



AIG Enhances Its Suite of Index Annuities to Offer Guaranteed Rising Income with Principal Protection

March 19, 2014

AIG's Enhanced Guaranteed Living Benefit Rider, New Monthly Average Interest Index Account and Streamlined Product Offerings Help Address Client Needs for Asset Accumulation and Income Distribution

HOUSTON--(BUSINESS WIRE)--Mar. 19, 2014-- American International Group, Inc. (NYSE:AIG) announced the latest enhancements to their index annuity products, issued by American General Life Insurance Company, designed to offer individuals a powerful combination of guaranteed rising income, principal protection and growth potential.

The enhanced Lifetime Income PlusSM guaranteed living benefit rider in AIG's suite of index annuities will now guarantee rising income for the first 10 contract years, as long as withdrawals do not exceed the annual limit. This rider is automatically included in Power Index Plus IncomeSM, a new index annuity focused on retirement income and designed especially for the financial institution and broker/dealer distribution channels. Lifetime Income Plus is also available as an optional rider with the AG Choice Index 10[®] and Power Index PlusSM annuities offered through brokerage general agencies.

"Given concerns about market volatility, rising retirement costs and longer life expectancies, many individuals are looking for a retirement savings vehicle that can help them grow and protect their assets, while also ensuring their retirement income will rise and last for life," said Rob Scheinerman, Executive Vice President, Individual and Group Retirement, AIG Life and Retirement. "With the enhanced Lifetime Income Plus rider, individuals can have the confidence of knowing their retirement income can grow for up to 10 contract years, even in a down market and after withdrawals begin."

Lifetime Income Plus guarantees the growth of the Income Base—the amount on which lifetime withdrawals are based—by locking in the greater of potential interest earnings or an annual income credit of up to 7%. Retirement income is certain to rise with a partial income credit, as long as withdrawals are taken within the terms of the rider. Please note that interest is added to the Income Base, only if it produces a contract value that is higher than all previous anniversary values.

"Some living benefit riders don't step up when withdrawals are taken," said John Deremo, Executive Vice President and Chief Distribution Officer, Life and A&H, AIG Financial Distributors. "With ours, individuals have the flexibility to take withdrawals when needs arise and still ensure both rising income and guaranteed income for life."

AIG is also pleased to introduce two additional enhancements to its family of index annuities: 1) the Monthly Average Index Interest Account, a new interest crediting strategy available in the AG Choice Index 10 and the Power Series of Index Annuities; and 2) a streamlined product lineup for the financial institution and broker/dealer markets consisting of Power Index Plus, an asset accumulation product, and Power Index Plus Income, a retirement income product.

The Monthly Average Index Interest Account provides new opportunities for individuals to increase the upside growth potential of their retirement assets. It can help contract owners earn interest during periods of market volatility, while ensuring that they don't lose principal in a down market.

For financial institutions and broker dealers, AIG has enhanced its index annuity lineup to better address the asset accumulation and retirement income needs of Americans today. Individuals can now choose from Power Index Plus, which offers principal protection and growth potential, but no Lifetime Income Plus; or Power Index Plus Income, which automatically includes Lifetime Income Plus as part of the annuity contract.

"Our suite of index annuities allows individuals to tailor their asset accumulation and retirement income approach to suit their individual needs and situation," said Mike Treske, Executive Vice President and Chief Distribution Officer, Retirement Income Solutions and Retail Mutual Funds. "They provide individuals with an opportunity to not only protect their principal from market loss, but also to help supplement other sources of guaranteed retirement income like Social Security and pensions."

To find out more about these annuity enhancements and AIG's Individual and Group Retirement solutions, please visit www.aig.com.

Annuities are issued by American General Life Insurance Company (AGL), 2727-A Allen Parkway, Houston, Texas 77019.

The underwriting risks, financial and contractual obligations and support functions associated with products issued by American General Life Insurance Company (AGL) are its responsibility. AGL does not solicit business in the state of New York. Products may not be available in all states or may vary by state.

Contract Numbers: Power Index Plus and Power Index Plus Income Modified Single Premium Deferred Fixed Index Annuities, Contract Number AG-800 (12/12); and AG Choice Index 10 Modified Single Premium Deferred Fixed Index Annuity, Contract Number AG-801 (12/12).

Rider Form Numbers: Market Value Adjustment (MVA) Rider, Form Number AGE-8000 (12/12); Premium Enhancement Rider, Form Number AGE-8001 (12/12)—available only with AG Choice Index 10; Lifetime Income Plus (Formal Name: Optional Guaranteed Living Benefit Rider), Form Number AGE-8002 (9/13); Annual Point-to-Point Index Interest Account Rider, Form Number AGE-8003 (12/12); Monthly Point-to-Point Additive Index Interest Account Rider, Form Number AGE-8005 (12/12); Terminal Illness Rider, Form Number AGE-8007 (12/12); Extended Care Rider, Form Number AGE-8008 (12/12); Activities of Daily Living Rider, Form Number AGE-8009 (12/12); and Periodic Average Index Interest Account Rider, Form Number AGE-8024 (9/13).

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 suitable or appropriate for all individuals.

Withdrawals may be subject to withdrawal charges. Withdrawals may also be subject to federal and/or state income taxes. An additional 10% federal tax may apply if clients make withdrawals or surrender their annuity before age 59½. Effective January 1, 2013, certain contract owners may be subject to an additional net investment income tax (NIIT) on income received from non-qualified annuities. Distributions from certain qualified contracts (such as traditional and Roth IRAs) are generally not subject to NIIT. Individuals should consult their tax advisor regarding their specific situation.

Lifetime Income Plus has an annual fee of 0.95% of the Income Base. Restrictions and limitations apply. The Income Base is the amount on which lifetime withdrawals and the rider fee are based; it is not used in the calculation of the contract value or any other benefits under the contract, and cannot be withdrawn partially or in a lump sum. The Income Base is initially equal to the first eligible premium and premium enhancement, if applicable; it is adjusted for excess withdrawals and is increased each time an eligible premium or corresponding premium enhancement, if any, is made. On each contract anniversary, the Income Base is set to equal the greater of (1) the anniversary value, if it is higher than all previous anniversary values or (2) the current Income Base increased by any available income credit. On the 10th contract anniversary, the Income Base may be increased to the Minimum Income Base (200% of eligible premiums, which do not include premium enhancements), if no withdrawals have been taken from the contract.

AIG Life and Retirement is the enterprise name of a group of companies offering insurance, retirement and investment services through a diverse family of financial services companies. AIG Financial Distributors is a division of AIG Life and Retirement. AIG Life and Retirement is part of the American International Group, Inc. (AIG) family of financial services companies. Not all products are available in all firms.

Not FDIC or NCUA/NCUSIF Insured

May Lose Value • No Bank or Credit Union Guarantee

Not a Deposit • Not Insured by any Federal Government Agency

Source: American International Group, Inc.

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