Our universal life policies provide your clients with lifelong coverage and the option of flexible withdrawals to help them meet financial needs that may arise.

This guide provides a brief overview of the policy disbursement rules and their impacts on our various GUL and IUL products. Please use this as a reference when providing guidance to your clients who may be weighing their options.

**Guaranteed Universal Life (GUL)**

- Secure Lifetime GUL 3
- Secure Survivor GUL® II

### PARTIAL SURRENDERS

**RULES**

- May be requested any time after 5th policy year.
- Partial surrender request should be received in writing at least 10 days before the allocation day.
- Available amount equals the amount up to the Accumulation Value less any outstanding loan amounts.

**POLICY IMPACTS**

- Death benefit and premium will be reduced proportionately by the amount of the surrender.
- Cash value will be reduced by the amount of the surrender.

Example: Policy has $10,000 cash value; policy owner makes $5,000 withdrawal. This reduces the policy cash value by $5,000 and reduces the premium and death benefit by 50%.

### LOANS

**RULES**

- Loans are available any time the policy is in force.
- Loan amount available is equal to or less than the Accumulation Value less surrender charge; less any prior outstanding loan amount; less the amount to be borrowed to the next policy anniversary; less interest on any prior outstanding loan amount to the next policy anniversary.
- Preferred Loans are available on the 10th policy anniversary.
- A Preferred Loan is a Standard Loan that is made at a net cost to the policy owner that is less than the net cost of other Standard Loans. “Net cost” is the amount of interest charged for the loan less interest credited to the amount of the Accumulation Value equal to a loan.
- Preferred Loan interest to the next policy anniversary is due in advance.

**POLICY IMPACTS**

- Potential impact on the guaranteed death benefit duration.
- Policy will lapse at any time if the outstanding loan amount exceeds the Accumulation Value less surrender charge.
- Interest not paid when due will be added to the outstanding loan balance.
## Index Universal Life (IUL)

- Max Accumulator+
- Value+ Protector
- Value+ IUL (NY only)

### PARTIAL SURRENDERS

#### RULES
- May be requested any time after 1st policy year.
- Request should be received in writing at least 10 days before the allocation day.
- Available amount equals the Cash Surrender Value at time request is processed.

#### POLICY IMPACTS
- The policy face amount will reduce by the withdrawal amount.
- May negatively impact the minimum guaranteed period, determined through an inforce illustration.

### LOANS

#### RULES
- Loans are available any time the policy is in force.
- Loan amount available is equal to or less than the Accumulation Value less surrender charge; less any prior outstanding loan amount; less interest on the amount to be borrowed to the next policy anniversary; less interest on any prior outstanding loan amount to the next policy anniversary.
- For a Standard Loan, the amount of the loan will be deducted proportionally based on the values in each Index Account, the Declared Interest Account and the Interim Account.
- Preferred Loans are available on the 10th policy anniversary.
- A Preferred Loan is a Standard Loan that is made at a net cost to the policy owner that is less than the net cost of other Standard Loans. “Net cost” is the amount of interest charged for the loan less interest credited to the amount of the Accumulation Value equal to a loan.
- For a Participating Loan, the amount of the loan will not be deducted from each Index Account, the Declared Interest Account or the Interim Account. Interest will continue to be credited to these accounts as stated in the Interest Rates provision.
- For both Preferred and Participating Loans, interest to the next policy anniversary is due in advance at an annual effective rate determined by American General Life Insurance Company.

#### POLICY IMPACTS
- Policy will lapse at any time if the outstanding loan amount exceeds the Accumulation Value less surrender charge.
- Interest not paid when due will be added to the outstanding loan balance.
- Participating Loans have the potential to earn arbitrage on the loan balance depending on index interest earned in relation to the loan rate charged.
- Participating Loans may result in policy lapse if poor index performance is sustained.