

Changes to Inforce Policies on 2001 CSO Mortality Tables, Upcoming Policyholder Communication

The National Association of Insurance Commissioners (NAIC) has adopted the 2017 Commissioners' Standard Ordinary (2017 CSO) mortality tables. As of January 1, 2020, all life insurance policies are required to use the updated 2017 CSO Mortality Tables.

American General Life Insurance Company (AGL) and The United States Life Insurance Company in the City of New York (USL) are well into the process of updating the mortality tables used in connection with the life insurance policies sold by the Company. See [Bulletin 19-062](#) for additional details.

Impact on Inforce Policies Using 2001 CSO Mortality Tables

For any policies issued with the 2017 CSO Mortality Tables, the company will continue to process changes to inforce policies that are currently permitted. However, the Internal Revenue Service has provided guidance regarding the limitation of certain non-contractual changes to life insurance policies issued prior to January 1, 2020, utilizing CSO mortality tables other than the 2017 CSO Mortality Tables.

For inforce 2001 CSO policies, we will issue endorsements that will allow the policyholders to maintain the ability to make certain changes, after the new tables go into effect January 1, 2020, under their policies that were previously only allowed administratively, subject to policy or company restrictions.

By the end of the year, endorsements will be mailed to current policyholders with 2001 CSO policies. A brief cover letter will explain the purpose of the endorsement. No further action is required on their part.

Please note, the limitation on non-contractual changes will remain in place for older policies (1980 CSO and earlier).

Please see a sample policyholder letter on the next page.

2017 CSO Transition Reminder ...

At the end of the year, some conditions will apply to the issuance of policies for products based on the previous mortality tables (2001 CSO).

While this should only be a small fraction of pending cases at the end of the year, please be prepared by referring to our Transition Rules in the bulletin linked below:



**Bulletin 19-062:
2017 CSO Transition
Guidelines**

SAMPLE ENDORSEMENT COVER LETTER

**American General Life
Insurance Company**

A member of American International Group, Inc. (AIG)
P.O. Box 305355
Nashville, TN 37230-5355



Date

[Policy Owner name]
[Address line 1]
[Address line 2]
[City, State Zip]

[Policy # - Insured Name]

Dear Valued Customer,

Please find enclosed an endorsement to your life insurance policy. We are sending this endorsement because of upcoming changes in the mortality tables used to determine whether a policy qualifies as life insurance under the Internal Revenue Code.

The Internal Revenue Service (IRS) has provided guidance regarding the limitation of certain non-contractual changes to life insurance policies issued prior to January 1, 2020. This endorsement will maintain your ability to make certain changes under your policy that were previously only allowed administratively, subject to policy or company restrictions, after the new tables go into effect January 1, 2020.

Please keep this endorsement with your policy.

If you have any questions regarding this matter, please call a Customer Service Representative at 1-844-452-3832. We appreciate the opportunity to provide you with life insurance and we thank you for your business.

Regards,

Customer Service Department