


AG ROP Select-a-Term[®]

Level-Premium Endowment Term Insurance

FINANCIAL PROFESSIONAL GUIDE



Policies issued by:
American General Life Insurance Company
FOR FINANCIAL PROFESSIONAL USE ONLY-NOT FOR PUBLIC DISTRIBUTION
Pricing effective December 23, 2013



**One of the most flexible
term insurance products in
the market, from the name
synonymous with innovation**

Much more than just return of premium

AG ROP Select-a-Term[®] offers clients term insurance that ends when and how they want it. American General Life actively communicates with the policy owner to help evaluate their options before reaching the end of the level premium period. Clients may choose to:

- Surrender the policy for cash value, which is guaranteed to equal cumulative base premiums paid, at the end of the level premium period, less any outstanding policy loans
- Convert to permanent life insurance coverage at any time during the level premium period to a maximum conversion age of 70
- Stop paying premiums during the level premium period, resulting in a reduced paid-up policy that will end for the reduced face value at policy anniversary nearest insured's 95th birthday (if cash value is available)
- Continue coverage beyond the level premium period by paying increasing annual premiums and continue to build cash value to the policy anniversary nearest insured's 95th birthday, at which time the policy will end for the full face amount if the insured is then living

Standing apart from the crowd

American General Life offers services and features unmatched in the industry.

- Not just 2 or 3, but 16 term durations for maximum customization, including up to 35 years (depending on issue age and tobacco use)
- The opportunity to accept conversions from AG Select-a-Term[®] policies during the first two years, with full commissions on the increase in premium
- Fast quotes, including internal rate of return calculations, from our convenient Web-based Rapid Rater and Rapid Rater on Mobile

Product Specifications

AG ROP Select-a-Term offers a choice of 16 different durations of guaranteed term coverage combined with a cash value component which, at the end of the level premium period, is designed to equal total base premiums paid.¹

AG ROP Select-a-Term also offers more choices than ever before for clients who prefer term coverage with the option of cash back equal to the cumulative base premium paid, less any policy loans, if they survive to the end of the level premium period. AG ROP Select-a-Term remains a compelling solution for families and small businesses who want to liquidate debts, provide a source of income, replace a key employee or fund a Buy-Sell Agreement.

Policy Form Numbers	10001 (not available in the state of Washington)
Underwriting Classifications	<ul style="list-style-type: none"> • Preferred Plus (Pref. Plus) • Preferred Nontobacco (Pref. NT) • Standard Plus (Std. Plus) • Standard Nontobacco (Std. NT) • Preferred Tobacco (Pref. T) • Standard Tobacco (Std. T) • Special Nontobacco (Spec. NT) • Special Tobacco (Spec. T)
Substandard	<ul style="list-style-type: none"> • Through Table H (applied to Special Nontobacco rates for nontobacco and Special Tobacco for tobacco users) • See ratebook on Web site for rating factor for specific level-premium period • Factors vary by term and table • Run substandard quotes on Rapid Rater, Winflex or eConnections Desktop • No return of premium on substandard extra charges
Minimum Death Benefit	\$100,000
Premium Face Amount Bands	<ul style="list-style-type: none"> • Band 1: Policy amounts from \$100,000 to \$149,999 • Band 2: Policy amounts from \$150,000 to \$249,999 • Band 3: Policy amounts from \$250,000 to \$499,999 • Band 4: Policy amounts of \$500,000 and higher
Policy Fee	None
Premium Calculations	<ul style="list-style-type: none"> • Annual: Multiply the rate in the table by the number of thousands (NO additional charge for policy fee or paying other than annual) • Semiannual: Multiply the annual premium by 0.50 • Quarterly: Multiply the annual premium by 0.25 • Monthly: Multiply the annual premium by 0.0833 (only available through the pre-authorized checking payment method)
Loans²	<ul style="list-style-type: none"> • Loans are available on the cash value accrued on the policy • Loan interest rate is 8 percent per year, payable in arrears
Exchange Option (Conversion)	<ul style="list-style-type: none"> • AG ROP Select-a-Term policies may be converted to any universal life policy issued by American General Life Insurance Company—up to the 60th month of the term contract (prior to the fifth policy anniversary), subject to the age limitations of the term policy's conversion provision. From the 6th policy year until the end of the conversion period, the policy holder may convert to AG Extend IULSM or other designated conversion product. • Policies may be converted during the conversion period without evidence of insurability. • The conversion period for AG ROP Select-a-Term extends to the earlier of the end of the level-premium period or the insured's attainment of age 70
Option on Premium Default	As long as the policy has a cash value, a reduced paid-up policy will be provided should the policy owner stop making premium payments ³
Illustrations	A signed illustration is not required. Illustrations available on WinFlex, eConnections (quoting premiums, cash values, and Reduced Paid Up face amounts) and Rapid Rater (does not show cash values).

