

At a Glance

American General Life Insurance Company

American General
Life Companies

On November 10, 2008, American International Group, Inc. (AIG) announced agreements with the U.S. Treasury and the Federal Reserve to establish a durable capital structure for AIG and facilities designed to resolve the liquidity issues AIG has experienced in its credit default swap portfolio and its U.S. securities lending program.

While AIG is the parent company of American General Life Companies insurers, including American General Life Insurance Company (American General Life), the financial issues of our publicly traded parent company do not affect our insurance companies' abilities to pay policy holders' claims. The life insurance companies of AIG remain strong.

Additional Points of Interest

- It is important to note that the guarantees related to individual American General Life policies and annuity contracts are backed by the general account of American General Life. This general account supports only the obligations of American General Life and is not obligated to support any other AIG businesses.
- As a holding company, AIG is a separate, federally regulated legal entity that is distinct and apart from its subsidiary insurers. The subsidiary insurers are governed by state laws designed to protect the interest of policy holders. According to a statement by the National Association of Insurance Commissioners, state insurance regulators are committed to protecting the interest of policy holders and will work closely with AIG management and other regulators to fulfill this commitment.¹
- Subprime exposure reported in the 2007 statutory annual statement was primarily due to securities lending collateral investments, which were sold on December 12, 2008, in connection with the termination of AIG's securities lending activities. Today, only 0.2% of the general accounts of our insurance companies, including American General Life, are invested in subprime assets.

"We have a very strong message for consumers: If you have a policy with an AIG insurance company, they are solvent and have the capability to pay claims."

National Association of Insurance Commissioners (NAIC) President Sandy Praeger, 9/16/08

Financial Strength Ratings

American General Life Insurance Company as of January 20, 2009

Agency	Rating	Descriptor	Definition
Standard & Poor's ³	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."
Moody's Investors Service ⁴	Aa3	Excellent	"Insurance companies rated Aa offer EXCELLENT financial security. Together with the Aaa group, they constitute what are generally known as high-grade companies."
Fitch Ratings ⁵	AA-	Very Strong	"Denote a very low expectation of ceased or interrupted payments. They indicate VERY STRONG capacity to meet policy holder and contract obligations on a timely basis. This capacity is not significantly vulnerable to foreseeable events."
A.M. Best Company ⁶	A	Excellent	"Assigned to companies that have, in our opinion, an EXCELLENT ability to meet their ongoing obligations to policy holders."

For more detailed information, visit www.americangeneral.com/ratings

Key Facts About American General Life

(as of 9/30/2008)

- Has origins going back to 1926
- Nearly 3 million policies in force
- General account assets of \$35.2 billion and surplus of \$4.9 billion — significantly in excess of minimum regulatory requirements²
- Fixed income assets had an average credit rating of A-
- 93% of the fixed income portfolio is investment-grade quality
- American General Life maintains investment-grade financial strength ratings

¹ National Association of Insurance Commissioners news release, "Insurance Consumers Protected by Solvency Standards," September 16, 2008

² Third Quarter 2008 Filing for AGL

³ Credit watch developing

⁴ On review for possible further downgrade

⁵ Rating watch evolving

⁶ Negative outlook

American General Life Companies, www.americangeneral.com, is the marketing name for the insurance companies and affiliates comprising the domestic life operations of American International Group, Inc. including American General Life Insurance Company. Neither American International Group, Inc. nor American General Life Companies underwrites any insurance policy described within this brochure.

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Frequently Asked Questions for Producers and CSRs

April 20, 2009 5 p.m. CDT

**American
General**
Life Companies

We know your clients have questions. We are providing you with this frequently asked questions document to help you provide answers and reassurance.

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Policy safety

Q. What can you tell me about the AIG story on ABC's 20/20 program, which aired on Friday, April 17?

A. The AIG subsidiary highlighted in the 20/20 story is WorldSource, which is a part of the Foreign General division of AIG. American General Life Companies insurers are not mentioned in the story, and American General does not write this type of insurance. American General insurance companies' policies are safe and we are able to pay all valid claims. Our insurance companies have ample reserves and are well-capitalized.

For information about AIG Foreign General or AIG's response to the 20/20 story, please contact the AIG main office at 1-877-638-4244 or via e-mail at AnswerCenter@AIG.com.

Q. Is my policy safe?

A. Yes. Our insurance companies have ample reserves and capital to meet our long-term obligations to policy holders. We continue to operate normally, serving our clients with professionalism and integrity.

