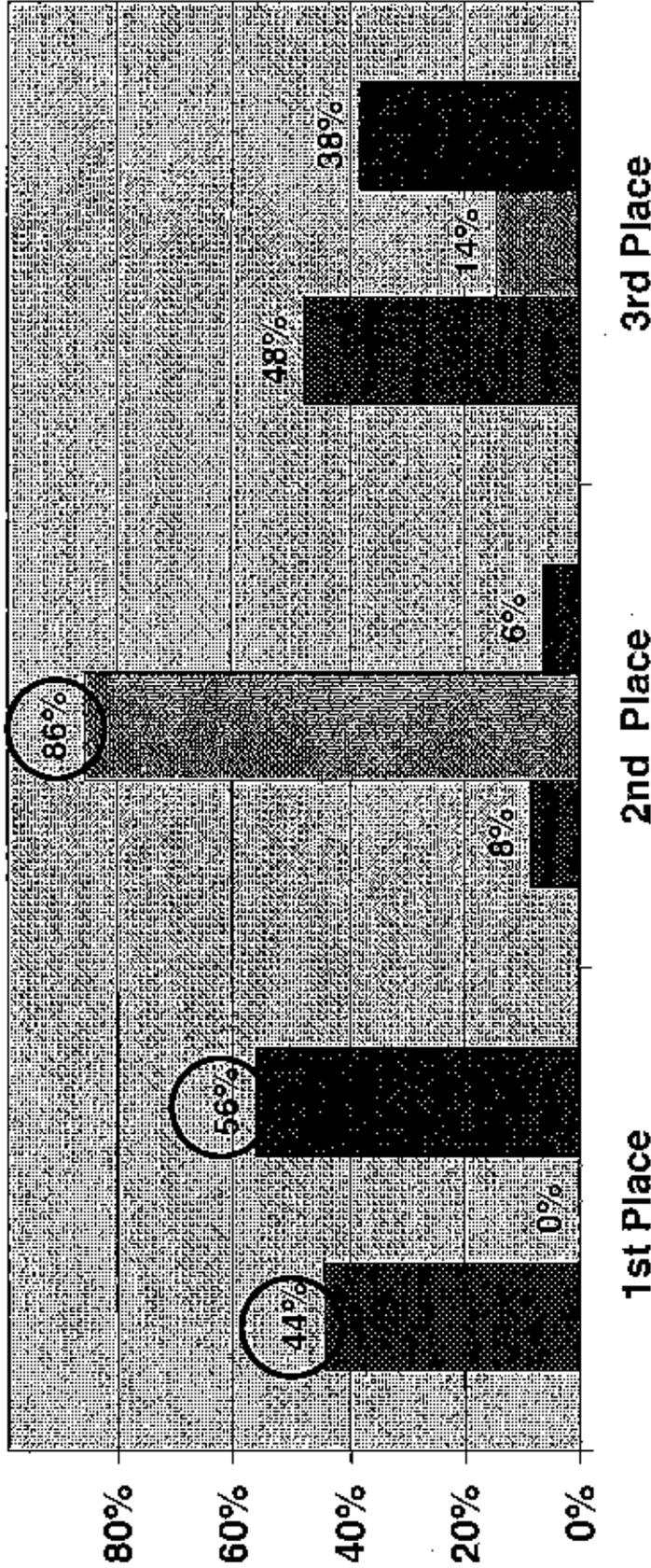
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Do Not Use with Clients or the Public.



# Which Market Index to Use?

Finishing Positions of 3 Global Indexes  
 Period: May 1991 - May 2011



■ S&P 500® Index    ■ MSCI EAFE    ■ MSCI Emerging Markets

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients of the Fund.

# Which Market Index (or Indexes!) to Use?



ZURICH<sup>®</sup>

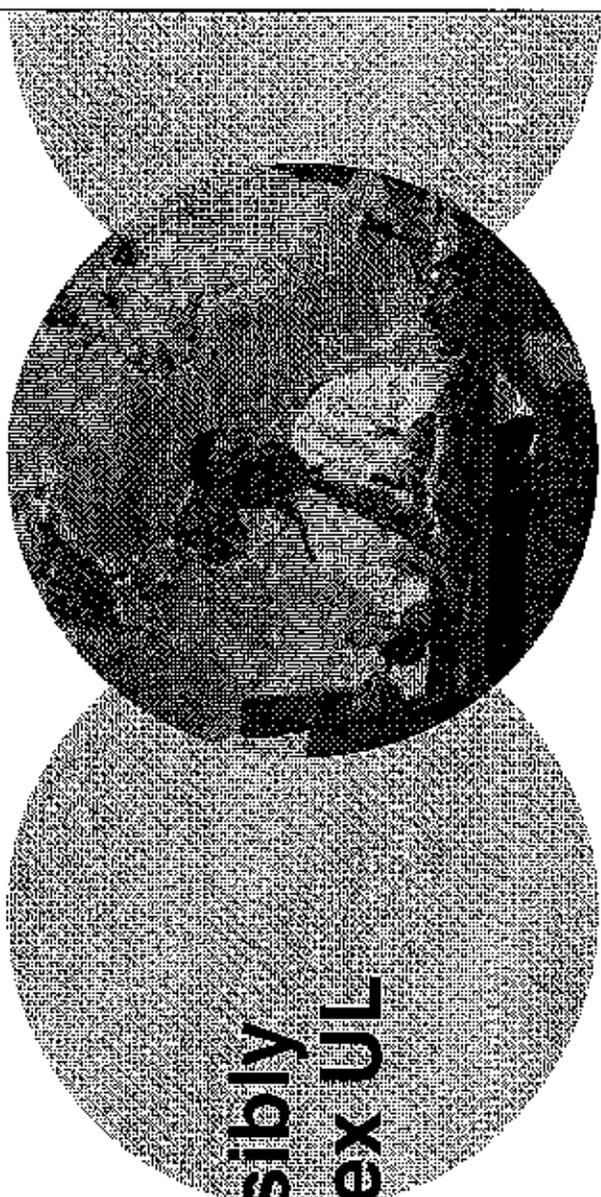
## Opportunities for Geographic & Economic Diversity

- Developed & Emerging Economies
- Large Cap & Small Cap
- Growth & Value
- Specialty Sectors

## Zurich Decision: DIVERSITY & PERFORMANCE

**How to Analyze  
Historical  
Performance?**

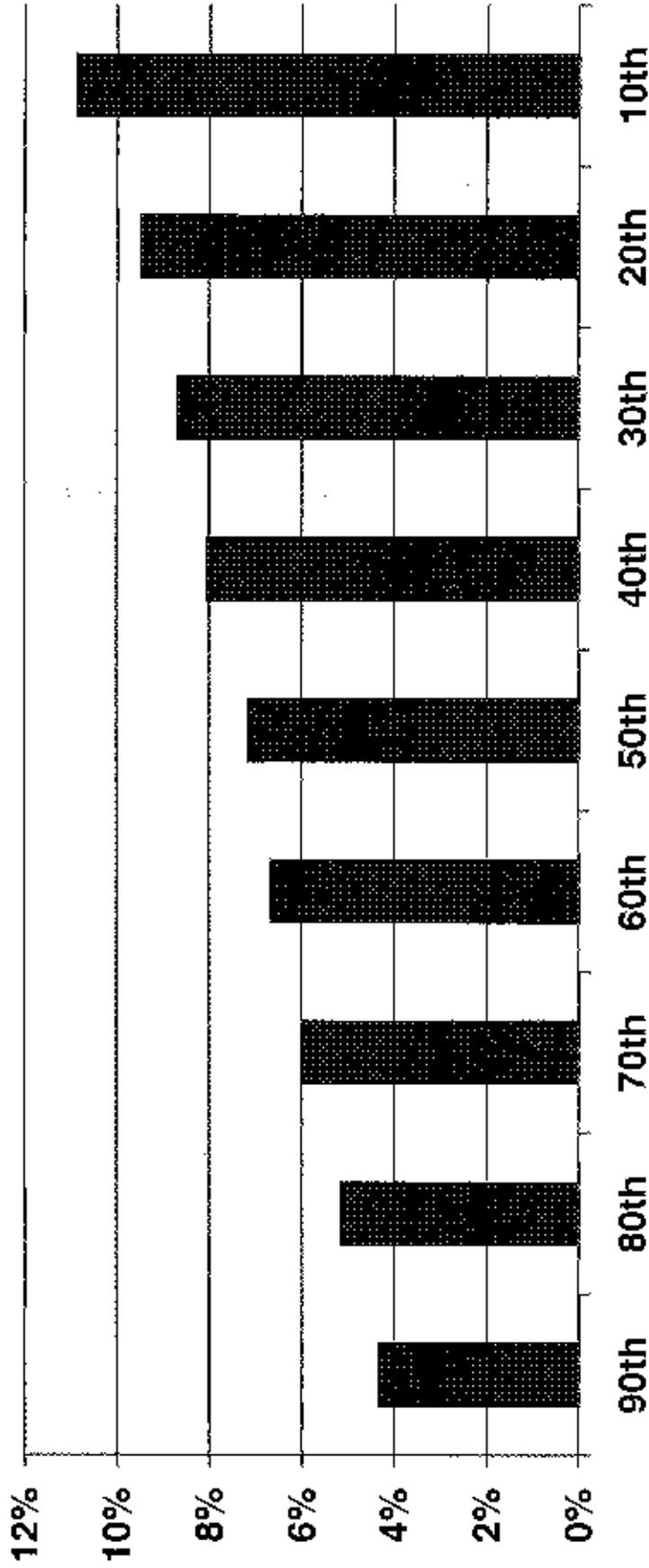
**How to Responsibly  
Illustrate an Index UL  
product?**



# How to Analyze Historical Performance?



Historical Returns: S&P 500® Index  
May 1991 – May 2011. 5 Year Increments Measured Monthly



■ S&P 500® Index. 12% Cap. 0% Guarantee

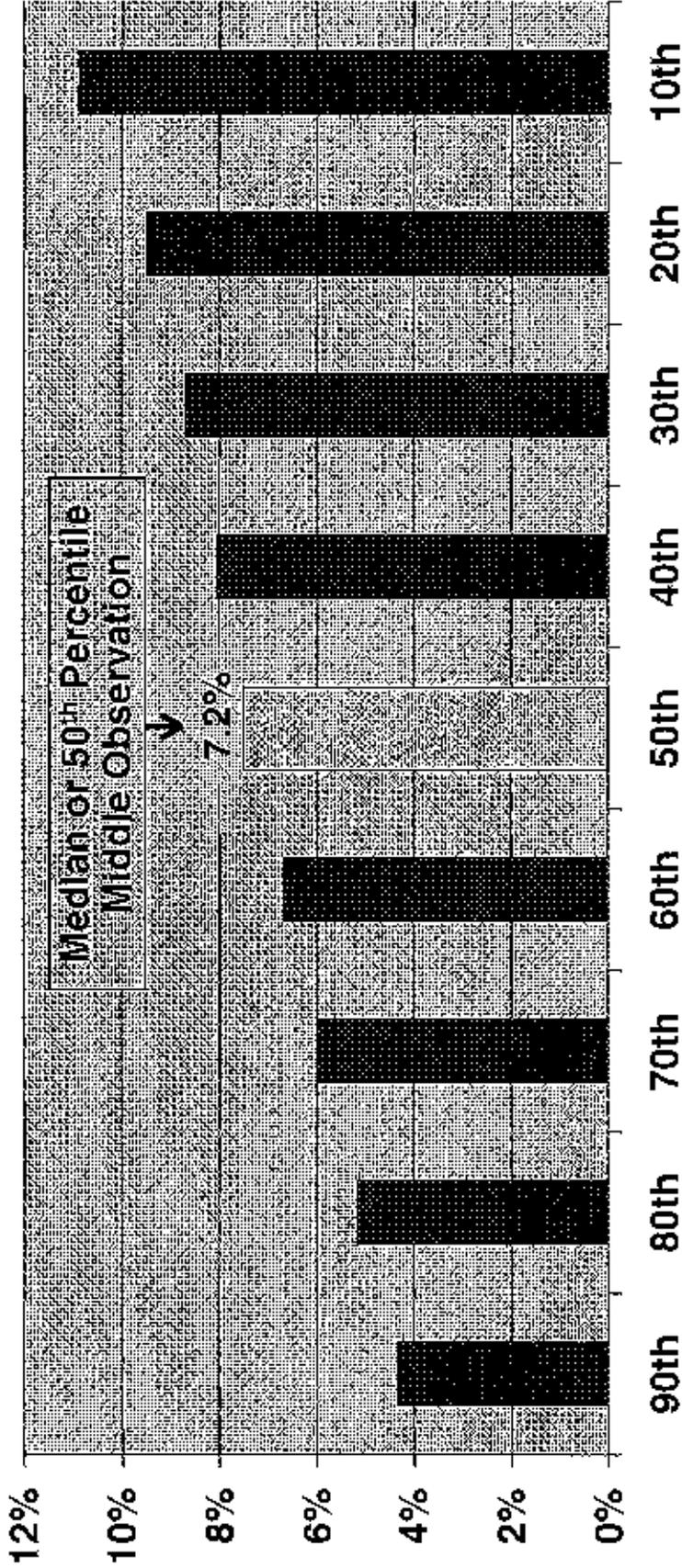
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for use with clients or the public.

# How to Analyze Historical Performance?



**Historical Returns: S&P 500® Index**  
May 1991 – May 2011. 5 Year Increments Measured Monthly



■ S&P 500® Index. 12% Cap. 0% Guarantee

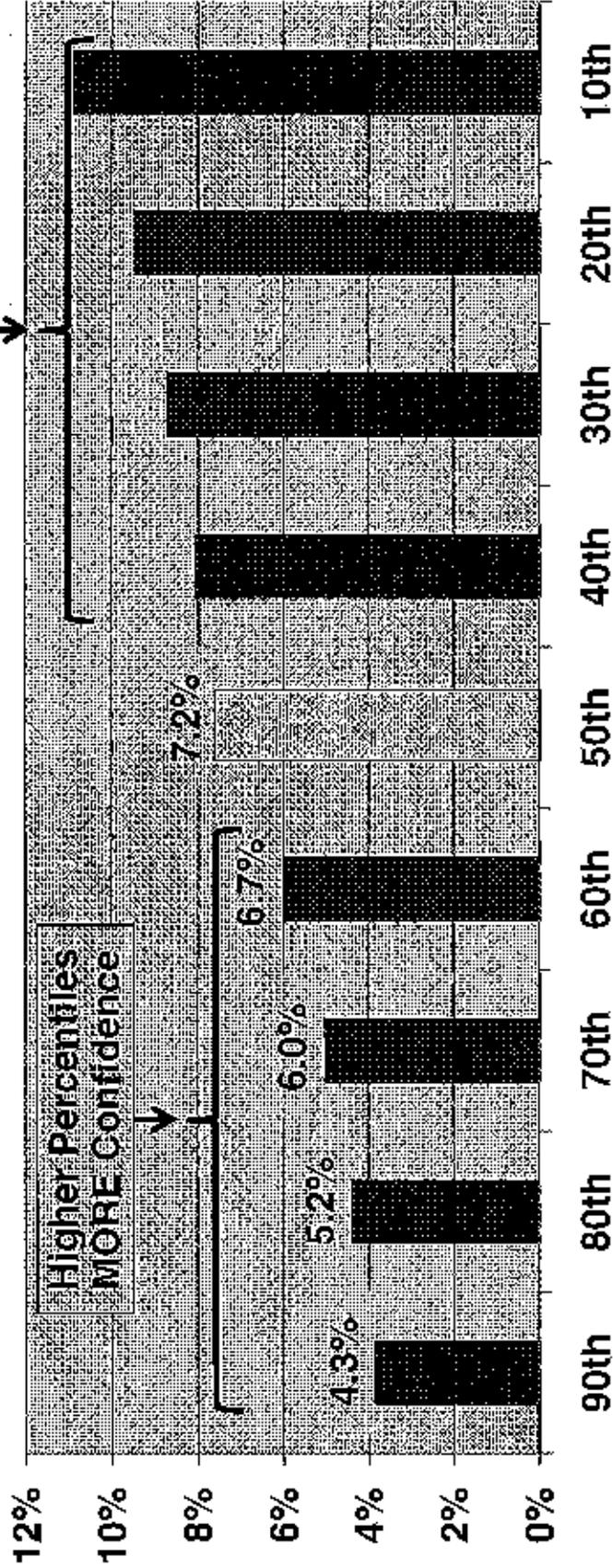
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Do Not Rely on Agents or the Firm.