Available Riders⁴



Accidental Death

- Pays a death benefit in addition to the death benefit of the base policy if such death resulted from certain accidental injuries
- Maximum face amount is the lesser of \$250,000 and the face amount of the base policy
- Available to individuals rated Standard or better
- Pays double the accidental death benefit if death was the result of an injury sustained while a passenger in a public conveyance being operated for hire by a common carrier
- Coverage expires on the policy anniversary nearest the insured's 70th birthday
- This rider can be added after issue and can be dropped after issue

Child Rider

- Pays a death benefit to the insured parent upon the death of an insured child
- Available for children age 15 days or more but less than 19 years old and not substandard-rated
- For parents' issue ages, see chart in AG ROP Select-a-Term ratebook on Web site
- Minimum death benefit is 1/2 unit (\$500) and the maximum death benefit is 25 units (\$25,000)
- Expires at the earlier of the policy anniversary nearest the child's age 25 or the parent's age 65
- This rider can be added after issue and can be dropped after issue

Terminal Illness Endorsement

- An accelerated death benefit rider is provided at no additional premium on all eligible AG ROP Select-a-Term plans, regardless of underwriting classification
- Terminal Illness benefit is a one-time acceleration of up to 50 percent of the death benefit proceeds payable under the base policy, not to exceed \$250,000
- Insured may become eligible for this benefit if diagnosed by a qualified physician as having 12 months or fewer to live
- The amount received under this endorsement is reduced by an actuarial discount and a one-time administrative fee. The fee may not exceed \$250.
- Payment of a terminal benefit will reduce the amount of any death benefit that may be payable
- Not available in all states, and state variations may apply

Waiver of Premium

- Waives premiums for the base policy and any attached riders upon the total disability of the insured after a six-month waiting period
- Not available if the face amount of the base policy exceeds \$5 million
- Available on policies through Table D
- Coverage expires after the policy anniversary nearest the insured's 65th birthday unless total disability has, on such date, existed continuously for more than five years
- This rider cannot be added after issue but may be dropped after issue

- ¹ AG ROP Select-a-Term accumulates a cash value that starts no later than the fifth policy year. At the end of the level premium period, the cash value of the in-force policy equals the total of cumulative premiums paid, less any charges for substandard ratings and riders. If the client surrenders the policy, this amount is paid out, minus any outstanding loan balance. Alternatively, the same amount may be rolled into a permanent plan of insurance should the insured be eligible for and choose to exercise the conversion option. Coverage may also be continued beyond the level premium period by payment of increasing annual premiums, and the policy will continue to build cash value until the policy anniversary nearest the insured's 95th birthday when the cash value will equal the face amount of the policy. The cash value, minus any outstanding loan balance, will then be distributed as the endowment benefit if the policy is in force and the insured is then living. The cash value and endowment benefit are subject to all terms and conditions detailed in the policy.
- ² Policy owners should consult a tax professional to determine if transaction is a taxable event.
- ³ The amount of paid-up life insurance and the reduced endowment amount are based on how much the cash value will buy when applied as a net single premium at the insured's age on the date of default.
- ⁴ See the riders for complete details. There may be a charge for each rider selected. Adding or deleting riders and increasing or decreasing coverage under existing riders can have tax consequences. Policy owners should consult a qualified tax advisor.

These product specifications are not intended to be all-inclusive of product information. State variations may apply. Please refer to the policy for complete details.



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