Q. Can you tell me more about how policies are protected?

A. Insurance is a highly regulated industry. All insurance companies doing business in the United States are regulated by state law, and required to maintain enough capital and surplus to satisfy their obligations to their

policy holders. The type and quantity of investments in which insurance companies may invest surplus capital is also limited by state law.

Although various companies owned by American International Group, Inc. (AIG) are part of a larger insurance holding company system — including American General Life Companies (American General) insurers — each company is individually responsible for the liabilities associated with the business that it sells. In addition, each insurer is individually regulated by its state of domicile for compliance and financial solvency independent of its parent or affiliates. This includes ongoing financial reporting to the regulator and undergoing periodic financial examination.

In accordance with state insurance requirements and investment guidelines, an insurer's general account is primarily invested in high-quality investment grade fixed income securities (bonds). The investment objective of the general account is to optimize yield, adjusting for credit risk, liquidity and liability characteristics.

State insurance regulations are substantial and are designed to preserve and enhance the solvency of the general account and to assure that the contractual obligations to our policy holders are fulfilled. These regulations, along with the conservative investment requirements, help to safeguard policy holders.

It is important to note that the guarantees related to individual American General insurers life policies and annuity contracts are backed by the general account of the respective issuing companies. These general accounts support only the obligations of American General insurers and are not obligated to support any other AIG businesses.

If you would like to see what the state insurance regulators and the National Association of Insurance Commissioners have to say on this matter, please go to the Answer Center on www.americangeneral.com.

Q. If I have a claim, will you be able to pay it?

A. Yes, our insurance companies are able to pay all valid claims. Our insurance companies have ample reserves and are well-capitalized.

Q. Someone has approached me about surrendering my American General Life Companies insurance policy or annuity contract. What should I do?

A. Be sure to have all the facts before making a decision about your insurance policy or annuity contract. Here are a few reasons why keeping your current policy or contract is likely the best choice for you:

- If you cancel your policy or contract, you may subject yourself to surrender charges that could diminish its cash value.
- If your health has changed since you bought your current insurance policy, a new policy could cost you more, or you may even be turned down for a new policy.
- If you are older now than when you purchased your current policy, your premiums will likely be higher.

Q. Should I pay the insurance premium bill I just received from your company?

A. Yes, in order for your coverage with us to continue, you will need to pay the insurance premiums. Failure to pay your premiums can result in the termination of your insurance policy.

Executive compensation

Q. I heard that AIG is paying bonuses. Is this true?

A. The contractual bonus programs for the AIG Financial Products division that were paid out on March 15 and widely discussed in the media were contractual commitments to those employees made months ago — long before the government loan was received.

AIG will continue to closely scrutinize all ongoing compensation planning to ensure that future awards are absolutely critical to the business and in the best interests of taxpayers.

Q. I heard AIG was making retention bonuses. Is this true?

A. These are contractual compensation arrangements made to key employees in order to stabilize AIG's businesses and to prevent the loss of key employees to competitors.

AIG recognizes that retaining key employees will maximize the ultimate value of AIG's businesses for the benefit of all of AIG's stakeholders, including taxpayers. A loss of key employees could reduce the value of AIG's businesses and impair its ability to enact a successful asset disposition plan.

Q. Are there other bonuses, retention payments or other similar awards that AIG is considering paying out?

A. Over the past six months AIG has actively embraced the evolving standards of compensation governance. This has resulted in significant sacrifices being made by AIG's most senior officers and the rest of AIG's senior partner group. AIG's top seven executives will not receive a bonus for 2008 and the next level of executives may receive a bonus that is significantly less than target and subject to various other limitations. No awards have been deferred.

AIG will continue to closely scrutinize all ongoing compensation planning to ensure that future awards are absolutely critical to the business and in the best interests of taxpayers.

AIG's 2008 results and restructuring

Q. What can you tell me about AIG's preferred stock sale?

A. On March 2, 2009, AIG made an arrangement with the government to sell preferred stock and issue warrants in exchange for access to an additional \$29.84 billion in capital. The arrangement was finalized on April 18.

For information about AIG, please contact the AIG main office at 1-877-638-4244 or via e-mail at AnswerCenter@AIG.com.