# How to Analyze Historical Performance?



Historical Returns: S&P 500® Index. May 1991 – May 2011



■ S&P 500® Index. 12% Cap. 0% Guarantee

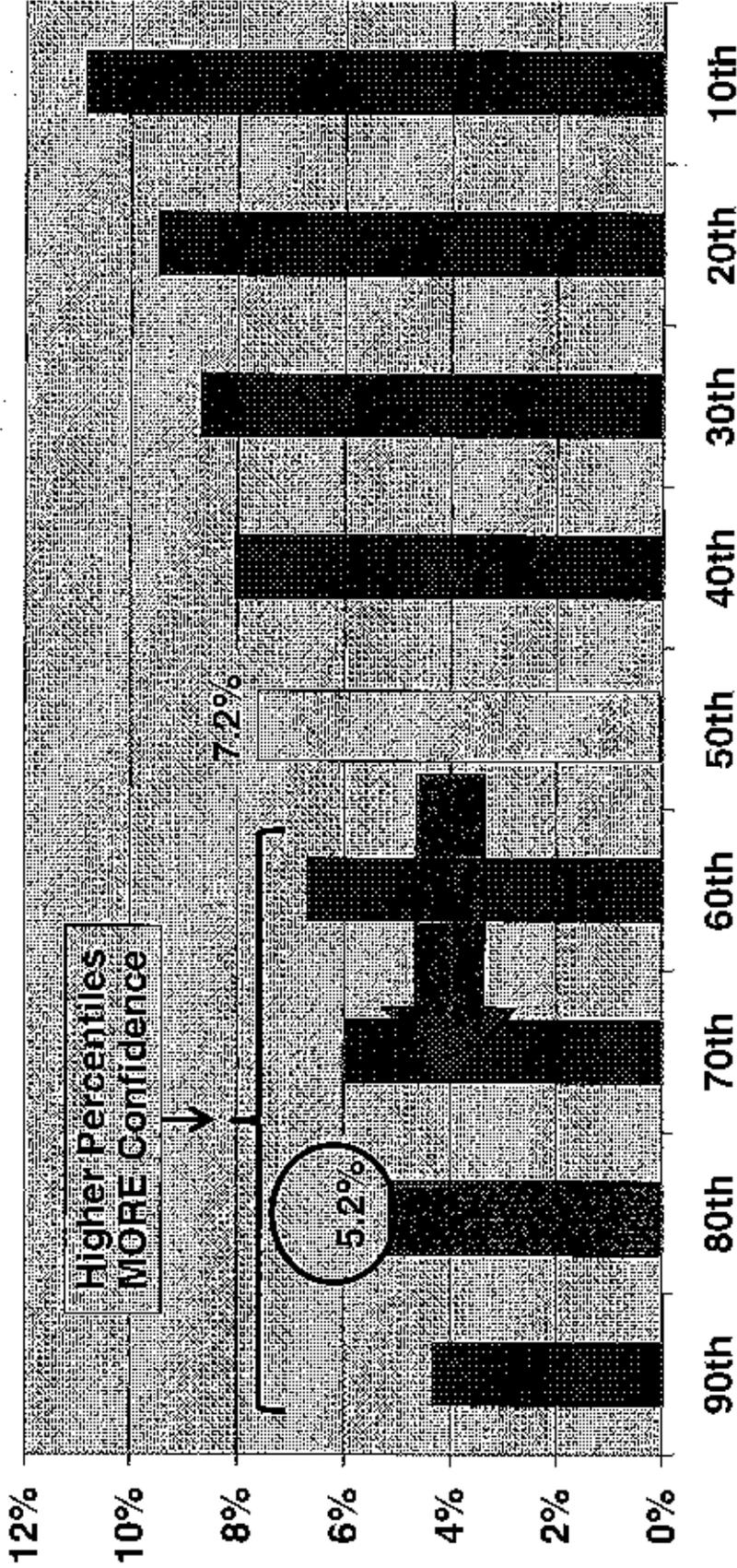
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

# How to Analyze Historical Performance?



Historical Returns: S&P 500® Index. May 1991 – May 2011



■ S&P 500® Index. 12% Cap. 0% Guarantee

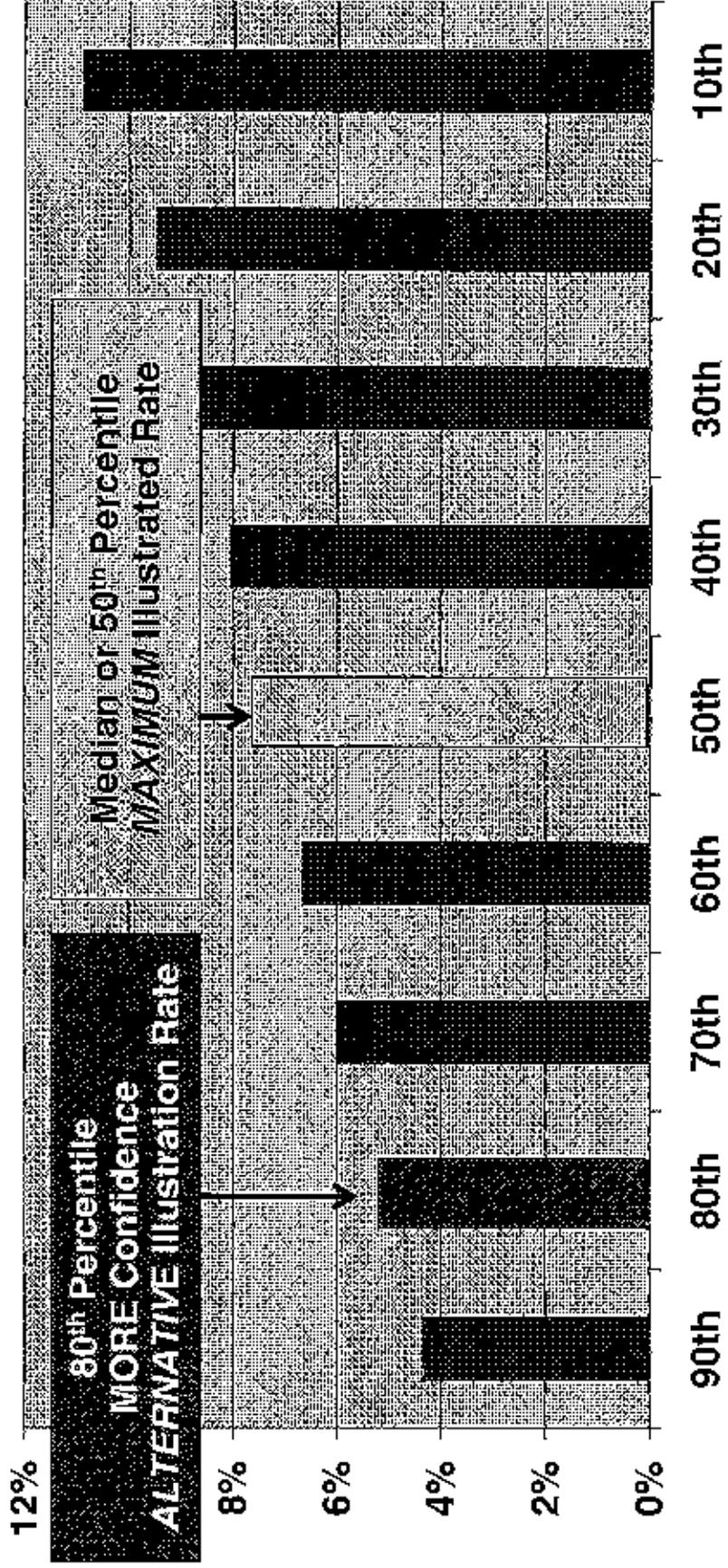
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public



# How to Analyze Historical Performance?

Historical Returns: S&P 500® Index. May 1991 – May 2011



■ S&P 500® Index. 12% Cap. 0% Guarantee

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients of the Office

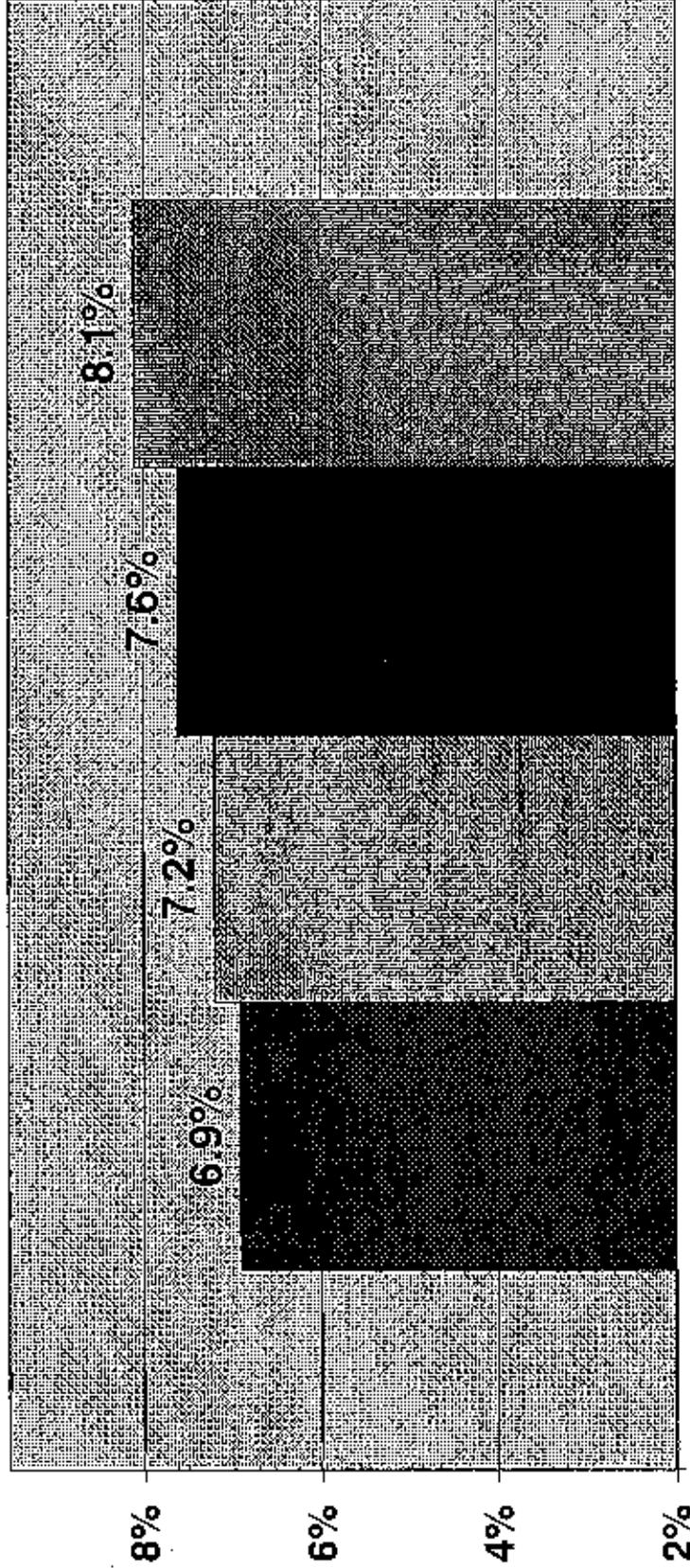
# The S&P 500<sup>®</sup> Composite Stock Price Index



# The S&P® 500 Index Study



Historical Returns: 50th% Percentile or Median  
May 1991 - May 2011: 5 Year Increments Measured Monthly



■ 11% Cap, 0% Guar. ■ 12% Cap, 0% Guar. ■ 13% Cap, 0% Guar. ■ 15% Cap, 0% Guar.

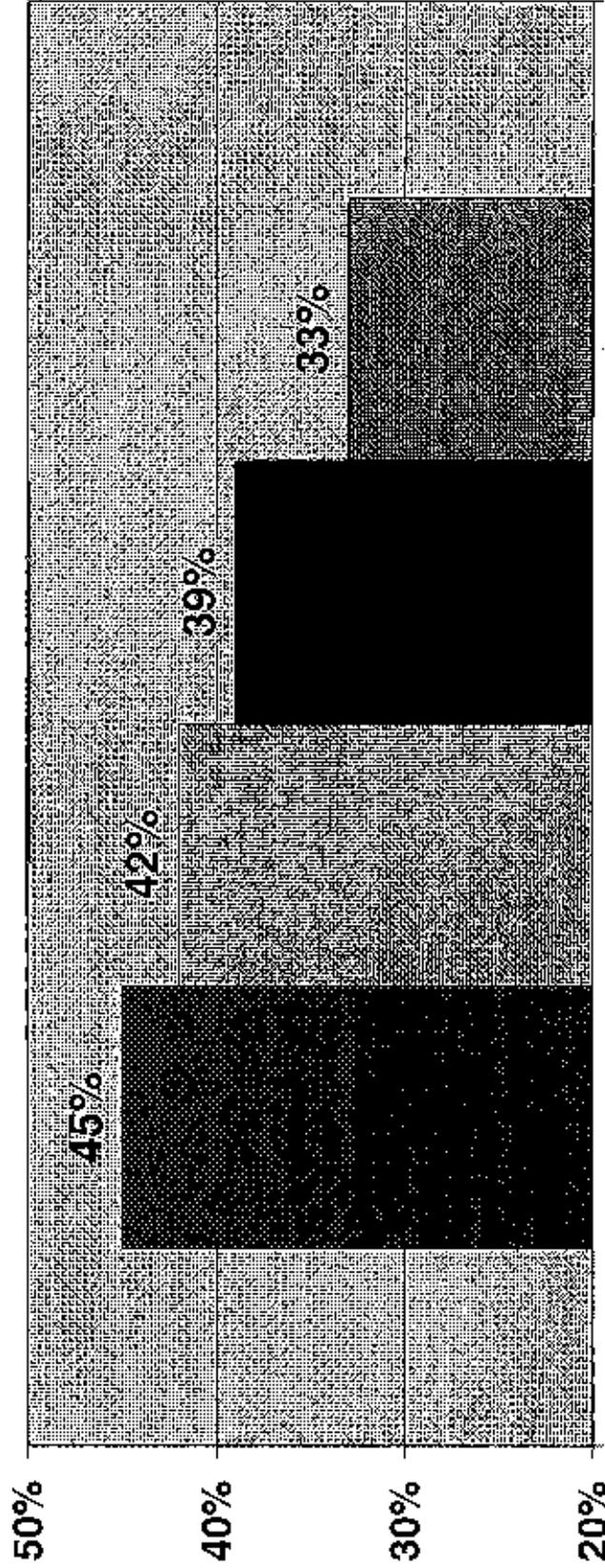
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

# The S&P® 500 Index Study



**Frequency of Hitting Growth Caps: S&P 500® Index  
May 1991 - May 2011. 5 Year Increments Measured Monthly**



■ 11% Cap, 0% Guar. ■ 12% Cap, 0% Guar. ■ 13% Cap, 0% Guar. ■ 15% Cap, 0% Guar.

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

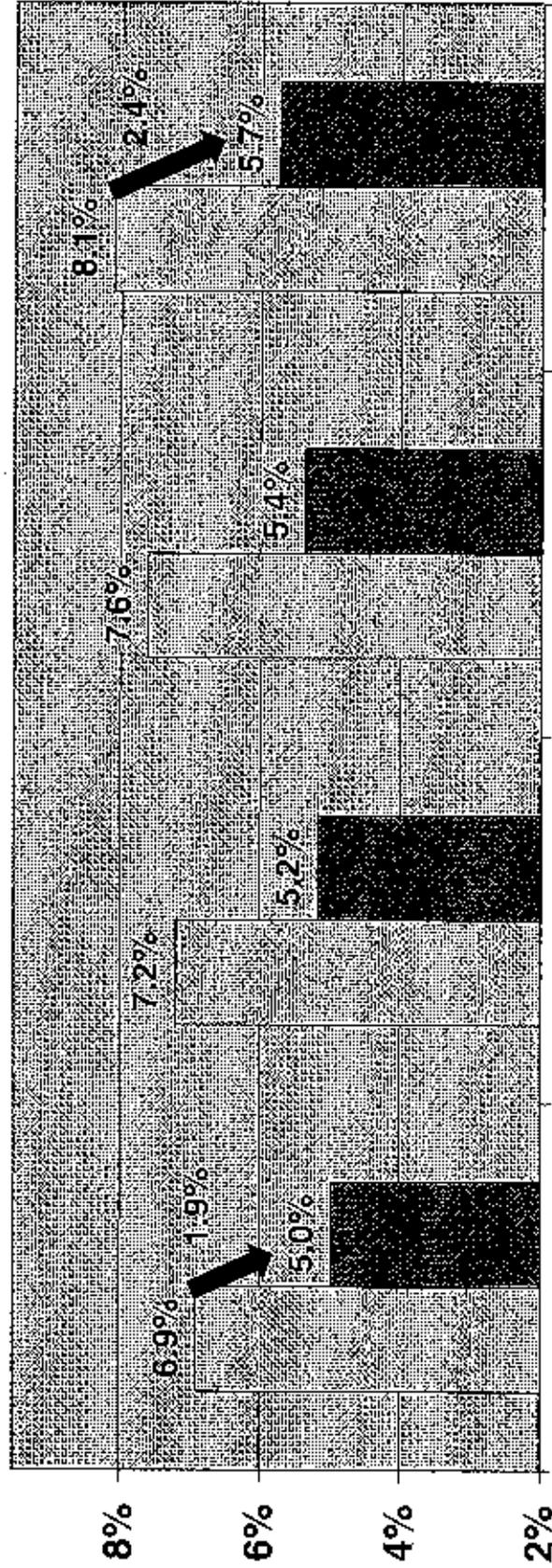
# The S&P® 500 Index Study

## 50<sup>th</sup> Percentile & Stress-tested 80<sup>th</sup> Percentile



ZURICH®

**Historical Returns: 50<sup>th</sup> and 80<sup>th</sup> Percentiles**  
**May 1991 - May 2011. 5 Year Increments Measured Monthly**



11% Cap, 0% Guar.    12% Cap, 0% Guar.    13% Cap, 0% Guar.    15% Cap, 0% Guar.

■ 50<sup>th</sup> Percentile

■ 80<sup>th</sup> Percentile

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Distribution to the Public.

