



Quality of Life...Insurance<sup>®</sup>

## Select Income Rider

The primary reason to buy life insurance is to provide a tax-free death benefit to loved ones. The Select Income rider is an attractive feature that can give you **more options than just a lump-sum life insurance benefit payment** to your beneficiaries. This ability to tailor your Max Accumulator+ policy can provide you with valuable flexibility and added benefits.

You may select this optional rider which allows you to convert a portion or all of the life insurance benefit payments to installments over time in place of a single payment. In addition, your policy's cash value may be increased, which results in more funds available to access or more income available to you. This is because the costs of insurance (COIs) may be reduced on the base policy, allowing less charges and greater account value for accumulation. At our current assumptions, with the Select Income rider, the policy's **withdrawal amount may increase by 2-5% on average and in some scenarios by more than 7%** compared to what the values would be without the rider.

### Highlights:

- No cost rider
- Increases policy's funds available to access by policy owner
- Helps beneficiaries manage ongoing expenses

### Details

- Optional rider converts 10% to 100% of the life insurance benefit to a predefined guaranteed set of annual payments for beneficiaries
  - Once selected at issue, the installment payment period is irrevocable for the beneficiary
- May lower the policy's cost of insurance charges, which may enable cash value to accumulate faster
  - Income or withdrawal amounts may increase by 2-5% on average compared to what it would be without the rider using current assumptions
- Schedule of life insurance benefit payments will be determined at issue
  - You can choose payment durations for beneficiaries of 10, 20, and 30 years
  - The life insurance benefit payment period selected must be within the timeframe you would have turned 95 (if you were still living).<sup>1</sup>
  - Benefit schedule will be based on the initial face amount of the policy
- Life insurance benefit payments will increase annually at a rate set at issue which currently set at 1.01%
  - Installment payments to beneficiaries are increased annually by an interest rate that is set at the time the life insurance policy is issued.

<sup>1</sup> For example, if you are 70 years old at time of purchase, you can select a 20 year life insurance benefit payment option because you would have only been 90 years old for the payments to complete. You could not select a 30 year period because you would have been older than 95 for that payout to complete.

## See how the Select Income rider can increase your income amount in these hypothetical scenarios<sup>2</sup>:

### Scenario 1: Assumptions

- Policy owner: 50 year old male, standard non tobacco
- \$10,000 annual premiums paid to the Blend Participation Account for 15 years
- At age 65, policy owner starts taking income for 20 years
- Increasing life insurance benefit for first 15 years, switch to level life insurance benefit at age 65

Increase in income value using the Select Income Rider is <b>4.37%</b>	Without Select Income rider	With Select Income rider
Initial life insurance benefit	\$199,142	\$199,142
Cash value at age 65	\$226,898	\$232,470
<b>Annual income at age 65</b>	<b>\$24,190</b>	<b>\$25,271</b>
Life insurance benefit at age 85	\$98,634	\$103,029
Total cost of insurance at age 85	\$25,499	\$9,579

### Scenario 2: Assumptions

- Policy owner: 45 year old female, standard non tobacco table D
- \$25,000 annual premiums paid to the Blend Participation Account for 20 years
- Increasing life insurance benefit for first 20 years, switch to level life insurance benefit at age 65
- At age 65, policy owner starts taking income for 20 years

Increase in income value using the Select Income rider is <b>4.66%</b>	Without Select Income rider	With Select Income rider
Initial life insurance benefit	\$510,325	\$510,325
Cash value at age 65	\$875,946	\$899,558
<b>Annual income at age 65</b>	<b>\$93,539</b>	<b>\$98,003</b>
Life insurance benefit at age 85	\$381,467	\$399,619
Total cost of insurance at age 85	\$91,410	\$24,703

### Scenario 3: Assumptions

- Policy owner: 45 year old male, standard non tobacco
- \$25,000 annual premiums paid to the Blend Participation Account for 20 years
- At age 65, policy owner starts taking income for 20 years

Increase in income value using the Select Income rider is <b>3.48%</b>	Without Select Income rider	With Select Income rider
Initial life insurance benefit	\$622,698	\$622,698
Cash value at age 65	\$874,294	\$892,137
<b>Annual income at age 65</b>	<b>\$94,095</b>	<b>\$97,430</b>
Life insurance benefit at age 85	\$383,617	\$397,180
Total cost of insurance at age 85	\$67,866	\$33,109

**For more information, contact:**

<sup>2</sup> Each of the hypothetical scenarios assume use of Blend Participation account, Cost of Insurance charges on a more favorable basis than guaranteed, and index interest is credited. Rates as of 7/29/2019



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Policies issued by: American General Life Insurance Company (AGL), Houston, TX. Policy Form Numbers 19646, ICC19-19646. This rider was approved in states where offered as the Death Benefit Installment Rider, Rider Form Numbers ICC15-15997, 15997. Issuing company AGL is responsible for financial obligations of insurance products and is a member of American International Group, Inc. (AIG). 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. Guarantees are backed by the claims-paying ability of the issuing insurance company. Please refer to your policy.

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