Q. AIG announced fourth-quarter results and a restructuring of its organization. What can you tell me about this?

A. On March 2, AIG announced fourth quarter and year-end 2008 results, as well as a broad set of actions that will reduce the debt AIG owes the government, strengthen AIG's capital base, and allow AIG time to benefit from future improvements in market and industry conditions. These actions include an overhaul of the government loan, which eases terms, as well as a restructuring of the organization.

These announcements by no means end AIG's financial difficulties, however, they afford the company more time to sell assets in order to repay the loan, and hopefully in a better economic environment. For more information, the full press releases are available at www.aig.com.

Q. Why is AIG borrowing more money from the U.S. government in this new arrangement?

A. The plan provides access to additional financial backstops should market conditions persist, deteriorate or should the company seek to undertake certain types of divestiture or recapitalization activities. AIG's liquidity needs have been significantly stabilized since last November, and AIG is not drawing upon these backstop facilities at this time.

AIG provides a wide range of insurance protection to individuals, small businesses, Fortune 500 companies, municipalities, 401(k) plans and nonprofit organizations around the world. The government's assistance to AIG is intended to minimize the risk to the

global economy. The new plan includes tools to improve the company's capital structure, protect and enhance the value of its key businesses, and position them to become more independently run, transparent companies.

Q. What does the AIG restructuring mean to American General Life Companies?

A. American General now has the time and flexibility to wait for market conditions to improve and to explore all options available to the business. What will not change is our commitment to our policy holders. Strict regulations ensure that our insurance companies set aside sufficient assets to back up each insurance policy, and these companies remain well-capitalized. Policy holders will be fully protected throughout the restructuring process.

Q. What can you tell me about the announcement that AIG will securitize part of the domestic life companies' policies?

A. AIG announced that it will reduce the debt it owes the government, in part, by securitizing a defined block of in-force life insurance policies underwritten by its domestic life companies. This means that AIG will issue senior certificates to the U.S. government, which will in turn sell these certificates when market conditions stabilize or continue to collect the cash flows from the underlying policies.

This securitization program will in no way affect the day-to-day operations of any of our insurance companies and does not prevent the future sale of American General's businesses. We will continue to write new business, administer policies and serve our customers and distribution partners. Our obligations to policy and annuity owners will not change, and our member insurers remain well-capitalized.

Q. Are you planning to send letters to policy owners about the issues at hand?

A. The insurance policies and annuity contracts underwritten by American General member insurers are safe. Our insurance companies remain well-capitalized, and we will continue to pay all valid claims.

We are communicating with our policy owners through their agents and advisors, through inserts in our regular policy owner mailings, on our Web site and through our customer service centers.

Please visit the Answer Center at www.americangeneral.com for up-to-date information.

Q. What is AIG's current stock price?

A. You can find AIG's current stock price on the main page of www.aig.com.

Bankruptcy

Q. What if AIG goes bankrupt?

A. AIG has no plans to file for Chapter 11 protection. AIG is an international financial holding company with numerous businesses. Your insurance policy or annuity contract is written by one of AIG's insurance companies, such as the members of American General Life Companies. Insurance is a highly regulated industry. All insurance companies doing business in the United States are regulated by state law, and required to maintain enough capital and surplus to satisfy their obligations to policy holders. Your policy is safe.

Ratings

Q. What are your current ratings?

A. The table on this page provides ratings of the American General Life Companies as of March 2, 2009. For more detailed information, please visit the individual rating agency Web sites.

Q. What do ratings mean?

A. Independent ratings agencies, such as A.M. Best and Standard & Poor's, provide opinions on an organization's ability to meet its financial obligations to its policy holders, creditors and shareholders. Generally there are two components to ratings — a credit rating and a financial strength rating.

Credit ratings, or long-term debt ratings, are an evaluation by the ratings agencies of the creditworthiness of an organization and its ability to pay

Domestic Life Insurance Companies' Financial Strength Ratings as of March 2, 2009

Agency	Rating	Descriptor	Definition
Standard & Poor's ¹	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."
Moody's Investors Service ²	A1	Good	"Insurance companies rated 'A' offer GOOD financial security. However, elements may be present, which suggest a susceptibility to impairment some time in the future."
Fitch Ratings ³	AA-	Very Strong	"Denote a very low expectation of ceased or interrupted payments. They indicate VERY STRONG capacity to meet policyholder and contract obligations on a timely basis. This capacity is not significantly vulnerable to foreseeable events."
A.M. Best Company ⁴	A	Excellent	"Assigned to companies that have, in our opinion, an EXCELLENT ability to meet their ongoing insurance obligations."