# Conclusion: Zurich Index UL™ S&P® 500 Index Interest Account

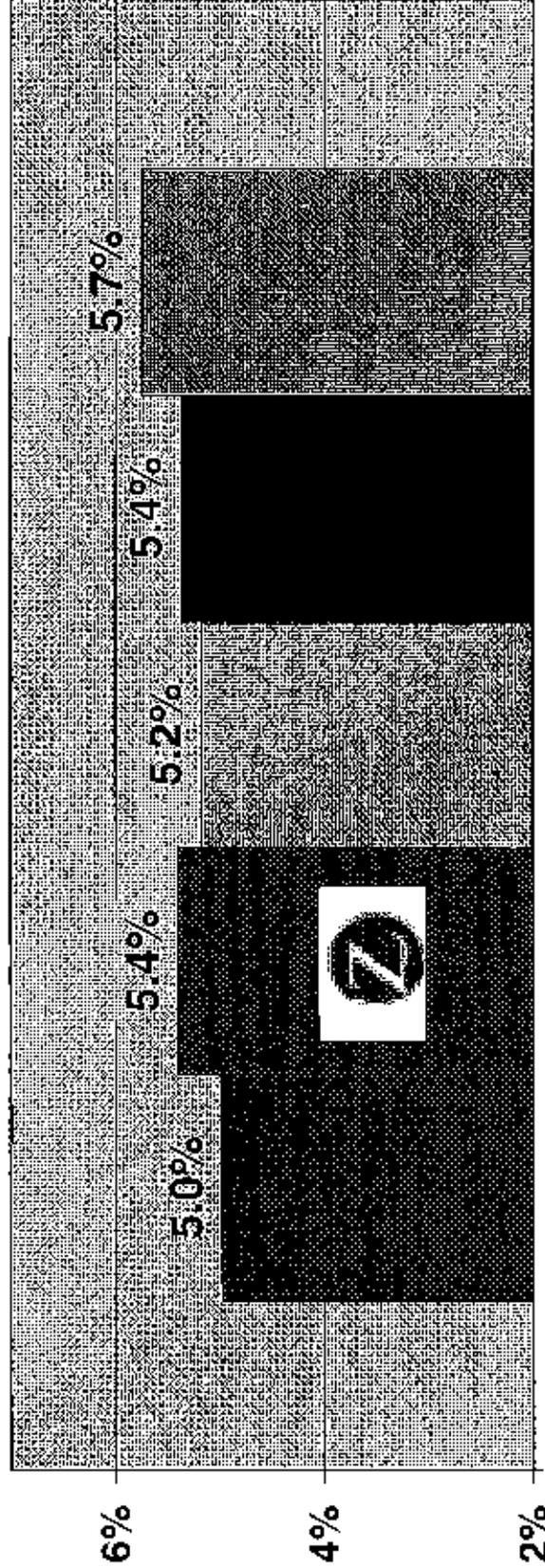


ZURICH®

- 11% Current Growth Cap. 1% Guaranteed Annual Interest Rate
- One Year Point-to-Point. 100% Participation Rate

**Historical Returns: 80th Percentile**

Study Period: May 1991 - May 2011



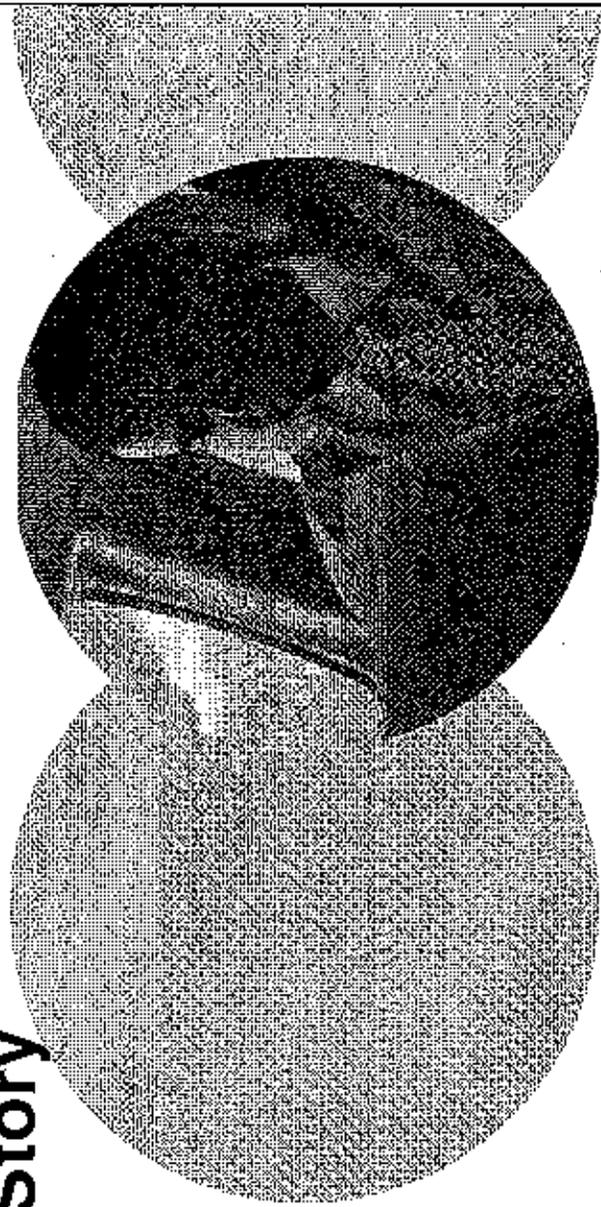
■ 11% Cap, 0% Guar. ■ 11% Cap, 1% Guar. ■ 12% Cap, 0% Guar. ■ 15% Cap, 0% Guar.

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.



# The Zurich Multi Index Interest Account Story



© Zurich American Life Insurance Company

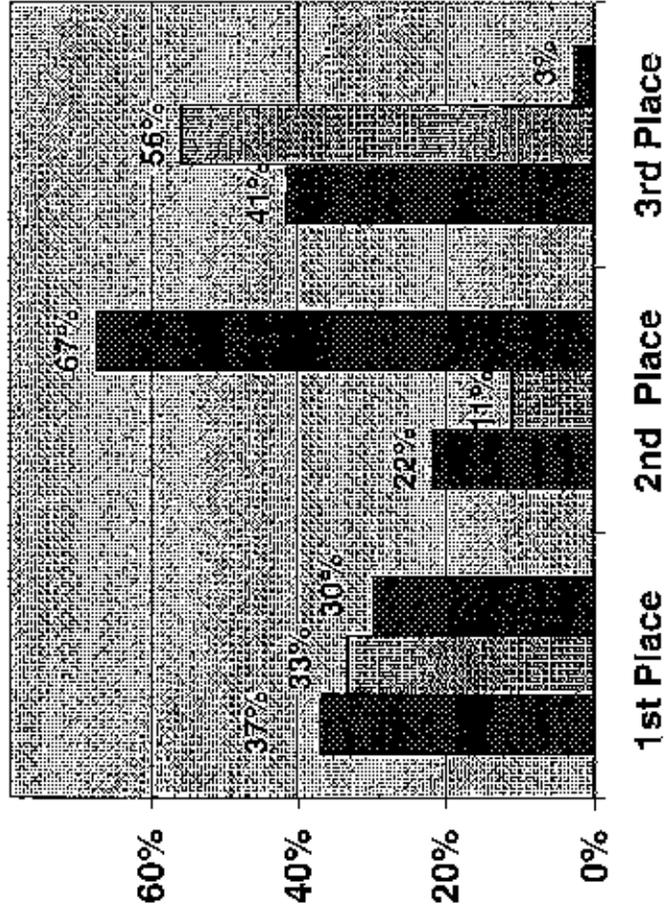
For Agent and Broker Information Only. Not for Use with Clients of the Public.

# Zurich Decision: Diversity & Performance



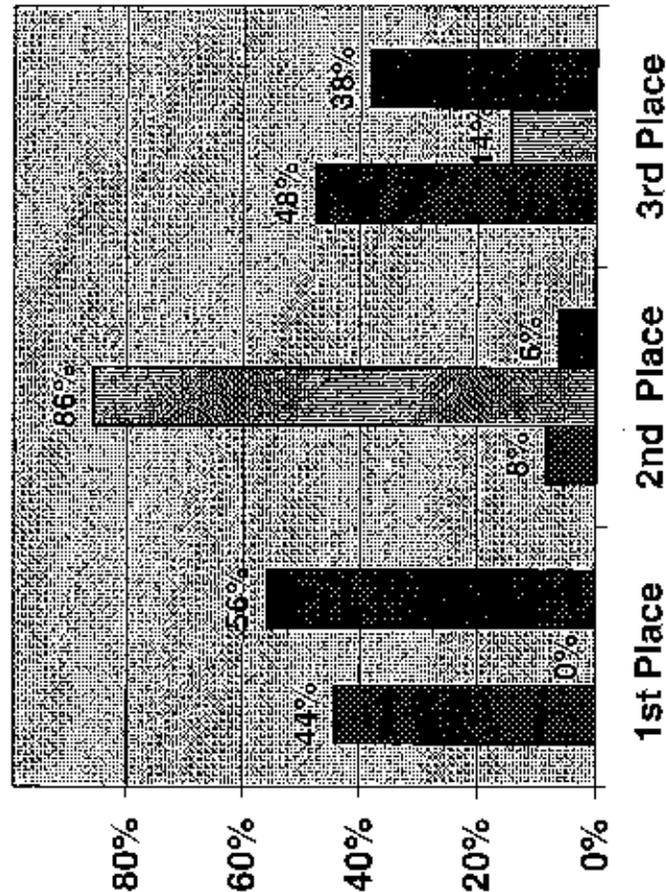
ZURICH®

**Finishing Positions  
3 U.S. Based Indices**



- S&P 500® Index
- Dow Jones-UBS Commodity Index
- Russell 2000

**Finishing Positions  
3 Global Indexes**



- S&P 500® Index
- MSCI EAFE
- MSCI Emerging Markets

For Agent and Broker Information Only. Not for use with clients or the public.

**Zurich Index UL™**

***2 Multi Index Interest Accounts***



**ZURICH®**

- **Domestic Multi Index Interest Account**
  - 3 Underlying Indexes
    - S&P 500® Composite Stock Price Index (excluding dividends)
    - Dow Jones-UBS Commodity Index<sup>SM</sup> (excluding dividends)
    - Russel 2000 Index® (excluding dividends)
  
- **Global Multi Index Interest Account**
  - 3 Underlying Indexes
    - S&P 500® Composite Stock Price Index (excluding dividends)
    - MSCI EAFE Index (excluding dividends)
    - MSCI Emerging Markets Index (excluding dividends)

**Zurich Index UL™**

***2 Multi Index Interest Accounts***



**ZURICH®**

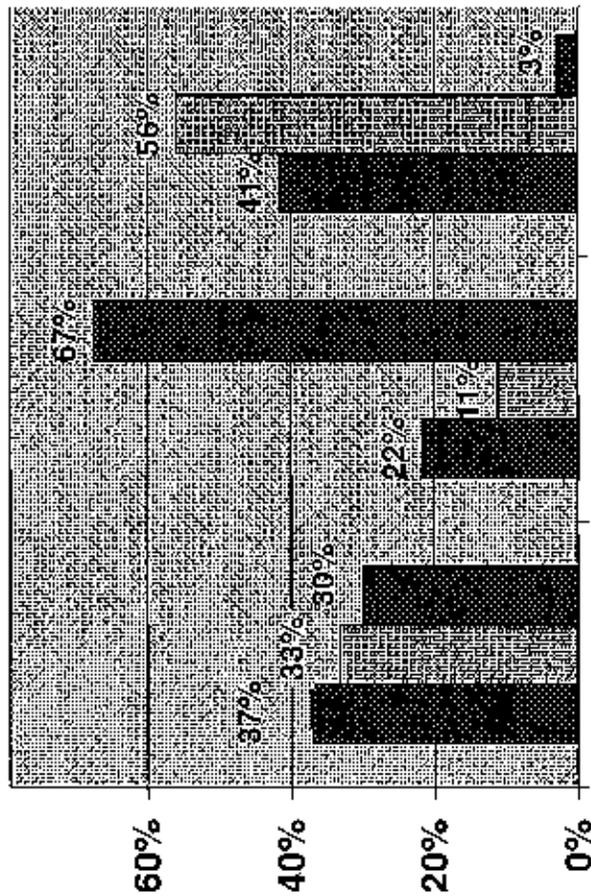
- **One-Year Point-to-Point. 100% Participation Rate**
- **0% Guarantee. One Year Interest Lock**
- **Hindsight & Overweighting**
  - **At the one year expiry (Hindsight) of each Account Segment**
  - **Reduces need to predict future index performance**
  - **Performance of the 3 underlying indexes are weighted**
    - #1 performing index is overweighted 70%**
    - #2 performing index is weighted 30%**
    - #3 performing index is excluded from consideration**

# Zurich Decision: Diversity & Performance



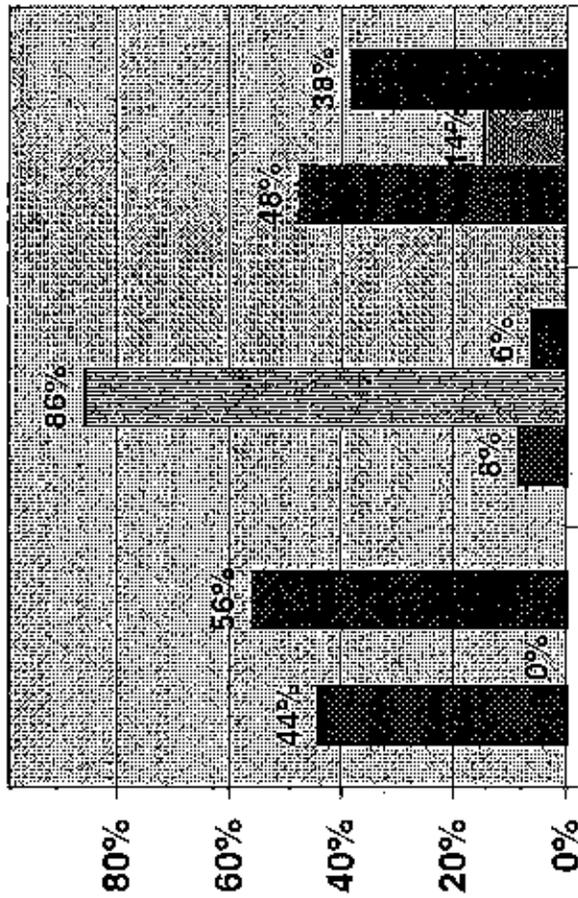
ZURICH®

**Finishing Positions  
3 U.S. Based Indices**



- S&P 500® Index
- Dow Jones-UBS Commodity Index
- Russell 2000

**Finishing Positions  
3 Global Indexes**

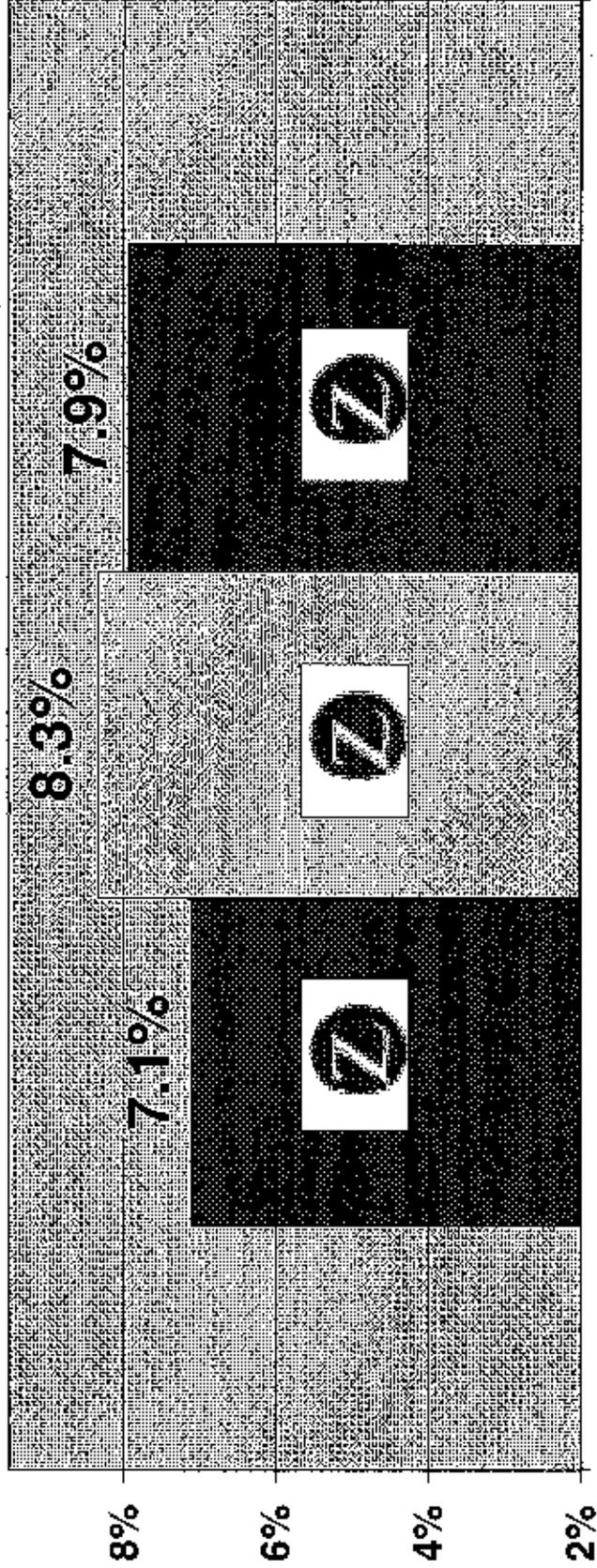


- S&P 500® Index
- MSCI EAFE
- MSCI Emerging Markets

# 3 Zurich Index Interest Accounts 50<sup>th</sup> Percentile or Median



Historical Returns: May 1991 – May 2011  
50<sup>th</sup> Percentile or Median



- S&P 500 - 11% Cap
- Domestic Multi Index - 10% Cap
- Global Multi Index - 10.5% Cap

