

SUMMARY AND DISCLOSURE NOTICE FOR CHRONIC ILLNESS ACCELERATED DEATH BENEFIT RIDER

American General Life Insurance Company

Receipt of a benefit under an accelerated death benefit rider will reduce any death benefit that may become payable under the policy to which the rider is attached.

PURPOSE OF THIS SUMMARY AND DISCLOSURE

This Summary provides a brief description of the basic features of the accelerated death benefit rider described below. This is not an insurance contract, but only a summary of the coverage provided by the rider.

If a policy is issued, it is important to check the policy for details on any accelerated death benefit rider that is included in the policy. It is also important to carefully read any accelerated death benefit rider included in the policy.

TAX CONSEQUENCES

Benefits under the accelerated death benefit rider are intended to qualify for favorable tax treatment. However, accelerated death benefits payable under an accelerated death benefit rider **MAY BE TAXABLE IN SOME CIRCUMSTANCES**. We recommend that you contact a tax advisor when making tax-related decisions about electing to receive and use benefits from an accelerated death benefit rider.

BENEFIT DESCRIPTION

Accelerated benefit means the payment, during the Insured's lifetime, of a portion of the death benefit under the policy as described in an accelerated death benefit rider.

The Chronic Illness Accelerated Death Benefit Rider provides that the Owner may elect an accelerated death benefit if the Insured is Chronically Ill, subject to the provisions of the rider.

Chronically Ill means that the Insured has been certified or re-certified by a licensed health care practitioner within the preceding 12-month period as:

1. Being unable to perform, without Substantial Assistance from another person, at least two Activities of Daily Living for a period of at least 90 consecutive days due to a loss of functional capacity; or
2. Requiring Substantial Supervision to protect the Insured from threats to health and safety due to Severe Cognitive Impairment.

The Activities of Daily Living are Bathing, Contenance, Dressing, Eating, Toileting and Transferring.

Severe Cognitive Impairment means a loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia and is measured by clinical evidence and standardized tests that reliably measure impairment in the person's:

1. Short-term or long-term memory; and
2. Orientation as to people, places or time; and
3. Deductive or abstract reasoning.

BENEFIT PAYMENTS

The Accelerated Benefit may be paid in Monthly Benefits or in a lump sum.

The Monthly Benefit is the amount paid each month beginning on the first monthly deduction day following the date that the Insured becomes eligible for Monthly Benefits. For each 12-month benefit period, you may select the Monthly Benefit amount. Such amount must not be less than the minimum monthly benefit, shown in the rider, or more than the maximum monthly benefit.

You select the method of calculation of the maximum monthly benefit. It can be based on the monthly equivalent of the per diem limitations declared by the Internal Revenue Service or be based on a percentage of the lifetime maximum benefit payable under the rider.

For any benefit period, you may request the lump sum option instead of any other benefit.

EFFECT OF BENEFIT PAYMENT ON POLICY

Each Monthly Benefit payment will reduce certain policy components by a proportional amount. This proportion will equal the Monthly Benefit payment, before reduction for repayment of policy loans, divided by the Death Benefit immediately before the payment. The components that will be reduced by this provision are:

- 1. Accumulation Value; and
- 2. Specified Amount; and
- 3. Surrender Charges, if any; and
- 4. Continuation guarantee account value, if any; and
- 5. Monthly Guarantee Premium, if any; and
- 6. Policy loan amount, if any.

An amount equal to the reduction in policy loan value will be applied as a loan repayment, and thus will reduce the Accelerated Benefit payments.

LIMITATIONS

The Accelerated Benefit will be subject to the following limitations:

- 1. This benefit is not intended to allow third parties to cause you to involuntarily access the Policy proceeds payable to the named Beneficiary. Therefore, the Accelerated Benefit will not be available if you are required to request it for any third party, including any creditor, government agency, trustee in bankruptcy or any other person or as the result of a court order.
- 2. If the Insured dies after a request for any Accelerated Benefit has been submitted and before You receive an Accelerated Benefit payment, such request will be voided and the Policy’s Death Benefit will be payable.
- 3. If the Insured dies before all Accelerated Benefit payments have been received, all remaining payments will be voided and the Policy’s Death Benefit will be payable, subject to all other Policy provisions.

MEDICAID/GOVERNMENT BENEFITS

Receipt of accelerated death benefits from a life insurance policy MAY ADVERSELY AFFECT YOUR ELIGIBILITY FOR MEDICAID AND SUPPLEMENTAL SECURITY INCOME (“SSI”), OR OTHER GOVERNMENT PROGRAMS. In addition, exercising the option to accelerate the death benefit and receiving that benefit before you apply for these programs, or while you are receiving government benefits, may adversely affect your initial or continued eligibility. Contact the Medicaid Unit of your local Division of Medical Assistance and the Social Security Administration for more information.

IMPORTANT NOTICES

There is a charge to include a Chronic Illness Accelerated Death Benefit Rider on a policy. The monthly cost of insurance for the rider will be added to the monthly deduction for the policy. The maximum rider cost of insurance rates per unit of coverage are shown in the rider.

Accelerated benefits do not and are not intended to qualify as long-term care insurance.

ACKNOWLEDGMENT

I acknowledge that I have reviewed this Summary and Disclosure and have received a copy of it or will be provided a copy with my policy.

Policyowner’s Signature

X

Policyowner signed on (date) _____

Policyowner’s name (printed) _____

Agent’s Signature

X

Agent signed on (date) _____

The applicant was shown a copy of this Summary and Disclosure prior to executing an application.