

PRODUCT UPDATE**NEW TERM RATES FOR AGL & USL
NEW COMPENSATION STRUCTURE ON AGL ROP TERM**

AIG Life Brokerage, the nation's largest writer of term insurance announces pricing and other changes to the term products offered by American General Life Insurance Company and The United States Life Insurance Company in the City of New York. The new rates, which apply to AGL ROPTerm, AGL LTG Ultra, AGL LTG Ultra-C, USL ROPTerm NY, USL LTG Ultra NY and USL LTG Ultra-C NY, take effect March 27, 2006 in approved states.

Significant Rate Reductions on 30-Year Term!

- ❑ LTG Ultra 30 - 9% overall average decrease - 10% decrease for Males, 5% decrease for Females
- ❑ ROPTerm 30 - 5% overall decrease - 4% decrease for Males, 6% decrease for Females

Key Changes

- ❑ Rate changes – Rates decreased considerably at several bands, ages and underwriting classes. Some rates increased, others stayed the same
- ❑ **New!** Loan Provision for AGL ROPTerm Now Available in All States – Clients can now borrow from the cash value accrued in their policies and still keep their coverage (loan interest rate is 8% per year, payable in arrears)
- ❑ **New!** Change to the commission structure at levels S – G on AGL ROPTerm – higher first year payouts

Product-by-Product Highlights

- ❑ AGL ROPTerm
 - Lower rates on an aggregate basis across all term periods
 - Increases as necessary to balance profitability
 - Loan provision now available in approved states
 - New Compensation: Renewal compensation has been discontinued in favor of higher first year compensation at levels S – G. New schedules reflecting this change were sent to IMOs in late February and will be available on the AIG Life Brokerage Web site next week.

Sample Rate Decreases (overall averages) - AGL ROPTerm

30-Year	20-Year	15-Year	Preferred Plus	Preferred NT	Standard Plus
5% decrease	2% decrease	3% decrease	6% decrease	4% decrease	6% decrease

- ❑ USL ROP Term NY (2006)
 - Minor rate changes due to change in non-forfeiture interest rate
 - Waiver of Premium Rider cap at \$5 million
 - Only available in NY
- ❑ AGL LTG Ultra (2006) & USL LTG Ultra NY (2006)
 - Lower rates for various term periods, genders and risk classes
 - Increases as necessary to balance profitability, some rates stayed the same
 - USL LTG Ultra NY (2006) is only available in NY

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Sample Rate Decreases (overall averages) - AGL & USL LTG Ultra (2006)					
Ultra 30	Overall	Males	Females	Rate Class	Standard
	9% decrease	10% decrease	5% decrease		4% decrease

- AGL LTG Ultra-C (2006)
 - Minor rate changes due to change in non-forfeiture interest rate
 - MD issue age is now the same as other states
- USL LTG Ultra-C NY (2006)
 - Minor rate changes due to change in non-forfeiture interest rate
 - Only available in NY

Transition Rules

- Applications currently pending will receive current rates unless you specifically request the new rates.
- Applications received before April 21, 2006 will receive current rates unless you request the new rates.
- Applications received on or after April 21, 2006 will receive new rates in approved states.
- As additional states approve the new rates, there will be a 30-day transition period.
- We cannot honor requests to re-issue in-force policies to utilize the new rates, nor can we accept new applications intended to affect internal replacements of term policies issued within the past 90 days.

Illustrations

The rate changes will be added to WinFlex via an Internet update effective March 27, 2006 for approved states.