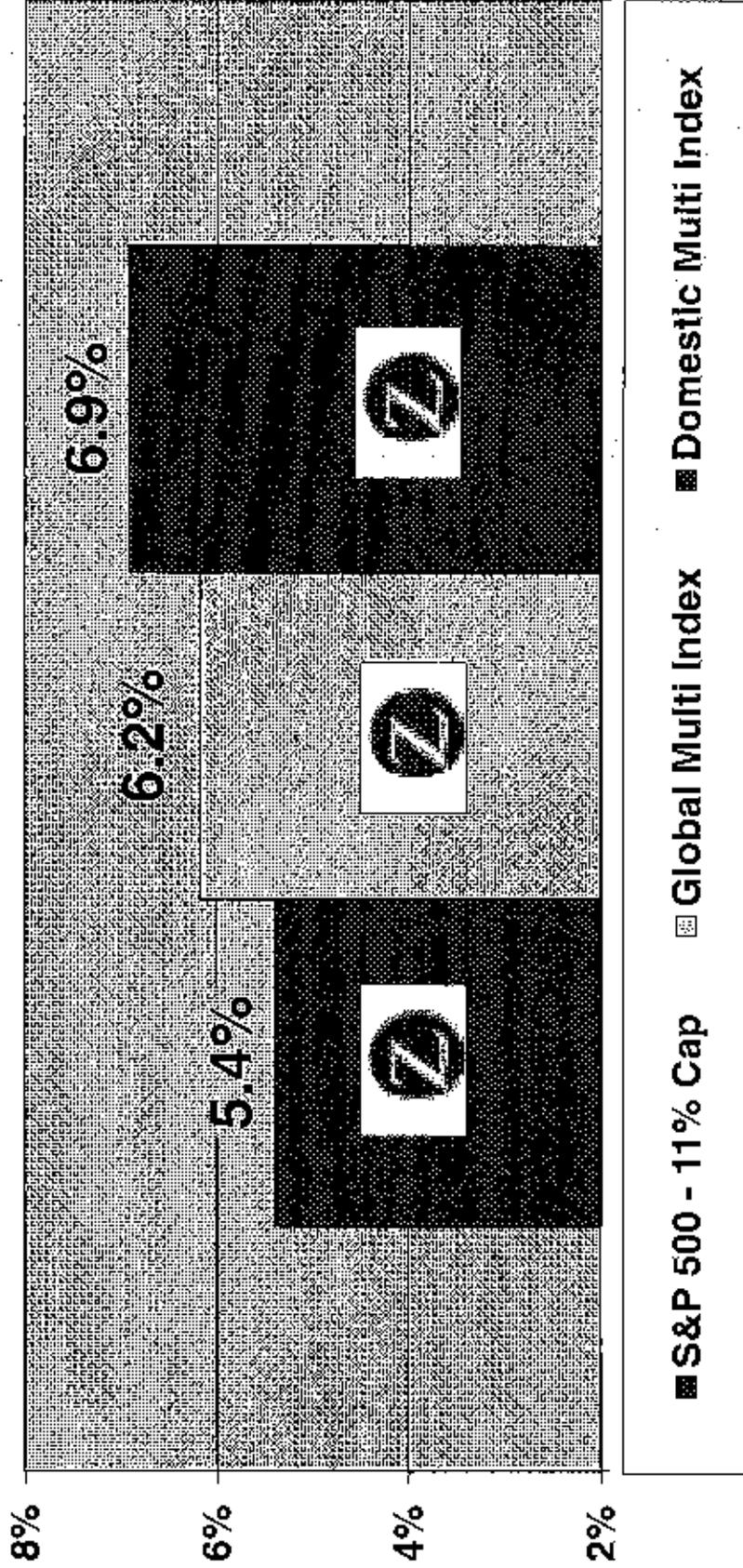
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for use with clients or the Public.

# 3 Zurich Index Interest Accounts Stress-tested 80<sup>th</sup> Percentile



Historical Returns: May 1991 – May 2011  
80th Percentile



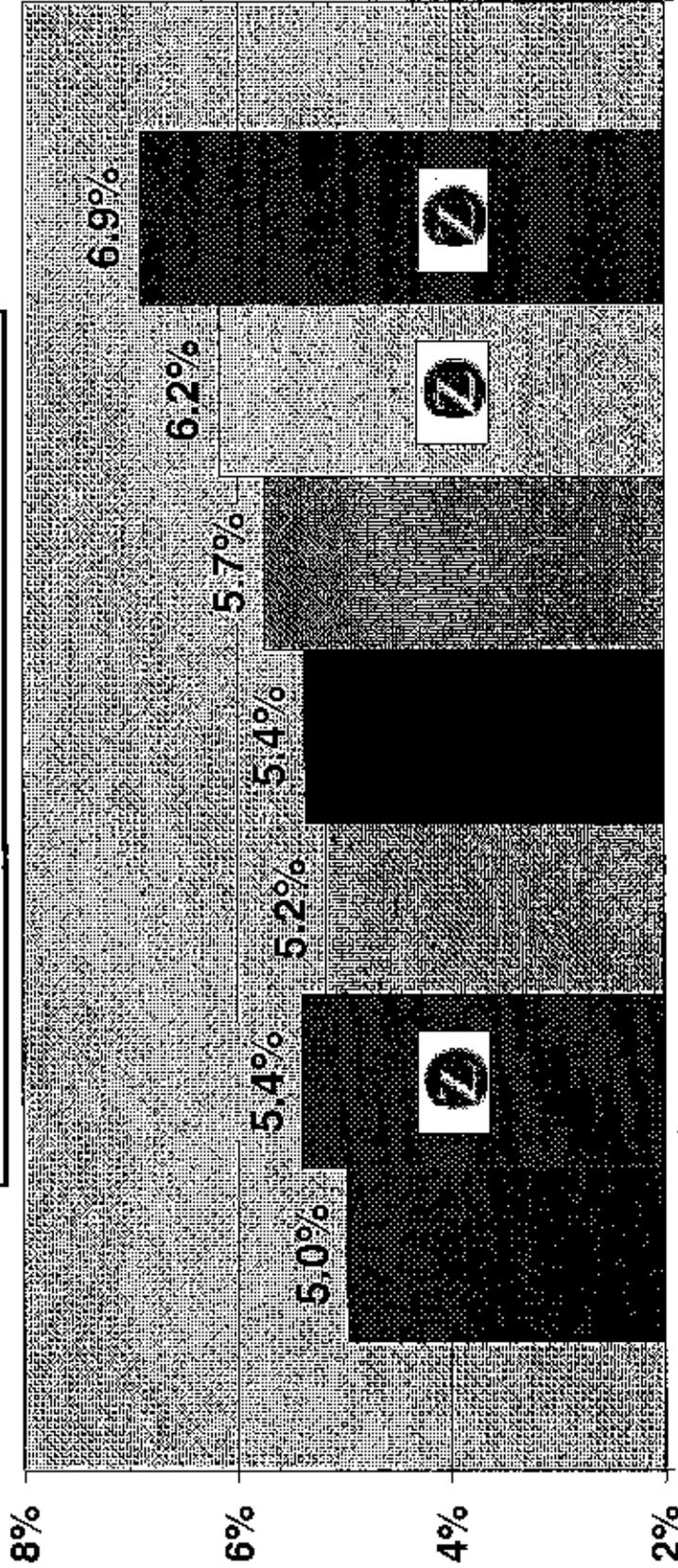
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

# 3 Zurich Index Interest Accounts Stress-tested 80<sup>th</sup> Percentile



Historical Returns: May 1991 - May 2001  
80th Percentile



- 11% Cap, 0% Guar.
- 13% Cap, 0% Guar.
- Domestic Multi Index
- 11% Cap, 1% Guar.
- 15% Cap, 0% Guar.
- 12% Cap, 0% Guar.
- Global Multi Index

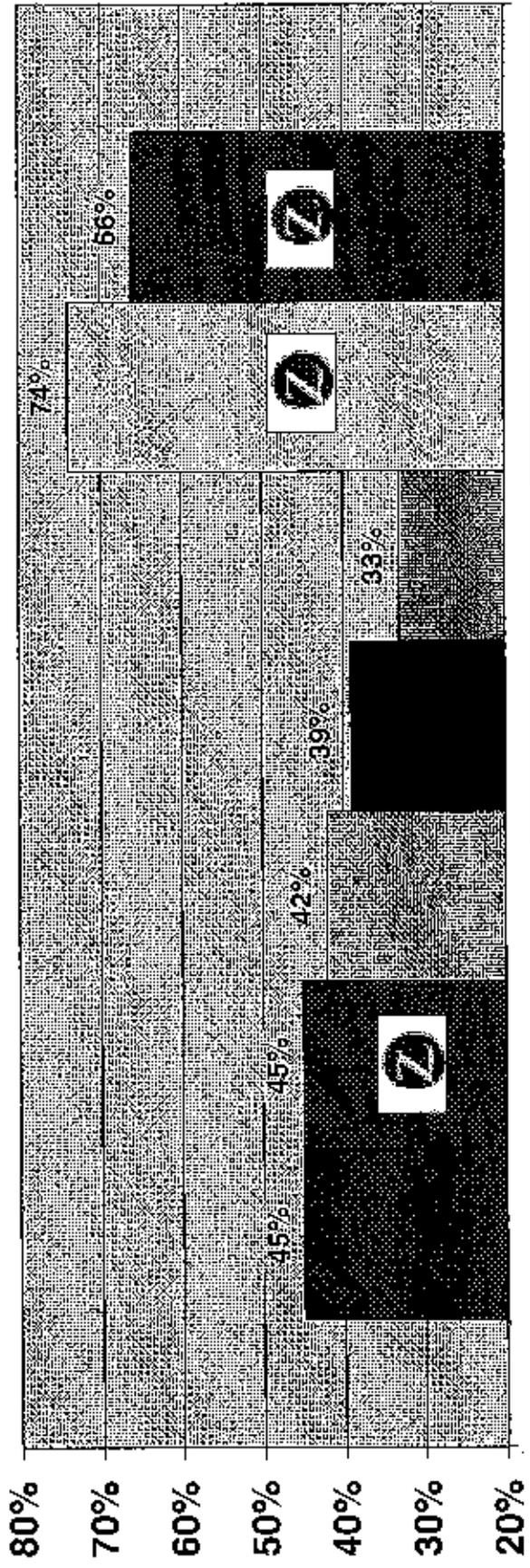
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not to be used with clients or the public.

# The Zurich Multi Index Story



**Frequency of Hitting Growth Caps  
One-Year Point-to-Point. 100% Participation  
May 1991 - May 2011**



- 11% Cap, 0% Guar.
- 12% Cap, 0% Guar.
- 15% Cap, 0% Guar.
- Domestic Multi Index, 10% Cap
- 11% Cap, 1% Guar.
- 13% Cap, 0% Guar.
- Global Multi Index, 10.5% Cap

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public

## Presentation Objectives Met



- **Which Market Index to Use?**
  - ☑ Seek important DIVERSITY & PERFORMANCE
- **How to Analyze an Index's Past Performance?**
  - ☑ Study the data using the same methodology
  - ☑ Stress test past performance. Seek higher confidence
- **How to Responsibly Illustrate an Index UL?**
  - ☑ Always use a stress-tested alternate rate. More confidence
  - ☑ Don't just subtract X% from differing index designs
- **Outline the Merits of the Zurich Index UL™**
  - ☑ Two multi index accounts. Superior performance potential
  - ☑ A responsible product. An unsurpassed Value Proposition

# For More Information

Please contact your Zurich BGA or the  
Zurich Sales & Marketing Team  
Toll-free 877-678-7534, Option 3



ZURICH<sup>®</sup>



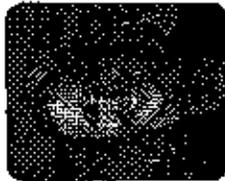
**Peter Mordin**  
Regional Vice President  
Western U.S.



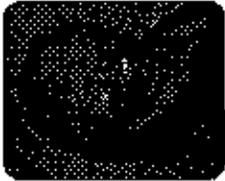
**Laura O'Dea**  
Regional Vice President  
Eastern U.S.



**Melissa Haag**  
Vice President  
IFA Marketing



**Tracy Burkland**  
Field Marketing Consultant  
Western U.S.



**Arlene Chevannes**  
Field Marketing Consultant  
Eastern U.S.

# Important Disclosures



This presentation contains highlights only. You should refer to the Zurich Index UL policy for a full explanation. All tax related information contained herein is based on our current understanding of federal tax laws as they relate to life insurance or other subject matter discussed. These laws are subject to change in the future. Neither Zurich nor its representatives offer legal or tax advice. You should consult a personal tax advisor on any tax matters.

<sup>1</sup>"Standard & Poor's®", "S&P®", "S&P 500®", and "Standard & Poor's 500™" are trademarks of Standard & Poor's Financial Services LLC ("S&P") and have been licensed for use by ZFUS Services, LLC and its affiliates. The S&P® Index Interest Account (the "Product") is not sponsored, endorsed, sold or promoted by S&P or its third party licensors. Neither S&P nor its third party licensors makes any representation or warranty, express or implied, to the owner of the Product or any member of the public regarding the advisability of investing in securities generally or in the Product particularly or the ability of the S&P 500 index to track general stock market performance. S&P's and its third party licensor's only relationship to ZFUS Services, LLC is the licensing of certain trademarks and trade names of S&P and of the S&P 500 index which is determined, composed and calculated by S&P or its third party licensors without regard to ZFUS Services, LLC or the Product. S&P and its third party licensors have no obligation to take the needs of ZFUS Services, LLC or the owners of the Product into consideration in determining, composing or calculating the S&P 500 index. Neither S&P nor its third party licensors is responsible for and has not participated in the determination of the prices and amount of the Product or the timing of the issuance or sale of the Product or in the determination or calculation of the equation by which the Product is to be converted into cash. S&P has no obligation or liability in connection with the administration, marketing or trading of the Product.

Neither S&P, its affiliates nor their third party licensors guarantee the adequacy, accuracy, timeliness or completeness of the index or any data included therein or any communications, including but not limited to, oral or written communications (including electronic communications) with respect thereto. S&P, its affiliates and their third party licensors shall not be subject to any damages or liability for any errors, omissions or delays therein. S&P makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, in no event whatsoever shall S&P, its affiliates or their third party licensors be liable for any indirect, special, incidental, punitive or consequential damages, including but not limited to, loss of profits, trading losses, lost time or goodwill, even if they have been advised of the possibility of such damages, whether in contract, tort, strict liability or otherwise.

<sup>2</sup>Dow Jones-UBS Commodity IndexSM - The Dow Jones-UBS Commodity IndexesSM are a joint product of Dow Jones Indexes, the marketing name and a licensed trademark of CME Group Index Services LLC ("CME Indexes"), and UBS Securities LLC ("UBS"), and have been licensed for use. "Dow Jones®", "DJ", "Dow Jones Indexes", "UBS", "Dow Jones-UBS Commodity IndexSM", and "DJ-UBSCI" are service marks of Dow Jones Trademark Holdings, LLC ("Dow Jones") and UBS AG, as the case may be and have been licensed for use for certain purposes by Zurich American Life Insurance Company. Zurich American Life Insurance Company's Zurich Index UL based on the Dow Jones-UBS Commodity IndexSM, are not sponsored, endorsed, sold or promoted by Dow Jones, UBS, CME Indexes or any of their respective subsidiaries or affiliates, and none of Dow Jones, UBS, CME Indexes or any of their respective affiliates makes any representation regarding the advisability of investing in such product(s).

For Agent and Broker Information Only. Not for Use with Clients or the Public.

# Important Disclosures (cont.)



ZURICH®

<sup>3</sup>Russell 2000® Index – Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

<sup>4</sup>MSCI Emerging Markets Index & MSCI EAFE – this product is not sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by Zurich American Life Insurance Company. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this product or any other person or entity regarding the advisability of investing in products generally or in this product particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to this product or the issuer or owners of this product or any other person or entity. None of the MSCI parties has an obligation to take the needs of the issuer or owners of this product or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this product to be issued or in the determination or calculation of the equation by or the consideration into which this product is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this product or any other person or entity in connection with the administration, marketing or offering of this product.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the product, owners of the product, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.



ZURICH®

Zurich American Life Insurance Company  
7045 College Boulevard, Overland Park, Kansas 66211-1523  
877 678 7534 [www.zlifeusa.com](http://www.zlifeusa.com)

The terms and conditions for flexible premium adjustable life insurance policy with index-linked interest options are set forth in policy number ICC11-IUL121-01, or applicable state variation. The policy is issued by Zurich American Life Insurance Company. It is subject to the laws of the state where it is issued. This material is a summary of the product features only. Please read the policy carefully for full details. Insurance coverages underwritten by Zurich American Life Insurance Company, an Illinois domestic stock life insurance company. Certain coverages may not be available in all states and policy provisions may vary by state.

©2011 Zurich American Life Insurance Company

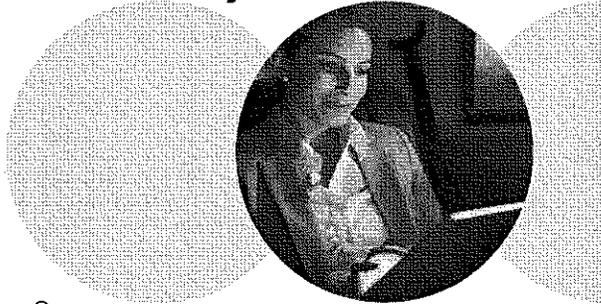
A1-20191-A

(08/11) 11-2325



## Zurich Index UL™

### *The Zurich Index Interest Story*



Presented by  
Affluent Markets Group  
Zurich American Life Insurance Company  
August 2011

Dennis H. Roberts, CLU, CFP®. Zurich American Life Insurance Company  
Timothy C. Pfeifer, FSA, MAAA. President, Pfeifer Advisory LLC

For Agent and Broker Information Only. Not for Use with Clients or the Public.

