

Illustrating the Accelerated Access Solution Chronic Illness Rider

Chronic Illness Rider

This new functionality provides you the option of illustrating the benefit payout of the Accelerated Access Solution® (AAS) chronic illness rider.

This new supplemental report is available on the QoL Max Accumulator + II and the QoL Value+ Protector II products. Under the Riders tab in WinFlex, when adding the AAS rider, there will be a new Check Box available called: **Illustrate Accelerated Access Solution payout.**

Once checked, two new additional fields will be made available:

- 1.) Benefit Payout Start Year/Age – this allows you the option to select what age you want the AAS payout to begin.
Note: age must be at least 2 years from current age and no older than age 100.
- 2.) IRS per Diem Annual Inflation % - this allows you the ability to choose an inflation percentage for the IRS per Diem amount.
Note: percentage can range from 1.00% to 4.00%.

Once you have completed the necessary fields just click the calculate button to generate the illustration. The following new supplemental report will appear at the end of the illustration.

AIG		QoL Max Accumulator+ II		ALLOCATION		Blend Participation Rate Acct (Utilizing ML Strategic Balanced Index):		100.00%	
		Client One Male; Age: 40; Preferred Non-Tobacco; AL Initial Death Benefit: \$1,000,000; Level							
Supplemental Illustration: AAS Chronic Illness Benefits									
For guaranteed elements and other important information, please see the Basic Illustration.									
This report is designed to show the Chronic Illness Benefits under the AAS rider and how payment of these benefits impact policy values. This hypothetical claim illustration is designed to demonstrate the death benefit acceleration based on the Maximum Monthly Benefit Amount payable assuming the insured meets all the benefit eligibility requirements under the AAS rider at the age that benefit payments are assumed to begin. Please refer to the Important Considerations above and review the Rider Form for a full description of the AAS rider. Note that any loans and or withdrawals are not shown in this supplemental report. This report is based on the following assumptions:									
Hypothetical Monthly Benefit Payments Begin at Age:				50					
Lifetime Maximum Benefit at age 50 (before benefit payments begin):				1,000,000.00					
Your Maximum Monthly Benefit Option:				2.00% of Accelerated Benefit Amount					
IRS Per Diem Limit when the rider is issued:				\$400					
Hypothetical Annual Inflation %:				1.00%					
Year	Age	Premium Outlay ¹	IRS Per Diem Limit Projected at 1.00% ²	Annualized Maximum Monthly Benefit ³	Annualized Benefit Payments ³	Accumulation Value	Cash Surrender Value	Death Benefit ⁴	
1	41	0,394	0	0	0	5,147	0	1,000,000	
2	42	0,394	0	0	0	10,625	0	1,000,000	
3	43	0,394	0	0	0	16,453	0	1,000,000	
4	44	0,394	0	0	0	22,655	0	1,000,000	
5	45	0,394	0	0	0	29,254	2,254	1,000,000	
Subtotal		46,972							
6	46	0,394	0	0	0	36,509	10,509	1,000,000	
7	47	0,394	0	0	0	44,275	18,275	1,000,000	
8	48	0,394	0	0	0	52,591	27,591	1,000,000	
9	49	0,394	0	0	0	61,493	36,493	1,000,000	
10	50	0	437	159,678	159,678	51,674	51,674	840,322	
Subtotal		84,550							
11	51	0	437	159,678	159,678	41,855	41,855	680,644	
12	52	0	437	159,678	159,678	32,036	32,036	520,966	
13	53	0	437	159,678	159,678	22,217	22,217	361,288	
14	54	0	437	159,678	159,678	12,398	12,398	201,610	
15	55	0	437	159,678	159,678	2,579	2,579	41,932	
Subtotal		84,550							
16	56	0	437	159,678	41,932	0	0	0	
Total		84,550							

In this example we are showing the payout to begin at age 50 along with an IRS per Diem Inflation percentage of 1.00%.

The non-guaranteed projected payout will be \$159,678 per year. You will also see the corresponding death benefit and cash values being reduced until finally the full death benefit has been accelerated.

Other parameters to be aware of:

- Premium payments will stop at the age the payouts begin.
- You must accelerate 100% of the death benefit.
- Loans and or Withdrawals are not shown in this supplemental report.

- 1 A zero in the Premium Outlay column does not mean the policy is paid up. Charges are deducted from the Accumulation Value as long as the policy remains in force. Depending upon actual results, the Owner may need to continue or increase premium payments. During the period that AAS rider benefits are assumed to be paid in this supplemental illustration, monthly deductions under the policy are waived. This supplemental illustration assumes that no premium payments are made after benefit payments begin under the AAS rider.
- 2 This is the projected IRS per diem limit for a given year based on the IRS Per Diem limit when the rider is issued and the hypothetical annual interest rate percentage that you have selected to use for purposes of determining the annual increase in the IRS per diem limit. There is no guarantee that there will be future increases in this limit. The actual IRS per diem limit used to determine the benefit payable will not be known until the actual time of claim. Any payable benefit will be based on the applicable IRS per diem limit at the time the insured becomes eligible for benefits.
- 3 Annualized amount shown for a given year is equal to the applicable maximum monthly benefit amount multiplied by 12.
- 4 Per rider terms, if the death benefit option is other than level death benefit at the assumed age when AAS rider benefit payments begin, the death benefit option will be changed to level death benefit prior to the first benefit payment. This illustration contains non-guaranteed elements. The non-guaranteed benefits and values illustrated are not guaranteed and the assumptions on which they are based are subject to change by American General Life Insurance Company. The actual results under the policy may be more or less favorable. It is possible that future changes in tax law or rulings on the existing law could change the tax impact of the AAS rider. Prior to electing to receive benefits, you should seek assistance from a tax advisor.



Policies issued by: American General Life Insurance Company (AGL), Policy Form Numbers ICC19-19646, 19646, ICC16-16760, 16760.; Rider Form Numbers ICC15-15600, 15600, 13600-5. Issuing company AGL is responsible for financial obligations of insurance products and is a member of American International Group, Inc. (AIG). Guarantees are backed by the claims-paying ability of the issuing insurance company. AGL does not solicit business in the state of New York. Products may not be available in all states and product features may vary by state.

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