¹ Negative outlook, ² Developing outlook, ³ Rating watch evolving, ⁴ Negative outlook

For more detailed information on specific insurer ratings visit www.americangeneral.com/ratings.

its short- and long-term debt. Financial strength ratings are an evaluation by the ratings agencies of an insurer's ability to meet its obligations to its policy holders.

Asset sales

Q. Will AIG proceed with the sale of AIG Life of Canada?

A. Yes. In order to help repay the government loan, AIG announced on October 3, 2008 that it intends to refocus the company on its core property and casualty insurance businesses, while exploring opportunities to sell its remaining high-quality businesses, including AIG Life Insurance Company of Canada (AIG Life of Canada). The sale of AIG Life of Canada, along with other AIG assets that are in different stages of the process, represents important progress toward AIG's goal to repay the government loan.

Q. How does this agreement affect AIG Life of Canada's obligations to its policy holders?

A. BMO Financial Group's acquisition of AIG Life of Canada will not, in any way, alter its commitments to AIG Life of Canada policy holders. Policy holders will continue to receive the same great service, with no interruption in coverage and benefits. No policy holder action is necessary.

Q. Would the sale of one or more of the insurers of American General Life Companies impact policy holders?

A. No. The insurance policies written by one of our insurers are the direct obligations of that underwriting company – not AIG or any prospective buyer. The sale of an insurer does not change its obligations to its policy holders. Our commitment to customer service remains the same, and we continue to strive to exceed your expectations in everything we do. Our customer service centers are available to assist you with questions or policy maintenance issues.

Q. Why has your logo changed from "AIG American General" to "American General Life Companies"?

A. Going forward, we are using the name we built our reputation on — American General Life Companies. This interim brand represents the reasons you chose American General in the first place, and the reasons we are still the right choice today.

As we look toward the future, we are working harder than ever to earn and keep your business. And we continue to offer the same commitment to quality service and innovative products that we have for the past 150 years.

American General Life Companies, www.americangeneral.com, is the marketing name for the insurance companies and affiliates comprising the domestic life operations of American International Group, Inc. (AIG). Information regarding AIG or American General Life Companies presented in this brochure is for informational purposes only and represents combined statistical information of the member companies of AIG or American General Life Companies. Neither AIG nor American General Life Companies underwrites any insurance policy described within this brochure. **The licensed insurance company underwriting the product is solely responsible for its own financial condition and its contractual obligations.**

Service. Commitment. People. Products.

These are the reasons we are the right choice for your business.

**American
General**
Life Companies

Service designed with you in mind.

At American General Life Companies (American General), we design our service from the outside-in, with technology and service centers designed to exceed your expectations. In addition, our customer feedback program alerts us to service issues in real-time and allows us the opportunity to make continuous enhancements to your service experience.

Commitment to our promises.

Over the past five years, member insurers of American General have collectively paid out \$34 billion in claims and benefits to our customers.¹

The most prominent independent ratings agencies continue to recognize our companies in terms of insurer financial strength. Please see the Financial Strength Ratings chart on the next page.

People are the value behind our business.

Our platform is built on putting the right people in the right positions to help you from start to finish. Almost 40% of our organization is dedicated to service or operations with major service centers in nine cities across the nation, ensuring that someone is ready to serve you.²

Products for every stage in life.

From protection and accumulation to income management and wealth transfer, American General's product portfolio includes a full line of fixed and variable life insurance, annuities, accident and health products, and worksite benefits.³

- First to market with index universal life products using three global indices
- First to market with customizable term coverage with or without return of premium
- The #1 provider of term life insurance in the United States in 2008⁴
- Innovator of accident and health insurance products that offer living benefits payable to the policy owner
- Innovator of fixed, index and income annuities for retirement needs

For more information on our products, go to www.americangeneral.com.

These are the reasons millions of Americans have chosen American General Life Companies member insurers. And why we are the right choice for your insurance and annuity needs today.

¹ Source: Statutory Annual Statements for all American General Life Companies member insurers, excluding AIG Life Insurance Company of Canada, 2004-2008

² Functional headcount based on active employees of American General Life Companies, LLC, and AGLA Services, LLC, as of December 26, 2008

³ Variable universal life insurance policies issued by American General Life Insurance Company and The United States Life Insurance Company in the City of New York are distributed by American General Equity Services Corporation, member FINRA

⁴ 4Q08 LIMRA Sales Survey

The licensed insurance company underwriting the product is responsible for its own financial condition and its contractual obligations.