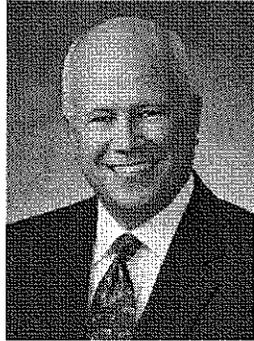
[DENNIS] This is Dennis Roberts of the Affluent Markets Group with Zurich American Life Insurance Company.

[DENNIS] I am pleased to formally introduce the Zurich Index UL, our new index interest UL product. My Zurich colleagues and I carefully designed the Zurich Index UL to provide you with a highly differentiated product that has features and interest crediting methodologies that are well-conceived, rational and able to perform as expected over the long-term.

[Dennis] This presentation is specifically focused on the Zurich Index UL's index interest crediting methodology. This presentation was recorded in August 2011 and is only approved for use with brokers.

[NEXT PAGE]

**The Zurich Index UL™**  
**Today's Presenters**



**Dennis H. Roberts, CLU, CFP®**  
Zurich Affluent Markets Group



**Timothy C. Pfeifer, FSA, MAAA**  
Pfeifer Advisory LLC

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] Today, I am joined by consulting actuary Timothy Pfeifer, President of Pfeifer Advisory, LLC.

[DENNIS] It is clear to many industry observers that index interest UL products are in the process of becoming the industry's "new normal" as they are taking measurable market share from the more traditional guaranteed no-lapse UL and fixed interest current assumption UL product segments. Today, more and more mainstream life insurance sales professionals and client advisors are taking a serious look, often for the first time, at the merits of index interest UL. Tim Pfeifer, what do you think is driving this remarkable product trend?

[TIM] Over the recent past, no-lapse guarantee UL products were very popular. These products guarantee pricing, very attractive long-term IRRs at death but little-to-no long-term cash surrender value. Prior to the popularity of no-lapse guarantee UL products, fixed interest current assumption UL products were very popular. All of this changed when the economy entered this period of now sustained low interest rates. As a direct result, the industry's no-lapse guarantee UL pricing has increased numerous times as the carriers attempted to protect their margins. The low interest rates also impacted the attractiveness of fixed interest current assumption UL.

[NEXT PAGE]

## The Zurich Index UL™ Presentation Objectives



- Which Market Index to Use?
- How to Analyze Historical Performance?
- How to Responsibly Illustrate an Index UL?
- 3 Zurich Index Interest Accounts
  - S&P 500® Index Interest Account
  - Domestic Multi Index Interest Account
  - Global Multi Index Interest Account

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] So Tim, perhaps the key question shouldn't be: What SINGLE MARKET INDEX should be used as THE interest crediting strategy for an index UL policy? The domestic U.S. and global index data we just discussed clearly indicates the more pertinent question is WHAT MULTIPLE MARKET INDICES should be collectively considered in determining the index interest rate that gets credited to an index UL policy?

[TIM] That's exactly right. We live in a global economy. And life insurance sales professionals and their clients know it. A diversified set of domestic and global indices more completely reflects this global economy reality:

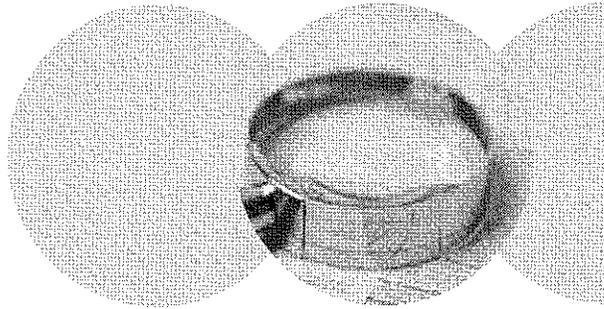
- Developed & Emerging Economies
- Large & Small Cap
- Growth & Value
- and Specialty Sectors such as Commodities.

[DENNIS] Importantly, our guests today will be very interested in how the Zurich Index UL's two multi index interest accounts will, in any given year, accentuate each accounts' #1 performing index and de-emphasize its #3 performing index WITHOUT requiring the sales professional or his or her client to make ongoing index account allocation decisions at the beginning of each year.

[NEXT PAGE]



## Which Market Index to Use?



© Zurich American Life Insurance Company

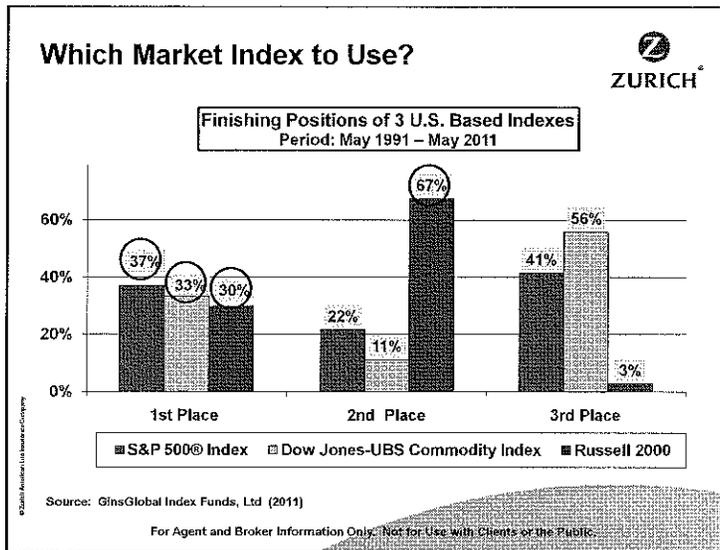
For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] OK, let's jump right into today's first presentation topic: WHICH MARKET INDEX TO USE when considering an index UL life insurance policy. Tim, what are some factors that a sales professional should consider when deciding which market index is well suited for use in an index UL product?

[TIM] At the outset of our discussion, let's be mindful that we are talking about an interest rate crediting methodology inside of a permanent, cash value life insurance policy. By its very nature, a permanent cash value life insurance product is a long-term proposition. Therefore, a policy's internal mechanics, including its interest crediting rate, should be built to deliver the long-term performance that the consumer and the sales professional expects.

[TIM] In selecting a market index to use in a buy & hold life insurance purchase, it is important to ask if any one single index will be able to perform consistently well in the future. In my opening comments, I briefly touched on the fact that we live in a global economy. Life insurance sales professionals know this and most importantly, their affluent and mass affluent clients know this. The S&P 500 Index is an excellent U.S. large cap index. The question seems to be whether a single market index model, such as the S&P 500 Index, is most suitable, or is a mix of a number of market indices a better long-term strategy.

[NEXT PAGE]



[DENNIS] This next slide reflects the relative performance over a twenty year period of three domestic U.S.-based indices: the S&P 500 Composite Stock Price Index, the Dow Jones-UBS Commodity Index and the Russell 2000 Index. The S&P 500 Composite Stock Price Index tracks the 500 largest U.S equities. The Dow Jones-UBS Commodity Index tracks the price movement of 19 physical commodities such as Crude Oil, Gold and Soybeans. And the Russell 2000 Index represents the small cap universe in the U.S.

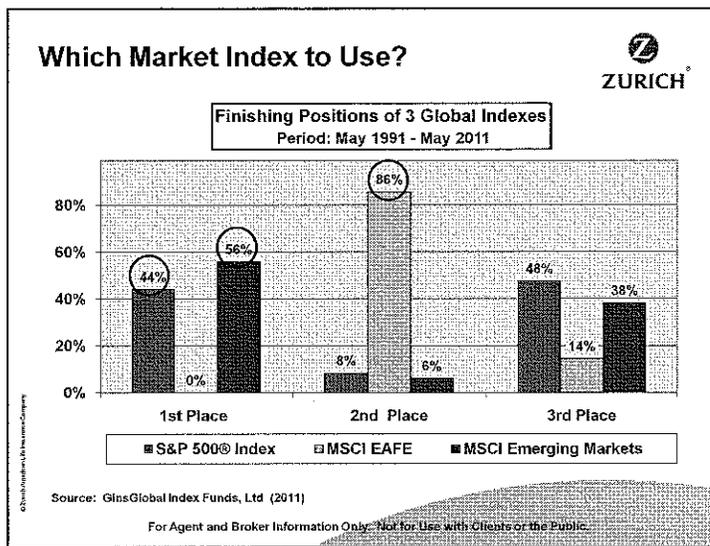
[Dennis] Before we get into the actual data displayed on this slide, let's talk for a moment about the twenty year study period that we are using on this slide: May 1991 to May 2011. Note that the Dow Jones-UBS Commodity Index is the youngest of the indices that we will be discussing today, having started its operations in January 1991. Therefore, in order to study all of the indices we will be examining today on an equal basis, we will use the 1991 – 2011 duration. TIM, what's the significance of using a long period of time in studying economic data?

[TIM] A long study period, such as the twenty years displayed on this slide, allows you to more confidently draw conclusions from the historical data. Generally speaking, over any longer period of time, you will appropriately capture sufficiently frequent periods of upward performances as well as downside performances. A good balance of mixed observations will allow you to more confidently draw certain inferences from the studied data. Importantly, when comparing market indices such as the 3 displayed on this slide, it is particularly important to use the exact same period of time whether it be 20 years or some other long period of time.

[DENNIS] OK, let's look at the actual data displayed on the slide. This slide shows how frequently each of the three indices' price performances finished in either the 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> position at the end of one year period over the last twenty years. For example, the S&P 500 Index displayed in blue finished in the #1 one-year position 37% of the time over the last twenty years. Another example: the Dow Jones-UBS Commodity Index displayed in gold finished in the #1 position over a one-year period 33% of the time over the last twenty years. Looking at the data another way, the Russell 2000 Index finished in either the #1 or the #2 position over a one-year period 97% of the time. TIM, what conclusions do you draw from this domestic U.S.-based slide?

[TIM] The most immediate conclusion from this data is that over the past twenty years there has been a high degree of variability as to which of the three indices finished in either the #1, the #2 or the #3 position at the end of any given year. When I look at the S&P 500 Index in blue, I see a very solid single index performer finishing #1 37% of the time and finishing either #1 or #2 59% of the time. However, you can't ignore the strong performances of the Dow Jones-UBS Commodity Index and the Russell 2000 Index. The question has always been and continues to be : Which index will be the #1 performer over the next twelve months? Few people have the predictive power to consistently answer that question.

[NEXT PAGE]



[DENNIS] This next slide is constructed similarly to the domestic U.S. slide we just discussed. The same twenty year study period duration, 1991 to 2011. This time we are comparing the relative performance of three significant “global” indices: the S&P 500 Index, the MSCI EAFE Index and the MSCI Emerging Markets Index. The MSCI EAFE Index measures international equity performance outside of North America in the developed economies of Europe, Australia and the Far East. The MSCI Emerging Markets Index measures international equity performance in 21 emerging economies including the so-called “BRIC” countries of Brazil, Russia, India and China.

[DENNIS] OK, let’s look at the actual data displayed on this slide. This slide shows, as the previous slide did, how frequently each of the three indices’ price performances finished in either the 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> position at the end of each year over the last twenty years. Let’s look at the S&P 500 again displayed in blue. It finished in the #1 position at the end of a one-year periods 44% of the time over the last twenty years. But look at the MSCI Emerging Markets Index in dark blue: 56% of the time over the last 20 years it finished in the #1 position at the end of the year. And honorable mention goes to the MSCI EAFE index in green: the #2 finishing position 86% of the time. TIM, what conclusions do you draw from the data on this global indices slide?

[TIM] I draw the same general conclusions that I made on the previous slide. Over the past twenty years, there has been a high degree of variability as to which of the three “global” indices finished in the #1, the #2 or the #3 position at the end of a given year. When I look at the S&P 500 Index in blue, again I see a very solid single index performer. But you just can’t ignore the performances of the MSCI EAFE Index and the MSCI Emerging Markets Index. The question continues to be : Which index will perform best over any given twelve month period?

[Dennis] So Tim, if we could design an index UL interest crediting structure that would accentuate performance of the winning index in any given year, and de-emphasize the performance of the #3 place index in that same year, the resulting index interest credit should be greater over time than any single index’s credit?

[TIM] That is what the data on the two slides suggests to me all other things being equal. Later in today’s presentation, we will examine and quantitatively measure that opportunity more closely.

[NEXT PAGE]

## Which Market Index (or Indexes!) to Use?



### Opportunities for Geographic & Economic Diversity

- Developed & Emerging Economies
- Large Cap & Small Cap
- Growth & Value
- Specialty Sectors

### Zurich Decision: DIVERSITY & PERFORMANCE

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] So Tim, perhaps the key question shouldn't be: What SINGLE MARKET INDEX should be used as THE interest crediting strategy for an index UL policy? The domestic U.S. and global index data we just discussed clearly indicates the more pertinent question is WHAT MULTIPLE MARKET INDICES should be collectively considered in determining the index interest rate that gets credited to an index UL policy?

[TIM] That's exactly right. We live in a global economy. And life insurance sales professionals and their clients know it. A diversified set of domestic and global indices more completely reflects this global economy reality:

- Developed & Emerging Economies
- Large & Small Cap
- Growth & Value
- and Specialty Sectors such as Commodities.

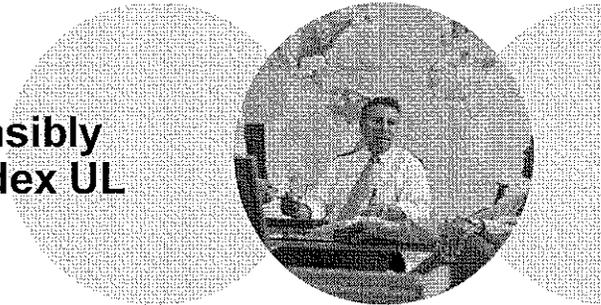
[DENNIS] Importantly, our guests today will be very interested in how the Zurich Index UL's two multi index interest accounts will, in any given year, accentuate each accounts' #1 performing index and de-emphasize its #3 performing index WITHOUT requiring the sales professional or his or her client to make ongoing index account allocation decisions at the beginning of each year.

[NEXT PAGE]



## How to Analyze Historical Performance?

## How to Responsibly Illustrate an Index UL product?

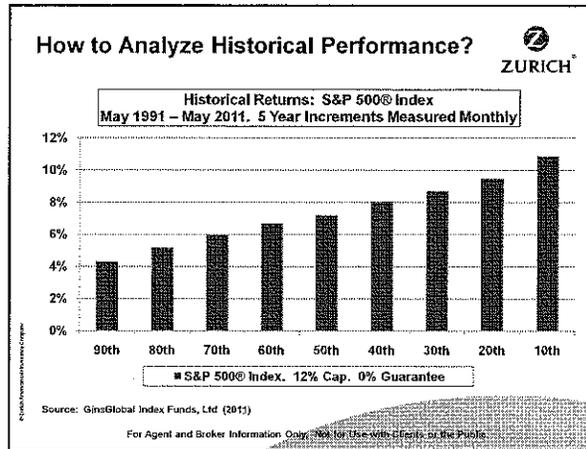


© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] OK, let's get into the topic of how to analyze the historical performance of a market index, or combination of market indices, so that we can give some guidance as to how to responsibly illustrate a new index interest UL sales illustration.

[NEXT PAGE]



[DENNIS] Let's take a look at a typical single index that is readily available in many of today's index UL products: the index is the S&P 500 Index. The S&P 500 Index account displayed on the slide has an assumed 12% growth cap, credits on a one-year point-to-point basis, has a 100% participation rate and a 0% annual interest rate guarantee. To be consistent with previous slides, we are again using the same long-term 20 year study period duration. Let's get a little bit more specific as to how we are measuring the data.

[DENNIS] As the slide title indicates, we are measuring rolling five-year increments of time on a monthly basis. TIM, why are we measuring the data this way?

[TIM] OK, let's break it down. First, as I previously discussed, a twenty year study period is sufficiently long to draw inferences from the data.

[TIM] Second, we are measuring rolling five-year periods of time on a monthly basis. For example, consider that our data started on May 1, 1991. Our first five-year period of time would be from May 1<sup>st</sup> 1991 to April 30<sup>th</sup> 1996. Our second five-year period of time would be from June 1<sup>st</sup> 1991 through May 31<sup>st</sup> 1996 and so on. We continue to capture information this way all the way through the five-year period that ends on April 30<sup>th</sup> 2011. The data from these rolling five-year increments of time are collected as a group, analyzed and graphically displayed as you see on the slide.

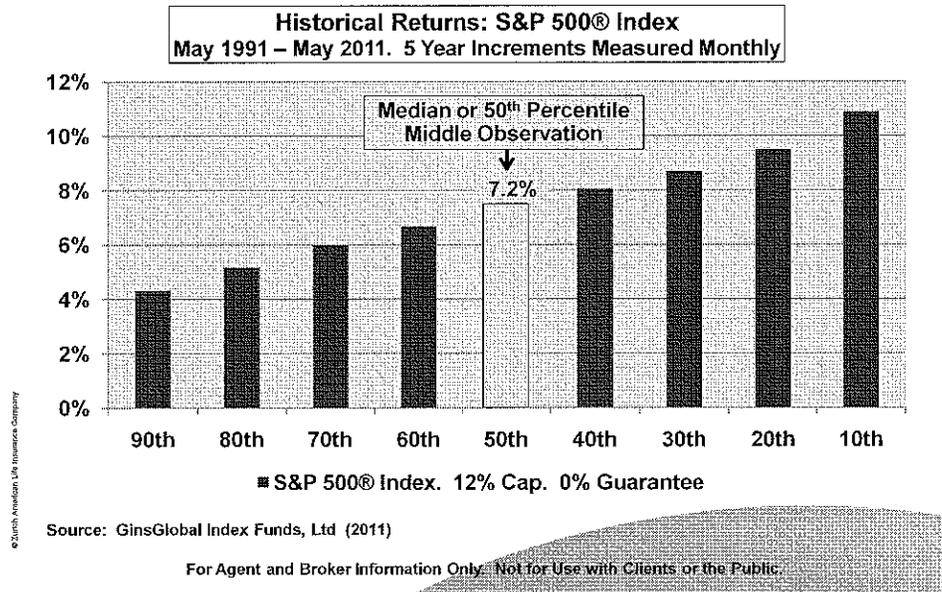
[Dennis] Why measure rolling five-year increments of time versus let's say longer increments of time such as rolling 10 year increments or 20 year increments? Or shorter periods of time such as rolling one-year increments of time?

