



July 11, 2022

22-037

Protection IUL Upgraded: Value+ Protector III, effective July 25, 2022

On July 25, 2022, we are launching a new version of our flagship protection IUL—**Value+ Protector III**. It replaces Value+ Protector II with a few exciting upgrades that make our protection IUL more attractive and competitive as your go-to product to help clients look to the future with confidence.

Changes include:

- **More competitive premium**
- **Improved target premium**
- **New Enhanced Surrender Value Rider (Guaranteed Return of Premium)**
 - Automatically included at no additional cost
 - Provides two opportunities (at year 20 and 25) for clients to receive enhanced cash surrender value when fully surrendering the policy*
- **New proprietary index option: Franklin Quality Dividend Index (FQD) – *Not available in New York***
 - Uses a rules-based approach to dynamically combine high dividend-paying stocks and stocks with strong price stability and cash
 - Helps capture the upside potential of stocks while delivering a more consistent return profile in changing markets
 - 100% participation rate with high account value enhancement (AVE) rate of 0.85%
 - Replaces the S&P 500 Participation Account
 - Compliments existing offerings of attractive index account options (MLSB, PIMCO, S&P 500)
- **Updated rate increases and adjustments**
 - Cap/par rates and AVE – See [Life interest rates](#)
 - Montana rates will be changed to sex distinct

State Availability

All states, including New York

Important Date

Effective July 25, only new product Value+ Protector III will be sold.

Winflex

Starting the evening of July 22, 2022, only the new Value+ Protector III product will be available for new sales.

Interest crediting rate updates

Changes will also take effect **July 23, 2022** on Value+ Protector III and other IUL products to reflect the current market environment. Please refer to [Bulletin 22-042](#) for details.

[Continue to next page for transition rules >](#)

*Provided the policy is funded above certain threshold

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Policies issued by American General Life Insurance Company (AGL), Houston, TX except in New York, where issued by The United States Life Insurance Company in the City of New York (US Life). Policy Form Numbers ICC16-16760, 16760, 16760N Rev0618; Rider Form Numbers 15600, ICC15-15600, 13600-5, ICC18-18012, 18012, ICC16-16420, 16420, ICC13-13601, 13601, 07620, ICC14-14002, 14002, ICC15-15992, 15992, 15997, ICC18-18004, 18004, ICC15-15990, 15990, 17600N, 18012N, 16420N, 13601N, 07620N, 14002N, 15992N, 18004N, 15990N. Issuing companies AGL and US Life are responsible for financial obligations of insurance products and are members of American International Group, Inc. (AIG). AGL does not solicit, issue or deliver policies or contracts in the state of New York. Guarantees are backed by the claims-paying ability of the issuing insurance company. Products may not be available in all states and product features may vary by state.

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Protection IUL product upgrade: Value+ Protector III effective July 25, 2022

Transition rules

Paper & Ticket

- New product is effective **July 25, 2022**.
- Applications received in the Home Office **July 25, 2022** and later will automatically be given the new product.
- Reissue requests to new plan will NOT be honored.
- New applications submitted to replace existing inforce coverage with the new product will not be honored within 90 days of the existing coverage going inforce.

iGo Full e-Application

- **New Case:** Only the new Value+ Protector III will be available for agents in iGo Full eApp after July 23, 2022, 12:00 AM CDT.
- **Locked Case:** For locked cases, agent will be permitted to complete the eSignature and eSubmit process.
 - *Cases locked before July 23, 2022, 12:00 AM CDT must be submitted within 15 business days.*
- **Unlocked Cases** on or after July 23, 2022, 12:00 AM CDT must apply for the new Value+ Protector III; if needed, see PDF Retrieval Information that follows.

PDF retrieval for older cases:

- For old Value+ Protector II cases **started** before July 23, 2022, or **unlocked** after July 22, 2022, the following message will display:

“Please begin a new case in WinFlex and eApply to iGo eApp. You may retrieve any application data previously entered into the Old case by launching the PDF from the My Cases screen.”

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Information about the Franklin Quality Dividend Index

The Franklin Quality Dividend ("FQD") Index has been developed and is owned solely by Franklin Advisers, Inc., a subsidiary of Franklin Resources, Inc. Neither Blackrock (the sponsor of iShares ETFs) nor Invesco is affiliated with Franklin Resources, Inc. and Franklin Advisers, Inc.. FQD and any security or product based on or making use of FQD are not sponsored, endorsed, or promoted by Blackrock or Invesco, and neither company bears any responsibility or liability for or with respect to FQD or any security or product based on or making use of FQD.

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FQD embeds an annual index cost in the calculations of the change in index value. This embedded index cost will reduce any change in index value, and it funds certain operational and licensing costs for the Index. Since it will affect the return of the Index, it may also impact the amount of interest credited to an index annuity; however, it is not a fee paid by the policy owner or received by the issuing insurance company.

Information about the ML Strategic Balanced Index®

The ML Strategic Balanced Index® provides systematic, rules-based access to the blended performance of two underlying indices—the S&P 500 (without dividends), which serves to represent equity performance, and the Merrill Lynch 10-year U.S. Treasury Futures Total Return Index, which serves to represent fixed income performance. To help manage overall return volatility, the Index may also systematically utilize cash performance in addition to the performance of the two underlying indices.

Important Note: The ML Strategic Balanced Index® embeds an annual index cost in the calculations of the change in Index Value over the Index Term. This "embedded index cost" will reduce any change in Index Value over the Index Term that would otherwise have been used in the calculation of index interest, and it funds certain operational and licensing costs for the index. It is not a fee paid by you or received by the Company. The Company's licensing relationship with Merrill Lynch, Pierce, Fenner & Smith Incorporated for use of the ML Strategic Balanced Index and for use of certain service marks includes the Company's purchase of financial instruments for purposes of meeting its interest crediting obligations. Some portion of those instruments will, or may be, purchased from Merrill Lynch, Pierce, Fenner & Smith Incorporated or its Affiliates. Merrill Lynch, Pierce, Fenner & Smith Incorporated and its affiliates ("BofA Merrill Lynch") indices and related information, the name "BofA Merrill Lynch", and related trademarks, are intellectual property licensed from BofA Merrill Lynch, and may not be copied, used, or distributed without BofA Merrill Lynch's prior written approval. The products of licensee American General Life Insurance Company have not been passed on as to their legality or suitability, and are not regulated, issued, endorsed, sold, guaranteed, or promoted by BofA Merrill Lynch.

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