State Approvals

As of March 14, 2006, the rate changes have been approved in all states **except:**

<i>AGL ROPTerm</i>	CT, FL, GA, KY, MD, MA, MS, NJ, NC, OR, PA, RI, UT, VT, VA, WA, Guam, Puerto Rico, Virgin Islands. Not filed in NY or UT.
<i>AGL LTG Ultra</i>	AR, CT, MA, MS, NC, OR, PA, WA, Guam, Virgin Islands.
<i>AGL LTG Ultra-C</i>	CT, GA, IN, MD, MA, MS, MT, NE, NV, NJ, NC, OH, OK, OR, PA, RI, VT, VA, WA, Guam, Puerto Rico, Virgin Islands. Not filed in NY.
<i>USL ROPTerm NY (2006)</i> <i>USL LTG Ultra NY (2006)</i> <i>USL LTG Ultra-C NY (2006)</i>	Only filed and available in NY.

Marketing Materials

Marketing materials (see following page) have been updated and are available in our warehouse. You can place orders through FastForms on our Web site at www.aiglifebrokerage.com.

New! Mortgage Protection insert for the ROPTerm consumer brochure; Full-page flyer also available

New! College Savings insert for the ROPTerm consumer brochure; Full-page flyer also available

New! ROPTerm consumer brochure

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Product Name	Collateral Description	Form Number
ROPTerm	AGL - College Savings Insert	AGLC101975
	AGL - Consumer Trifold	AGLC100494 REV0306
	AGL - Mortgage Protection Flyer	AGLC101972
	AGL - Mortgage Protection Insert	AGLC101973
	AGL - Agent Spec Sheet	AGLC100362 REV0306
	AGL - College Savings Flyer	AGLC101974
	AGL - Agent Rate Book	AGLC100361 REV0306
	USL - College Savings Flyer <i>(available 4/1/06)</i>	AGLC101987
	USL - College Savings Insert <i>(available 4/1/06)</i>	AGLC101986
	USL - Consumer Trifold	AGLC101275 REV0306
	USL - Mortgage Protection Flyer <i>(available 4/1/06)</i>	AGLC101992
	USL - Mortgage Protection Insert <i>(available 4/1/06)</i>	AGLC101991
	USL - Agent Spec Sheet	AGLC101274 REV0306
	USL - Agent Rate Book	AGLC101273 REV0306
LTG Ultra	AGL - LTG Ultra Agent Rate Book	AGLC100317 REV0306
LTG Ultra-C	AGL - LTG Ultra-C Agent Rate Book	AGLC100318 REV0306
LTG Ultra/ LTG Ultra-NY (Combined)	AGL/USL - Combined LTG Ultra/LTG Ultra NY Agent Rate Book	AGLC101123 REV0306
LTG Ultra/ LTG Ultra-C (Combined)	AGL - LTG Ultra Series Agent Spec Sheet	AGLC100588 REV0306
	USL - LTG Ultra NY Series Agent Spec Sheet	AGLC101128 REV0306
LTG Ultra-C/ LTG Ultra-C NY (Combined)	AGL/USL - Combined LTG Ultra-C/LTG Ultra-C NY Agent Rate Book	AGLC101152 REV0306
ROP/LTG Ultra/ LTG Ultra-C (Combined)	AGL - Consumer Trifold	AGLC 100589 REV0306
	USL - Consumer Trifold	AGLC101821 REV0306

Policies issued by:
 American General Life Insurance Company
 A member company of American International Group, Inc.
 2727-A Allen Parkway, Houston, Texas 77019

ROPTerm Policy Form Number 06001
 LTG Ultra Policy Form Number LTG 2000AG
 LTG Ultra-C Policy Form Number 06004

The United States Life Insurance Company in the City of New York
 A member company of American International Group, Inc.
 830 Third Avenue, New York, New York 10022

ROPTerm NY Policy Form Number ROP 2002USL
 LTG Ultra NY / LTG Ultra-C NY Policy Form Number RTG 2001E

The underwriting risks, financial obligations and support functions associated with the products issued by American General Life Insurance Company (American General Life) or The United States Life Insurance Company in the City of New York (United States Life) are its responsibility. American General Life and the United States Life is responsible for its own financial condition and contractual obligations.

American General Life does not solicit business in the state of New York. Policies and riders not available in all states.

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