[TIM] In my opinion, using five-year increment of time typically is more conservative than one-year increments of time and also allows us to capture the effect of annual minimum floor returns, such as 0 or 1%. It is wise to be conservative when using historical data to project future performance. Ten-year and twenty-year increments of time often don't result in enough observations to be statistically valid. Importantly, a five-year model synchs up well with a long-term buy & hold proposition such as permanent cash value life insurance. Also note that we are measuring our five-year increments on a MONTHLY basis. Why monthly? Because the majority of the industry's index UL products only permit Policy Values to be transferred into an index interest account on a monthly basis.

[TIM] Remember, when comparing the merits of any index interest account from any carrier, be certain to always use the same study period duration, the same rolling increments of time and the same frequency. I recommend use of at least a twenty-year study period and rolling five-year increments of time measured monthly.

[NEXT PAGE]

## How to Analyze Historical Performance?



[TIM] The first observation you want to make is to determine the MEDIAN value, or the middle observation of the data that you are studying. Regarding our specific S&P 500 Index study, the median value is a compound annual average return of 7.2% and is displayed in yellow. This median value is also often called the 50<sup>th</sup> percentile, that is, 50% of the observed index rates of return were greater than the 7.2% median and 50% of the observed index rates of return were less than 7.2%.

[DENNIS] TIM, a comment and a question. It seems that many carriers are illustrating their S&P 500 Index accounts using illustrated rates that are significantly higher than the 7.2% we are observing on this slide. Where does this median value come into play when looking at the index interest rates that many carriers use to illustrate their index UL products?

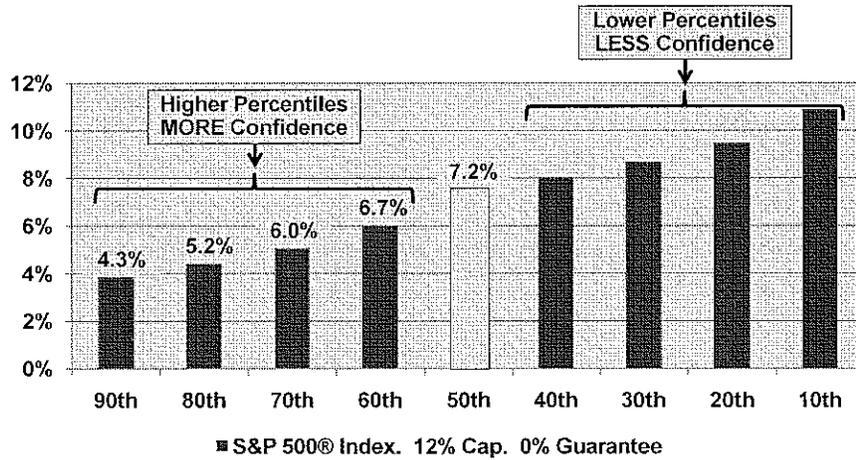
[TIM] Remember my advice of using the same study methodology when you compare the performances of any two index interest accounts, even two S&P 500 index accounts that on the surface seem to be near equals. Using different study methodologies will not result in an apple-to-apple comparison. Today, many non-Zurich carriers seem to analyze their S&P 500 Index accounts using a typically more aggressive one-year rolling periods of time. One-year periods of time normally will result in a higher median rate than a five-year period of time study. The 7.2% median number on the slide is based on five-year rolling periods of time. Again, I recommend using a more conservative approach in analyzing historical data particularly if you are going to use the historical data to project future policy account performance.

[NEXT PAGE]

# How to Analyze Historical Performance?



Historical Returns: S&P 500® Index. May 1991 – May 2011



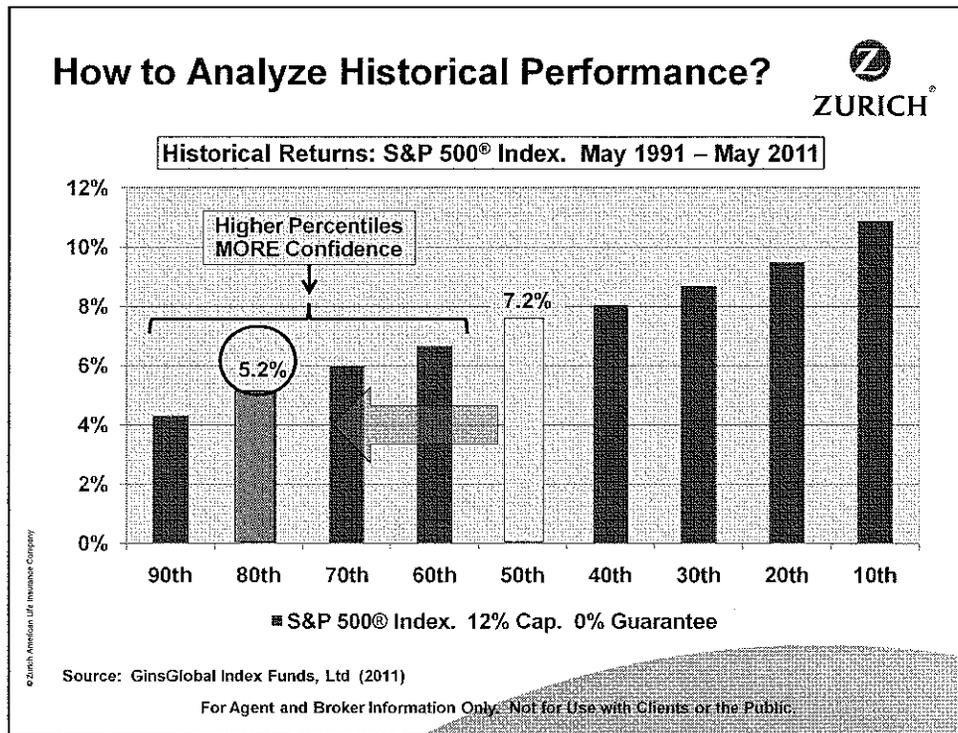
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[TIM] The next observation you want to make is to see how the rest of the historical data is distributed on either side of the median. Remember, 50% of the time the historical index returns were higher than the 7.2% compounded annual average return median, this is displayed on the slide to the right of the median in yellow. Similarly, 50% of the time the historical index returns were lower than the 7.2% median – this is displayed on the left hand side of the yellow median.

[NEXT PAGE]

## How to Analyze Historical Performance?



[DENNIS] Let's focus on the LEFT HAND SIDE of the 7.2% median. The chart indicates that the LEFT HAND SIDE is associated with HIGHER PERCENTILES and MORE CONFIDENCE. TIM, give us some guidance as to the real significance of the LEFT HAND SIDE and its higher confidence levels.

[TIM] Let's back up for one moment. Let's be mindful that our industry is using analyses of historical index performance and using the analyses to somehow illustrate future index interest performance. This is OK if done responsibly and properly disclosed to the consumer. Remember the sage advice, "Past performance is not necessarily indicative of future results". The question on the table today is how to responsibly use historical data when illustrating future index UL account performance. If we are compelled to look at historical index performance data, and we are, then it is responsible to rigorously stress test that data to determine what index UL illustration rate is appropriate.

[TIM] My opinion is that the life insurance sales professional should rigorously stress test the historical data. I do not recommend that a sales professional merely chop off X number of basis points – for example 200 basis points – from the carrier's suggested illustration rate and call it a day. This practice, would unfairly disadvantage indices that are constructed differently.

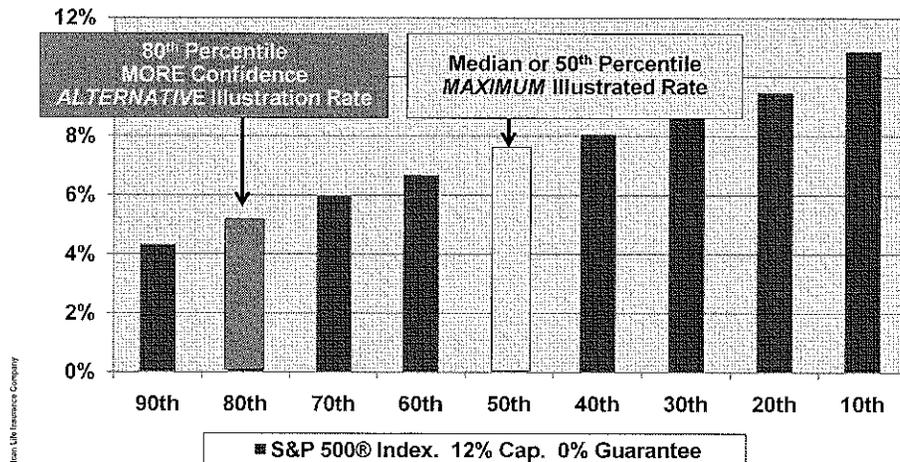
[TIM] My recommendation is to look to the LEFT HAND SIDE of the median, select a high confidence percentile that you are comfortable with, and use the historical rate of return associated with that high confidence percentile when illustrating an index UL product. For example, look at the 5.2% historical rate of return highlighted in green that is associated with this study's 80<sup>th</sup> percentile. This 5.2% value indicates that 80% of the observed index rates of return were greater than 5.2% and that 20% of the observed index rates of return were less than 5.2%. Using this stress tested 5.2% rate when illustrating an index UL's hypothetical future performance will give the sales professional MORE CONFIDENCE in presenting the illustration to a prospective client.

[NEXT PAGE]

## How to Analyze Historical Performance?



Historical Returns: S&P 500® Index. May 1991 – May 2011



© Zurich American Life Insurance Company

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] OK, Tim, let's summarize our discussion regarding how to analyze a market index's historical performance and how to use that analysis to responsibly illustrate an index interest UL product.

[TIM] First make certain that all of your analyses are apple-to-apple comparisons. Use the same long-term study period duration such as twenty years. Make certain that your study also employs appropriate increments of time such as my recommended five-year rolling periods of time.

[DENNIS] The first observation you want to make is to determine the MEDIAN, or the middle observation. Remember, 50% of the historical study's observations were greater than the median and 50% of the observations were less than the median. This middle historical number, if used in an index UL sales illustration, should ALWAYS be accompanied with a stress tested alternative illustrated rate.

[TIM] That's right. You have to stress test historical data if you are to be positioned to responsibly illustrate a forward looking new index UL product to a consumer. Remember, go to the LEFT HAND SIDE of the median, select as your illustration rate a higher percentile historical rate - such as rate associated with the 80<sup>th</sup> percentile – and be more confident in selling and servicing index interest UL products.

[NEXT PAGE]



## The S&P 500® Composite Stock Price Index



© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

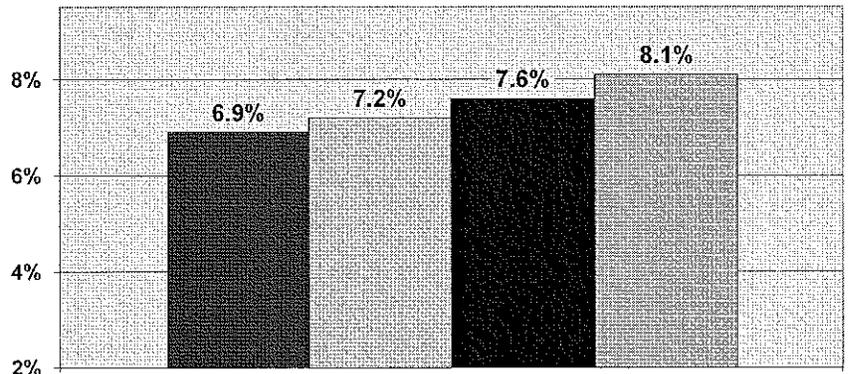
[DENNIS] It is probably a truism that every good index UL product needs to have an index interest account option that is based on the S&P 500 Index. The Zurich Index UL product also offers an S&P 500 Index interest account as one of its account options. Let's take a quick look at the general research that was conducted on the S&P500 Index that prompted us to design the Zurich S&P 500 Index Interest Account the way we did.

[NEXT PAGE]

## The S&P® 500 Index Study



Historical Returns: 50th% Percentile or Median  
May 1991 - May 2011: 5 Year Increments Measured Monthly



■ 11% Cap, 0% Guar. ■ 12% Cap, 0% Guar. ■ 13% Cap, 0% Guar. ■ 15% Cap, 0% Guar.

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] This slide shows four different non-Zurich S&P 500 Index account models that are offered by a number of carriers today. All four models have these similar characteristics: a one-year point to point design, a 100% participation rate, and a 0% annual interest rate guarantee. All four models have different growth caps. Going from left to right, the model shown in red has an 11% growth cap; the model in gold has a 12% growth cap; the model in dark blue has a 13% growth cap; and finally the light blue model on the far right has a growth cap of 15%.

[DENNIS] Employing Tim's advice, we used the exact same historical study discipline as in the previous slides: a long-term twenty year study period focused on five-year increments of time measured monthly. The actual rates of return displayed on this slide for each of the four indices are the accounts' median values. TIM, note that when you observe the four median numbers displayed from left to right, the median values increase as the index accounts growth caps increase.

[TIM] This observation is not surprising. All other factors being equal, you should expect the median historical return to increase as the index account's growth cap increases.

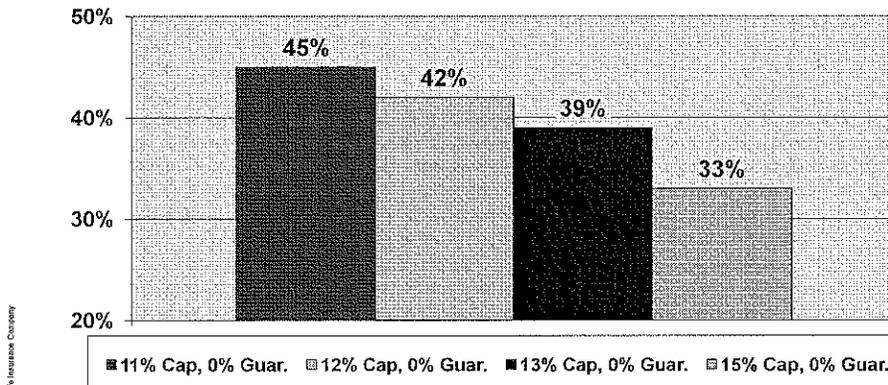
[TIM] However, there are several other factors that a life insurance sales professional will want to consider. All of the historical studies that the industry uses in setting index UL illustration rates – including our studies – assume that the growth cap is fixed throughout the long-term study period. It is likely that this assumption will not hold over a long period of time. All other factors being equal, an index account with a 15% growth cap is more expensive for a carrier to support over time than is an index account with an 11% growth cap. Additional important reasons to rigorously stress test the historical index return data associated with the index interest accounts you consider.

[NEXT PAGE]

## The S&P® 500 Index Study



Frequency of Hitting Growth Caps: S&P 500® Index  
May 1991 - May 2011. 5 Year Increments Measured Monthly



© Zurich American Life Insurance Company

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] This slide has some information that may be new to our guests. It shows how frequently the four non-Zurich S&P 500 Index accounts actually reached their current growth caps over our twenty-year study period.

[TIM] It's not surprising that a lower growth cap account such as the 11% growth cap account in red would actually hit its growth cap more frequently – 45% of the time during our study period – versus a higher growth cap account such as the 15% growth cap account in light blue that only hit its growth 33% of the time over the same period.

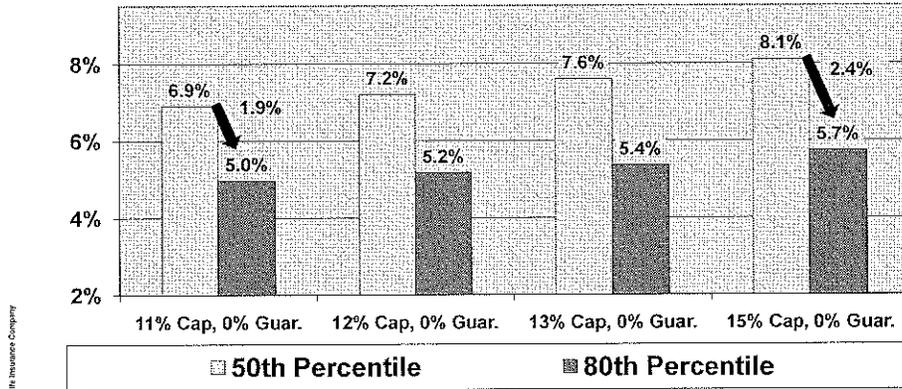
[DENNIS] TIM, will this Frequency of Hitting Growth Caps slide impact the index accounts' median and stress tested higher confidence historical returns?

[TIM] This chart will have only a marginal impact on historical median returns of the four S&P 500 Index accounts'. However, as you move to the more stress tested left hand side, you should see the Frequency of Hitting Growth Caps reality have some impact.

