

# Powering the future

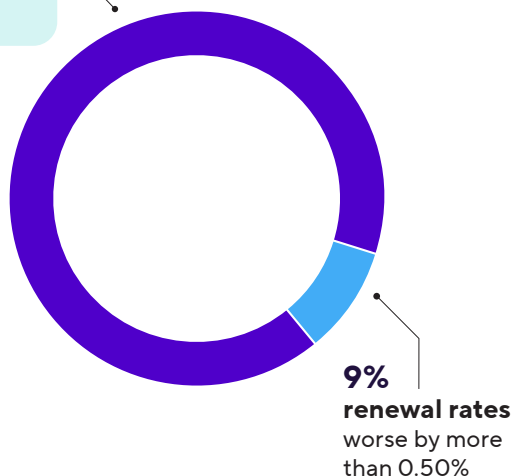
## A closer look at FIA renewal rates during the withdrawal charge period

We know you might have questions about renewal rate caps and spreads on our fixed index annuities (FIAs). Many factors go into declaring renewal index rate caps and spreads for your clients' index annuity contracts. Our goal is to set our rates in a manner that is consistent with the initial rate as much as possible, but rates may fluctuate at the end of each crediting term. Factors that cause renewal rates to vary from the initial rate may include (but are not limited to) interest rate changes, equity market volatility, as well as how long it has been since contract issuance.

The data provided below is designed to help you understand our history as it relates to renewal rate setting **while contracts are still within the withdrawal charge period and/or market value adjustment (MVA) period**. Renewal rate history reflects the caps and spreads available in the market at that period of time. The results below largely reflect business that was issued with new business rates ranging from 4.00%-7.00% dating back to 2014. New business rates higher or lower than that range may result in a different renewal rate experience (basis point change from initial), relative to the initial rate. As an example, a .50% cumulative rate change for a contract issued with an initial rate of 5.00% might be more comparable to a 1.00% rate change on a contract issued at 10.00%.

## Renewal rate history for The Power Series of Index Annuities®

Overall, **91% of ALL renewal rates** were better, the same, or within 0.50% from the initial rate.



**Note:** Renewal rate history is not predictive of future results.

Renewal rate declarations included in this document are for any crediting rate period while the contract is still in its withdrawal charge period and/or market value adjustment (MVA) period.

Therefore, we do not include any renewal rate declarations for crediting rate periods that begin after the contract's withdrawal charge schedule and/or MVA period has ended.

Data/experience is based on 3.12 million renewal crediting rate declarations for index annuity contracts issued by American General Life Insurance Company, The United States Life Insurance Company in the City of New York and The Variable Annuity Life Insurance Company from 2014 through 2023. Please note that participation rates and monthly index interest accounts are not included in this analysis due to their different rate levels/structures as compared to index rate caps and spreads.

# The power in today's promise

Index rate caps and spreads are declared at issue and are guaranteed for the defined term depending on the Index Interest Account elected. Renewal index rate caps and spreads are declared at the end of the index term, of which your clients are notified through their annual annuity statements and provided on our website. The renewal rate caps and interest rates are always guaranteed to be greater than or equal to the minimum guarantee as stated in your clients' contracts, while renewal spreads are guaranteed to be less than or equal to the maximum guarantee as stated in your clients' contracts. Index annuities are long-term insurance products that can help your clients meet their retirement goals.

## Key terms and definitions

**Index rate cap** is the maximum percentage of index performance that can be credited as interest over an index term.

**Spread** is the minimum percentage or threshold that index performance must exceed to be credited interest.

It is important to note that indexed annuity contracts commonly allow the insurance company to change the participation rate, cap, and/or margin/spread/ on a periodic—such as annual—basis. Such changes could adversely affect returns. No single index crediting method will provide the highest interest credit in all market scenarios. The guaranteed minimum cap rate/maximum spread rate are established when the annuity is purchased and disclosed in the annuity contract. Read the contract carefully to determine what changes the insurance company may make to these features.

Index annuities are not a direct investment in the stock market. They are long-term insurance products with guarantees backed by the claims-paying ability of the issuing insurance company. They provide the potential for interest to be credited based in part on the performance of the specified index, without the risk of loss of premium due to market downturns or fluctuations. Index annuities may not be appropriate for all individuals.

Withdrawals may be subject to federal and/or state income taxes. An additional 10% federal tax may apply if clients make withdrawals or surrender the annuity before age 59½. Clients should consult their tax advisor regarding their specific situation.

Index interest accounts are not a permanent part of the contract and may be removed due to circumstances beyond the control of the annuity's issuing insurance company. Such circumstances include, but are not limited to, the discontinuation of an index, a change in the composition or calculation of an index, the inability to license the use of an index and the inability to hedge risks associated with these index interest accounts. Special rules govern how assets in a discontinued index interest account may be reallocated. These rules may differ by state. Please see the Owner Acknowledgment and Disclosure Statement for more information.

All contract and optional benefit guarantees, including any fixed account crediting rates or annuity rates, are backed by the claims-paying ability of the issuing insurance company. They are not obligations of or backed by the distributor, insurance agency or any affiliates of those entities and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

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The Power Series of Index Annuities are issued by **American General Life Insurance Company (AGL)** and the Power Index Elite Annuity is issued by **The Variable Annuity Life Insurance Company (VALIC)**, Houston, Texas. In New York, The Power Series of Index Annuities are issued by **The United States Life Insurance Company in the City of New York (US Life)**.

The underwriting risks, financial and contractual obligations and support functions associated with the annuities issued by AGL, US Life or VALIC are its responsibility. AGL does not solicit, issue or deliver contracts in the state of New York. Annuities and riders may vary by state and are not available in all states.

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