American General Life Insurance Company and AIG Life Insurance Company are not licensed to do business in the state of New York.

About American General Life Companies

American General Life Companies, www.americangeneral.com, is the marketing name for the insurance companies and affiliates comprising the domestic life operations of American International Group, Inc., including American General Life Insurance Company, The United States Life Insurance Company in the City of New York, AIG Life Insurance Company and American International Life Assurance Company of New York.

American General
Life Companies

Key Facts Source: 2008 Statutory Annual Statements

American General Life Insurance Company

- Founded in 1926
- 3.2 million policies in force
- General account assets of \$36.5 billion, and capital and surplus of \$5.2 billion — in excess of minimum regulatory requirements
- Average credit rating of fixed-income assets is A-
- 92.8% of the fixed-income portfolio is investment-grade quality

American International Life Assurance Company of New York

- Founded in 1962
- 0.8 million policies in force
- General account assets of \$6.6 billion, and capital and surplus of \$0.4 billion — in excess of minimum regulatory requirements
- Average credit rating of fixed-income assets is A-
- 94.7% of the fixed-income portfolio is investment-grade quality

The United States Life Insurance Company in the City of New York

- Founded in 1850
- 1.8 million policies in force
- General account assets of \$5.3 billion, and capital and surplus of \$0.3 billion — in excess of minimum regulatory requirements
- Average credit rating of fixed-income assets is A
- 95.1% of the fixed-income portfolio is investment-grade quality

AIG Life Insurance Company

- Founded in 1962
- 0.5 million policies in force
- General account assets of \$7.3 billion, and capital and surplus of \$0.4 billion — in excess of minimum regulatory requirements
- Average credit rating of fixed-income assets is A-
- 95.2% of the fixed-income portfolio is investment-grade quality

Additional point of interest: As a result of termination of securities lending activities in December, as of December 31, 2008, only 0.2% of the general accounts of American General member insurers detailed above are invested in subprime assets.

Financial Strength Ratings for American General Life Insurance Company, The United States Life Insurance Company in the City of New York, AIG Life Insurance Company, and American International Life Assurance Company of New York (as of March 2, 2009)

Agency	Rating	Descriptor	Definition
Standard & Poor's ⁵	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."
Moody's Investors Service ⁶	A1	Good	"Insurance companies rated 'A' offer GOOD financial security. However, elements may be present, which suggest a susceptibility to impairment some time in the future."
Fitch Ratings ⁷	AA-	Very Strong	"Denote a very low expectation of ceased or interrupted payments. They indicate VERY STRONG capacity to meet policyholder and contract obligations on a timely basis. This capacity is not significantly vulnerable to foreseeable events."
A.M. Best Company ⁸	A	Excellent	"Assigned to companies that have, in our opinion, an EXCELLENT ability to meet their ongoing insurance obligations."

⁵ Negative outlook ⁶ Developing outlook ⁷ Rating watch evolving ⁸ Negative outlook

For more detailed information on specific insurer ratings visit www.americangeneral.com/ratings.

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Our Promise

At American General Life Companies, we know that our insurers sell promises — promises to our policy owners that we will protect their families from the unexpected, promises that we will help safeguard their hopes and dreams for the future, and promises to be there when our policy owners need us most.

American General Life Companies insurers, including American General Life Insurance Company (American General Life) and The United States Life Insurance Company in the City of New York (United States Life), have been keeping promises to American families and businesses for more than 150 years; our origins date back to 1850. Over the past five years alone, member insurers have collectively paid out \$34 billion in claims and benefits to our customers¹.

American General Life and United States Life are recognized for financial strength by some of the most prominent independent ratings agencies:

Financial Strength Ratings *as of March 2, 2009*

Agency	Rating	Descriptor	Definition
Standard & Poor's ²	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."
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A.M. Best Company ⁵	A	Excellent	"Assigned to companies that have, in our opinion, an EXCELLENT ability to meet their ongoing insurance obligations."

For more detailed information on specific insurer ratings visit www.americangeneral.com/ratings.

1 Source: Statutory Annual Statements for American General Life Companies, excluding AIG Life Insurance Company of Canada, 2004 – 2008. 2 Negative outlook, 3 Developing outlook, 4 Rating watch evolving 5 Negative outlook

The underwriting risks, financial and contractual obligations and support functions associated with products issued by American General Life or United States Life are each insurer's own responsibility.

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About the Organization

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