**The S&P® 500 Index Study**  
**50<sup>th</sup> Percentile & Stress-tested 80<sup>th</sup> Percentile**



**Historical Returns: 50<sup>th</sup> and 80<sup>th</sup> Percentiles**  
 May 1991 - May 2011. 5 Year Increments Measured Monthly



© Zurich American Life Insurance Company

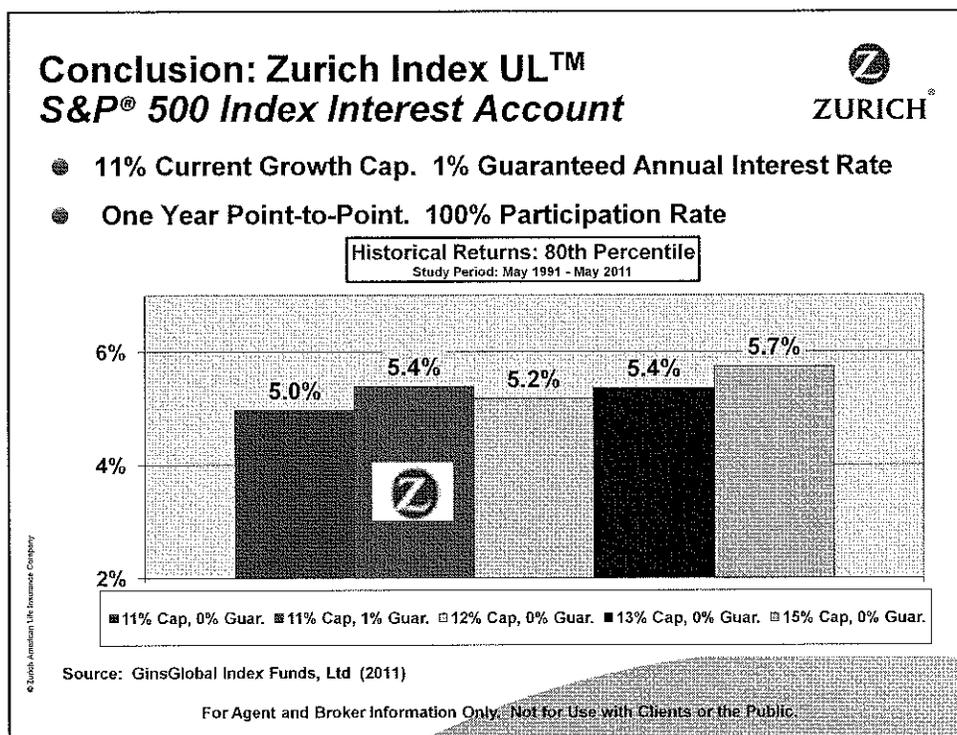
Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] This next S&P 500 Index slide is very interesting. It displays the four non-Zurich S&P 500 Index accounts at both their median historical return levels in yellow and their stress tested, higher confidence historical return levels in green. Tim, what is your take-away from this slide?

[TIM] No surprise here. We should expect the stress tested values displayed in green to be lower than the corresponding median values in yellow. The extent of the percentage drop from median to the stress-tested 80<sup>th</sup> percentile ranges from 1.9% with the 11% growth cap account on the left to 2.4% with the 15% growth cap account on the right. The extent of the drop associated with the stress test may surprise, even alarm some of our guests. Remember the wise man's sage advice. If you are going to use historical results to project future illustrated results, the well advised sales professional will illustrate stress tested values – it may be the difference between a believable sales ledger that performs as illustrated over time and a fantasy ledger.

[NEXT PAGE]



[DENNIS] This slide reflects Zurich's conclusion after we conducted the S&P 500 Index study we just reviewed with you. The Zurich S&P 500 Index Interest Account is displayed in blue and has been inserted into the four non-Zurich S&P 500 Index accounts that we have been discussing.

[DENNIS] The Zurich S&P 500 Index Interest Account has a current growth cap of 11%, a one-year point-to-point and 100% participation rate design. Importantly, it also has a guaranteed 1% annual interest rate. TIM, let's look briefly at the stress-tested 80<sup>th</sup> percentile values that are displayed on the slide.

[TIM] The immediate observation that jumps out is how well the Zurich account performs versus the other accounts. This solid Zurich account performance is driven by its guaranteed 1% annual interest rates. Over any long period of time such as our twenty year study, there are annual periods when the S&P 500 Index annual performance will be less than 1%. In these periods, locking in the Zurich account's guaranteed 1% annual interest rate makes a difference.

[TIM] It is also interesting to note that the Zurich account, with its guaranteed 1% annual interest rate, surpasses the 12% growth cap account and equals the 13% growth cap account's stress-tested performance.

[DENNIS] One last comment on the Zurich product's S&P 500 Index account. My Zurich colleagues and I see the S&P 500 Index account as a basic, have-to-have product feature. We believe there is little-to-no sustainable differentiation possible in index accounts based on the S&P 500 Index. Some sales professionals and some consumers may have a preference for periods of time for a single index account that is based solely on the price performance of large cap domestic U.S. equities. For these individuals, we offer a very solid account option.

[NEXT PAGE]



## The Zurich Multi Index Interest Account Story



© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

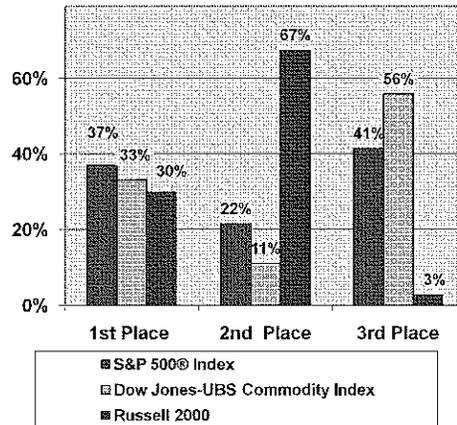
[DENNIS] The Zurich Index UL's most significant point of competitive differentiation may be in its two multi index interest accounts. Let's take a more in-depth look at these two accounts and the reasons for their highly measurable differentiated performance.

[NEXT PAGE]

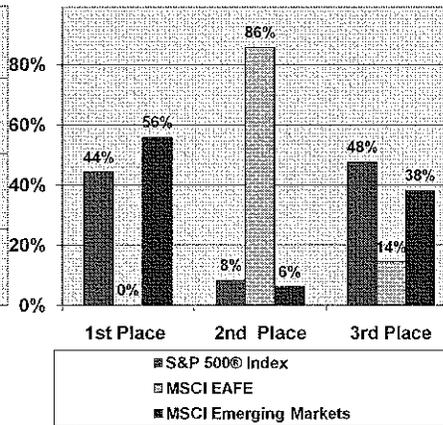
## Zurich Decision: *Diversity & Performance*



**Finishing Positions  
3 U.S. Based Indices**



**Finishing Positions  
3 Global Indexes**



© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[Dennis] Tim, let's set the stage for our multi index account discussion by briefly returning to the two slides we started today's presentation with.

[TIM] You will recall that the chart on the left reflects the finishing positions of three U.S. based indices. The chart on the right reflects the finishing positions of three global indices. The basic takeaway from these two charts is that over the past twenty years, there was significant and unpredictable variability in any given year as to which of the three indices finished the year in the #1, #2 or #3 price performance position.

[DENNIS] So the challenge seems to be to create an index interest account that is comprised of several indices that accentuates each year's #1 performing underlying index, that de-emphasizes each year's #3 underlying index AND does not require the client or the sales professional to predict the future at the beginning of every year.

[TIM] In a nutshell, that's exactly what you need to do if you are to capture the performance energy reflected in these two charts.

[NEXT PAGE]

**Zurich Index UL™**  
**2 Multi Index Interest Accounts**



● **Domestic Multi Index Interest Account**

**3 Underlying Indexes**

- S&P 500® Composite Stock Price Index (excluding dividends)
- Dow Jones-UBS Commodity Index<sup>SM</sup> (excluding dividends)
- Russel 2000 Index® (excluding dividends)

● **Global Multi Index Interest Account**

**3 Underlying Indexes**

- S&P 500® Composite Stock Price Index (excluding dividends)
- MSCI EAFE Index (excluding dividends)
- MSCI Emerging Markets Index (excluding dividends)

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] Ladies and gentlemen, I am pleased to introduce to you two of the Zurich Index UL's key product differentiators: the Domestic Multi Index Interest Account and the Global Multi Index Interest Account.

[DENNIS] Each of these index interest accounts are comprised of three underlying indices.

[DENNIS] The Domestic Multi Index Interest Account features three underlying indices: the S&P 500 Composite Stock Price Index, the Dow Jones-UBS Commodity Index and the Russell 2000 Index.

[DENNIS] The Global Multi Index Interest Account also features three underlying indices: the S&P 500 Composite Stock Price Index, the MSCI EAFE Index and the MSCI Emerging Markets Index

[NEXT PAGE]

**Zurich Index UL™**  
**2 Multi Index Interest Accounts**



- **One-Year Point-to-Point. 100% Participation Rate**
- **0% Guarantee. One Year Interest Lock**
- **Hindsight & Overweighting**
  - At the one year expiry (Hindsight) of each Account Segment
  - Reduces need to predict future index performance
  - Performance of the 3 underlying indexes are weighted
    - #1 performing index is overweighted 70%
    - #2 performing index is weighted 30%
    - #3 performing index is excluded from consideration

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] Each of the accounts operates on a one-year point-to-point structure. Each of the accounts has a guaranteed 0% annual interest rate guarantee and as a result has a one year interest lock that ensures that at the end of every year, the policy value in every maturing index account segment will be credited with interest. This annual crediting permits each maturing account segment to start afresh each year with the last twelve month's performance fully reflected in any interest credited.

[TIM] The next two product differentiators – HINDSIGHT and OVERWEIGHTING – are very important stand-alone factors. More importantly, when HINDSIGHT and OVERWEIGHTING work in concert with one another – they really provide the Zurich Index UL with highly measurable differentiation. Let's take a closer look.

[TIM] HINDSIGHT significantly reduces the need for a Zurich Index UL policy holder to make predictions at the beginning of every year as to which index or indices will perform best over the next twelve months. Predicting next year's index performance is a most challenging if not impossible task. Few people are successful market timers. With Hindsight, the policy owner is content to wait until the end of the year knowing that the HINDSIGHT policy provision will automatically rank each of the indices' based on their past twelve month performances.

[DENNIS] Tim, how does OVERWEIGHTING work?

[TIM] The OVERWEIGHTING policy provision works immediately after the HINDSIGHT provision. The #1 performing index is overweighted using a 70% factor; the #2 performing index is weighted using a 30% factor and the #3 performing index is excluded from further consideration that year.

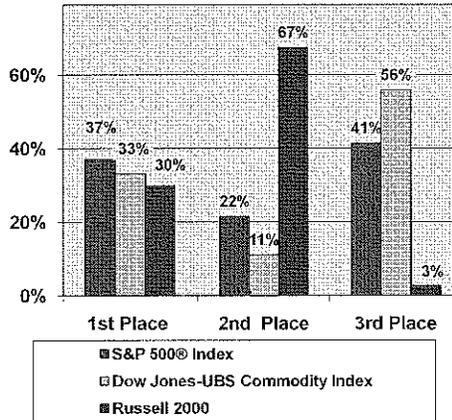
[TIM] The combination of the Zurich Index UL's HINDSIGHT and OVERWEIGHTING policy provisions can result in the Zurich Index UL being credited significantly more index interest credits than other competing index UL products.

[NEXT PAGE]

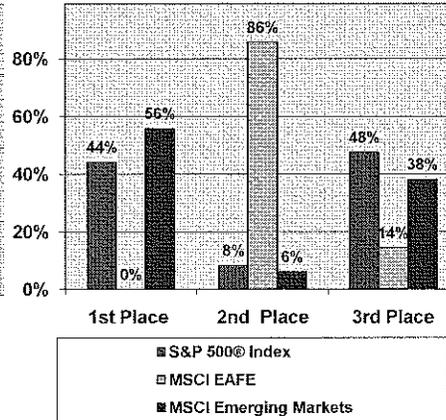
## Zurich Decision: *Diversity & Performance*



**Finishing Positions  
3 U.S. Based Indices**



**Finishing Positions  
3 Global Indexes**



© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

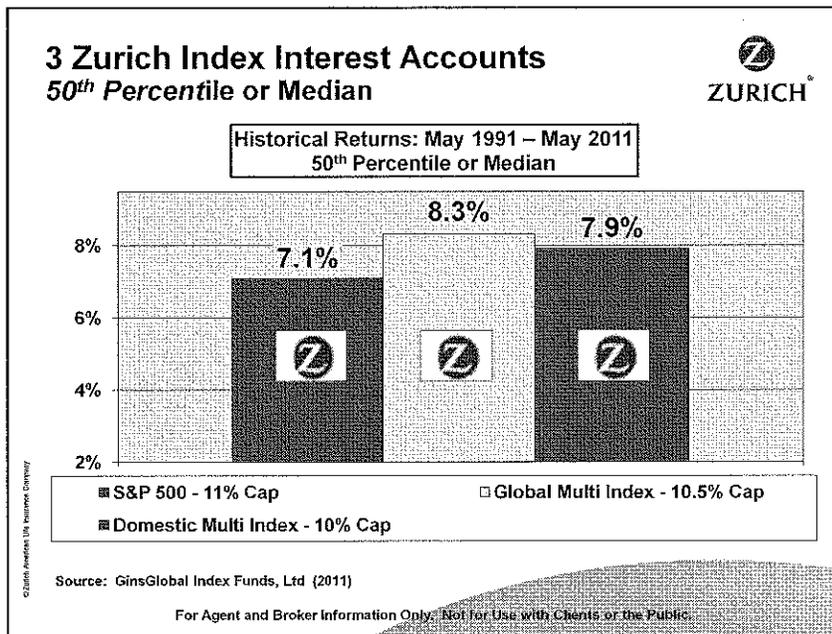
[DENNIS] Let's take one last look at our two finishing position charts.

[TIM] These charts directly reflect why the Zurich Index UL is an unsurpassed value proposition. The client is indifferent as to which index finishes #1, #2 or #3 in any given year. The client knows that the Zurich's hindsight provision will automatically rank the annual performances #1, #2 and #3. And the Zurich's overweighting provision will automatically accentuate the #1 index's performance and exclude the #3 index's performance.

[TIM] The Zurich combination of one-year point-to-point, hindsight and overweighting provisions can over time result in superior index interest being credited to Zurich Index UL policies.

[DENNIS] OK Tim, its time to prove to our guests with real numbers the superior long-term performance of the two Zurich multi index interest accounts.

[NEXT PAGE]



[DENNIS] This slide shows the three index interest accounts available in the Zurich Index UL. I have included the single index S&P 500 Index Interest Account displayed in blue solely for comparison purposes. Let's now focus on the Global Index Interest Account displayed in yellow and the Domestic Index Interest Account displayed in green.

[DENNIS] TIM, note in the chart's legend that the Global Index Interest Account has a 10.5% growth cap and the Domestic Index Interest Account has a growth cap of 10%. To some of our guests today, these multi index growth caps may seem low compared to some of the lofty single index S&P Index growth caps available from some carriers in the market today. What's your thought?

[TIM] First, a multi-index account should have a lower cap given its very structure and the associated costs of buying appropriate hedging assets. Second, remember one of our key takeaways from today's presentation: examine long-term historical data using a consistent methodology and stress test the resulting observations by looking to the left hand side of the study's median for more confidence. As we have seen earlier, when you do this stress test, any index's growth cap – perceived high or low – will be properly reflected in the end results.

[DENNIS] OK. Let's look more closely at the index accounts' performance indicated on this slide. Again, our study methodology is consistent: a long-term 20 year study period: May 1991 to May 2011. Again, we are using conservative, five-year increments of time measured monthly methodology. As you can see, the Global Multi Index in yellow had a median or 50<sup>th</sup> percentile performance of 8.3% and the Domestic Multi Index in green had a median performance of 7.9%.

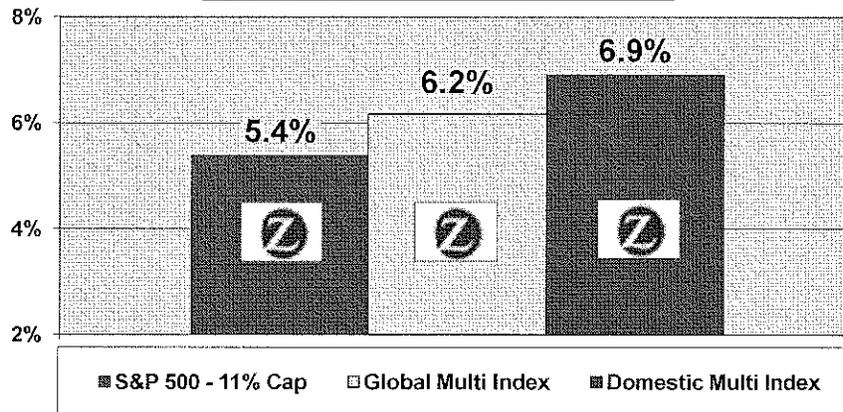
[TIM] These median performance figures of 8.3% for the Global Multi Index account and 7.9% for the Domestic Multi Index account are quite strong when compared to the 7.1% median return that the very solid Zurich S&P 500 Index account generated. The multi index accounts' superior performance is largely explained by the hindsight ranking & performance overweighting of the accounts' three underlying indices.

[NEXT PAGE]

### 3 Zurich Index Interest Accounts Stress-tested 80<sup>th</sup> Percentile



Historical Returns: May 1991 – May 2011  
80<sup>th</sup> Percentile



© Zurich American Life Insurance Company

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] OK, let's see what happens when we stress test the twenty-year historical returns using the 80<sup>th</sup> percentile. As you can see, the Global Multi Index in yellow has a 6.2% stress tested return and the Domestic Multi Index in green has a stress tested return of 6.9%.

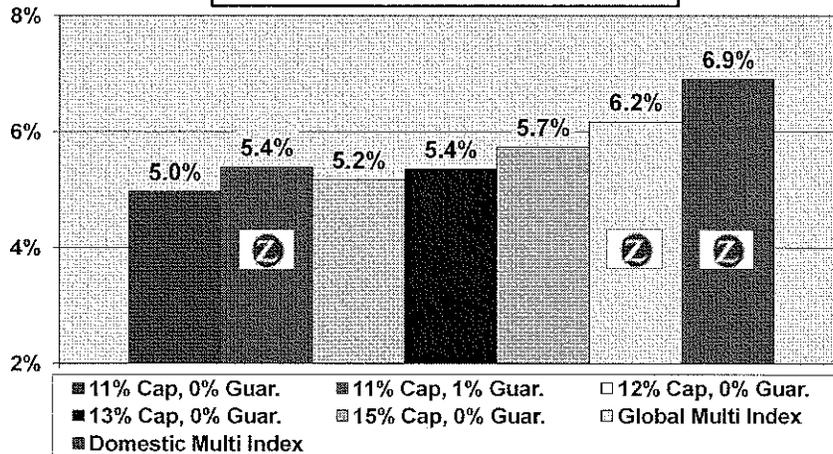
[TIM] As expected, when stress-tested, the Zurich's two multi index accounts' relative performance when compared to this or any single index S&P 500 Index based account is outstanding. Again, this exceptional performance is due to the hindsight ranking and performance overweighting of Zurich Index UL's two multi index accounts. In other words, it is harder to experience a string of consistently poor years.

[NEXT PAGE]

### 3 Zurich Index Interest Accounts Stress-tested 80<sup>th</sup> Percentile



Historical Returns: May 1991 - May 2001  
80<sup>th</sup> Percentile



© Zurich American Life Insurance Company

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[[DENNIS] Now let's come full circle and pull into the conversation the four non-Zurich S&P 500 Index based accounts that we have been discussing. On the slide, you will find seven index interest accounts: 4 non-Zurich accounts and three Zurich accounts. All seven accounts are displayed using their stress tested 80<sup>th</sup> percentile historical results.

[DENNIS] Tim, what are your thoughts.

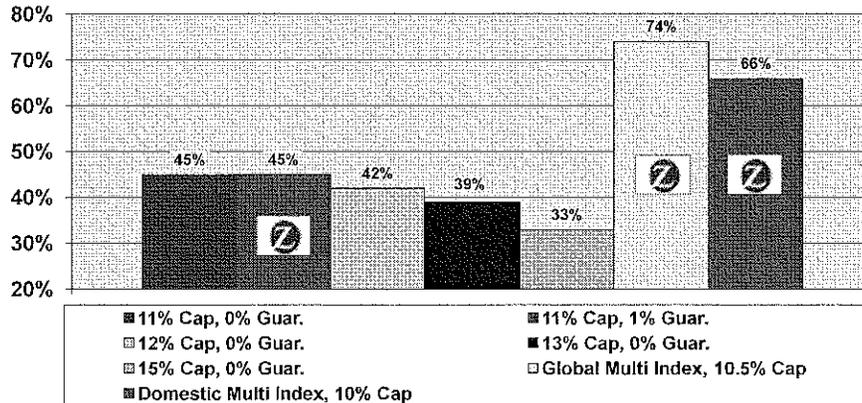
[TIM] The relative stress tested performances of the two Zurich multi index accounts displayed on the right hand side of the slide are outstanding, but not surprising at all. We have repeatedly discussed the Zurich advantages. Although I must admit, seeing this seven account line-up visually is quite dramatic. The 6.2% and 6.9% stress tested performances of Zurich's Global Multi Index and Domestic Multi Index accounts compares very favorably to the 5.7% performance of an aggressive 15% growth cap S&P 500 Index account. The 0.5% to 1.2% illustration advantage that the Zurich multi index accounts can potentially have can over even the highest of S&P 500-based growth caps can flow to the Zurich policyowner's favor in as soon as one year's time. Compounded over time, the difference in Zurich policy values and Zurich policy distributions could be very, very significant.

[NEXT PAGE]

## The Zurich Multi Index Story



**Frequency of Hitting Growth Caps**  
 One-Year Point-to-Point. 100% Participation  
 May 1991 - May 2011



© Zurich American Life Insurance Company

Source: GinsGlobal Index Funds, Ltd (2011)

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] One last slide and then we'll wrap up our discussion. This slide brings some important perspective to an index interest account's growth cap. TIM, many sales professionals just getting familiar with the subject of Index UL think that all things considered, the higher the cap, the better the expected performance.

[TIM] That may be true to a certain extent. However, I am generally a bit wary of the sustainability of growth caps that are substantially higher than what other quality carriers are offering on their index accounts with the same underlying index. In addition, if a growth cap is set so high that it is rarely ever hit, it may have more marketing value than real performance value.

[Tim] The slide we are looking at gives some strong credibility to the growth caps on the Zurich Index UL's two multi index accounts displayed in yellow and green on the slide's right hand side. An index UL account's growth cap is just one part of the story. As we have demonstrated today using real numbers over a long period of time, concepts such as multi indices, and hindsight and overweighting can make a remarkable difference in the performance of a client's index UL policy.

[NEXT PAGE]

## Presentation Objectives Met



- **Which Market Index to Use?**
  - ☑ Seek important DIVERSITY & PERFORMANCE
- **How to Analyze an Index's Past Performance?**
  - ☑ Study the data using the same methodology
  - ☑ Stress test past performance. Seek higher confidence
- **How to Responsibly Illustrate an Index UL?**
  - ☑ Always use a stress-tested alternate rate. More confidence
  - ☑ Don't just subtract X% from differing index designs
- **Outline the Merits of the Zurich Index UL™**
  - ☑ Two multi index accounts. Superior performance potential
  - ☑ A responsible product. An unsurpassed Value Proposition

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[DENNIS] We started today's presentation with a set of objectives.

[DENNIS] First, we asked WHICH MARKET INDEX TO USE? We discussed that we all live in a global economy and that life insurance sales professionals and their clients know it. A diversified set of domestic and global indices more completely reflects this global economy reality .

[TIM] We then discussed how to effectively ANALYZE AN INDEX'S PAST PERFORMANCE. I underscored that it is important to study a long period of time and that the same consistent study methodology be used. I recommended at least a twenty year study period and the use of five-year rolling increments of time.

[TIM] We discussed how a well-advised sales professional should RESPONSIBLY ILLUSTRATE a forward-looking index UL product. Remember the wise man. Go to the left hand side and get a higher confidence rate – such as the 80<sup>th</sup> percentile – and use that rate as your principal or your alternative illustration rate.

[DENNIS] Finally, we proved with real, stress-tested historical index returns that the Zurich Index UL's two multi index accounts offer the potential for outstanding and highly differentiated index account performance.

## For More Information

Please contact your Zurich BGA or the  
Zurich Sales & Marketing Team  
Toll-free 877-678-7534, Option 3



**Peter Mordin**  
Regional Vice President  
Western U.S.



**Laura O'Dea**  
Regional Vice President  
Eastern U.S.



**Melissa Haag**  
Vice President  
IFA Marketing



**Tracy Burkland**  
Field Marketing Consultant  
Western U.S.



**Arlene Chevannes**  
Field Marketing Consultant  
Eastern U.S.

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

[Dennis] In closing, thank you for investing time with us today to hear this overview of the Zurich Index UL index account options. My Zurich colleagues and I believe that we have delivered to you a highly differentiated product that will help you compete in the fast growing index UL product segment. We look forward to working with you as together we bring the Zurich Index UL to the market.

[Dennis] Over the next few weeks, my Zurich colleagues and I will be delivering to you additional important materials – printed and electronic – to help you confidently understand and tell the Zurich Index UL story.

[Dennis] If you have any questions, or would like additional information including an electronic copy of today's presentation, please contact your Zurich BGA or any member of our Zurich Sales & Marketing Team.

[Dennis] Thank you for your consideration of the Zurich Index UL. We appreciate your business. This presentation is now concluded.

## Important Disclosures



This presentation contains highlights only. You should refer to the Zurich Index UL policy for a full explanation. All tax related information contained herein is based on our current understanding of federal tax laws as they relate to life insurance or other subject matter discussed. These laws are subject to change in the future. Neither Zurich nor its representatives offer legal or tax advice. You should consult a personal tax advisor on any tax matters.

<sup>1</sup>Standard & Poor's®, "S&P®", "S&P 500®", and "Standard & Poor's 500™" are trademarks of Standard & Poor's Financial Services LLC ("S&P") and have been licensed for use by ZFUS Services, LLC and its affiliates. The S&P® Index Interest Account (the "Product") is not sponsored, endorsed, sold or promoted by S&P or its third party licensors. Neither S&P nor its third party licensors makes any representation or warranty, express or implied, to the owner of the Product or any member of the public regarding the advisability of investing in securities generally or in the Product particularly or the ability of the S&P 500 Index to track general stock market performance. S&P's and its third party licensor's only relationship to ZFUS Services, LLC is the licensing of certain trademarks and trade names of S&P and of the S&P 500 index which is determined, composed and calculated by S&P or its third party licensors without regard to ZFUS Services, LLC or the Product. S&P and its third party licensors have no obligation to take the needs of ZFUS Services, LLC or the owners of the Product into consideration in determining, composing or calculating the S&P 500 index. Neither S&P nor its third party licensors is responsible for and has not participated in the determination of the prices and amount of the Product or the timing of the issuance or sale of the Product or in the determination or calculation of the equation by which the Product is to be converted into cash. S&P has no obligation or liability in connection with the administration, marketing or trading of the Product.

Neither S&P, its affiliates nor their third party licensors guarantee the adequacy, accuracy, timeliness or completeness of the index or any data included therein or any communications, including but not limited to, oral or written communications (including electronic communications) with respect thereto. S&P, its affiliates and their third party licensors shall not be subject to any damages or liability for any errors, omissions or delays therein. S&P makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, in no event whatsoever shall S&P, its affiliates or their third party licensors be liable for any indirect, special, incidental, punitive or consequential damages, including but not limited to, loss of profits, trading losses, lost time or goodwill, even if they have been advised of the possibility of such damages, whether in contract, tort, strict liability or otherwise.

<sup>2</sup>Dow Jones-UBS Commodity IndexSM -- The Dow Jones-UBS Commodity IndexesSM are a joint product of Dow Jones Indexes, the marketing name and a licensed trademark of CME Group Index Services LLC ("CME Indexes"), and UBS Securities LLC ("UBS"), and have been licensed for use. "Dow Jones®", "DJ", "Dow Jones Indexes", "UBS", "Dow Jones-UBS Commodity IndexSM", and "DJ-UBSCI" are service marks of Dow Jones Trademark Holdings, LLC ("Dow Jones") and UBS AG, as the case may be and have been licensed for use for certain purposes by Zurich American Life Insurance Company. Zurich American Life Insurance Company's Zurich Index UL based on the Dow Jones-UBS Commodity IndexSM, are not sponsored, endorsed, sold or promoted by Dow Jones, UBS, CME Indexes or any of their respective subsidiaries or affiliates, and none of Dow Jones, UBS, CME Indexes or any of their respective affiliates makes any representation regarding the advisability of investing in such product(s).

© Zurich American Life Insurance Company

**For Agent and Broker Information Only. Not for Use with Clients or the Public.**

## Important Disclosures (cont.)



<sup>3</sup>Russell 2000® Index – Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

<sup>4</sup>MSCI Emerging Markets Index & MSCI EAFE – this product is not sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI parties"). The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by Zurich American Life Insurance Company. None of the MSCI parties makes any representation or warranty, express or implied, to the issuer or owners of this product or any other person or entity regarding the advisability of investing in products generally or in this product particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI Indexes which are determined, composed and calculated by MSCI without regard to this product or the issuer or owners of this product or any other person or entity. None of the MSCI parties has an obligation to take the needs of the issuer or owners of this product or any other person or entity into consideration in determining, composing or calculating the MSCI Indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of this product to be issued or in the determination or calculation of the equation by or the consideration into which this product is redeemable. Further, none of the MSCI parties has any obligation or liability to the issuer or owners of this product or any other person or entity in connection with the administration, marketing or offering of this product.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI Indexes from sources that MSCI considers reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by the issuer of the product, owners of the product, or any other person or entity, from the use of any MSCI index or any data included therein. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

© Zurich American Life Insurance Company

**For Agent and Broker Information Only. Not for Use with Clients or the Public.**



Zurich American Life Insurance Company  
7045 College Boulevard, Overland Park, Kansas 66211-1523  
877 678 7534 [www.zlifeusa.com](http://www.zlifeusa.com)

The terms and conditions for flexible premium adjustable life insurance policy with index-linked interest options are set forth in policy number ICC11-IUL121-01, or applicable state variation. The policy is issued by Zurich American Life Insurance Company. It is subject to the laws of the state where it is issued. This material is a summary of the product features only. Please read the policy carefully for full details. Insurance coverages underwritten by Zurich American Life Insurance Company, an Illinois domestic stock life insurance company. Certain coverages may not be available in all states and policy provisions may vary by state.

©2011 Zurich American Life Insurance Company

A1-20191-A

(08/11) 11-2325

© Zurich American Life Insurance Company

For Agent and Broker Information Only. Not for Use with Clients or the Public.

Dear Valued Partner,

Don't miss this second presentation in our Zurich Index UL™ educational series. Zurich's Dennis Roberts and nationally known independent actuary Tim Pfeifer, FSA, MAAA focus on a range of topics concerning IUL products' index crediting methodologies that will help you more fully understand and more confidently market this product exciting type. Importantly, the Zurich Index UL™'s differentiated index interest crediting methodology and its benefits to you and your clients will be discussed in detail.

This one comprehensive presentation contains four important stories that can be accessed on a time efficient, stand-alone basis. Over time, I encourage you invest the 50 minutes to view the entire presentation. The four presentation components are:

- Which market index to use in an index UL product? 10 minutes: Slides 4-7
- How to analyze an index's historical performance? How to responsibly illustrate an index UL? 9 minutes: Slides 8-13
- Index UL and the S&P 500® Index. 9 minutes: Slides 13-18
- The Zurich Multi Index Story. 11 minutes: Slides 19-27

Don't delay! Click below to access this informative Zurich Index UL™ presentation:

(Embedded image moved to file: pic19882.jpg)

<https://www.brainshark.com/zurich/vu?pi=zHWzhXh6oz3BpWz0&>

If you can't view the image above, copy and paste this URL into your browser:

<https://www.brainshark.com/zurich/vu?pi=zHWzhXh6oz3BpWz0&>

Please feel free to contact our Sales and Marketing Team at 877-678-7534, option 3, or call me at 347-453-1409, if you should have any questions or comments. Thank you for your consideration and support.

Best Regards,

Laura L. O'Dea, CLU  
Regional Vice President - Affluent Markets Group  
Zurich American Life Insurance Company

Phone: 704-551-3572  
Toll Free: 877-678-7534, Option 3, Option 4  
Cell: 347-453-1409  
Fax: 866-320-7067

6100 Fairview Road, Suite 900  
Charlotte, NC 28210

[laura.odea@zurichna.com](mailto:laura.odea@zurichna.com)  
Visit our Website at [www.zlifeusa.com](http://www.zlifeusa.com)

A1-11941-A

SERFF Tracking Number: MLLM-127609508 State: Arkansas  
 Filing Company: Zurich American Life Insurance Company State Tracking Number: 49703  
 Company Tracking Number: 0146PAL02-11  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: IUL Marketing Material Form A1-20191-A  
 Project Name/Number: Zurich American Life Insurance Company/0146PAL02-11

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Flesch Certification		
<b>Bypass Reason:</b> We request that this requirement be waived for the attached marketing material per a conversation between the Filer and Ms. Linda Bird on 07-14-2011.		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application		
<b>Bypass Reason:</b> There is no application associated with the marketing material provided with this submission; therefore, we request that this requirement be waived.		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Health - Actuarial Justification		
<b>Bypass Reason:</b> There are no health product features associated with the marketing material provided with this submission; therefore, we request that this requirement be waived.		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Outline of Coverage		
<b>Bypass Reason:</b> There are no health product features associated with the marketing material provided with this submission; therefore, we request that this requirement be waived.		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Third Party Authorization Letter		



April 5, 2011

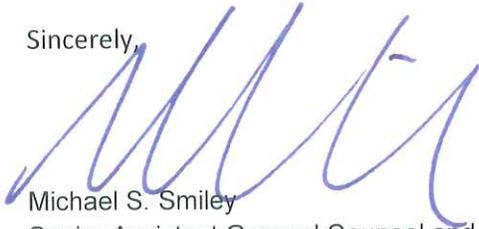
Jeff Kulesus, FLMI  
Consultant  
Milliman, Inc.  
Two Conway Park  
150 Field Drive, Suite 180  
Lake Forest, Illinois 60045

**RE: State Insurance Filings  
Zurich American Life Insurance Company  
NAIC # 90557**

Dear Mr. Kulesus:

This letter will serve as authorization from Zurich American Life Insurance Company for employees of Milliman, Inc. to file policy forms and other related material on the company's behalf. It also authorizes Milliman to respond to inquiries on our behalf with all state insurance departments and jurisdictions where Zurich American Life Insurance Company is authorized to do business.

Sincerely,



Michael S. Smiley  
Senior Assistant General Counsel and  
Assistant Secretary  
Zurich American Life Insurance Company  
Tel: (917) 534-4864