A Legacy Builder and Solution for Addressing
The RMD/LEGACY Dilemma

46% **of baby boomers believe it is very important or somewhat important to leave a legacy** or inheritance for loved ones[1]; however, today's retirement realities—low interest rates, high levels of market volatility, lack of traditional pension plans—make it difficult to do so; especially when adding in the need to take required minimum distributions (RMDs) from traditional IRAs.

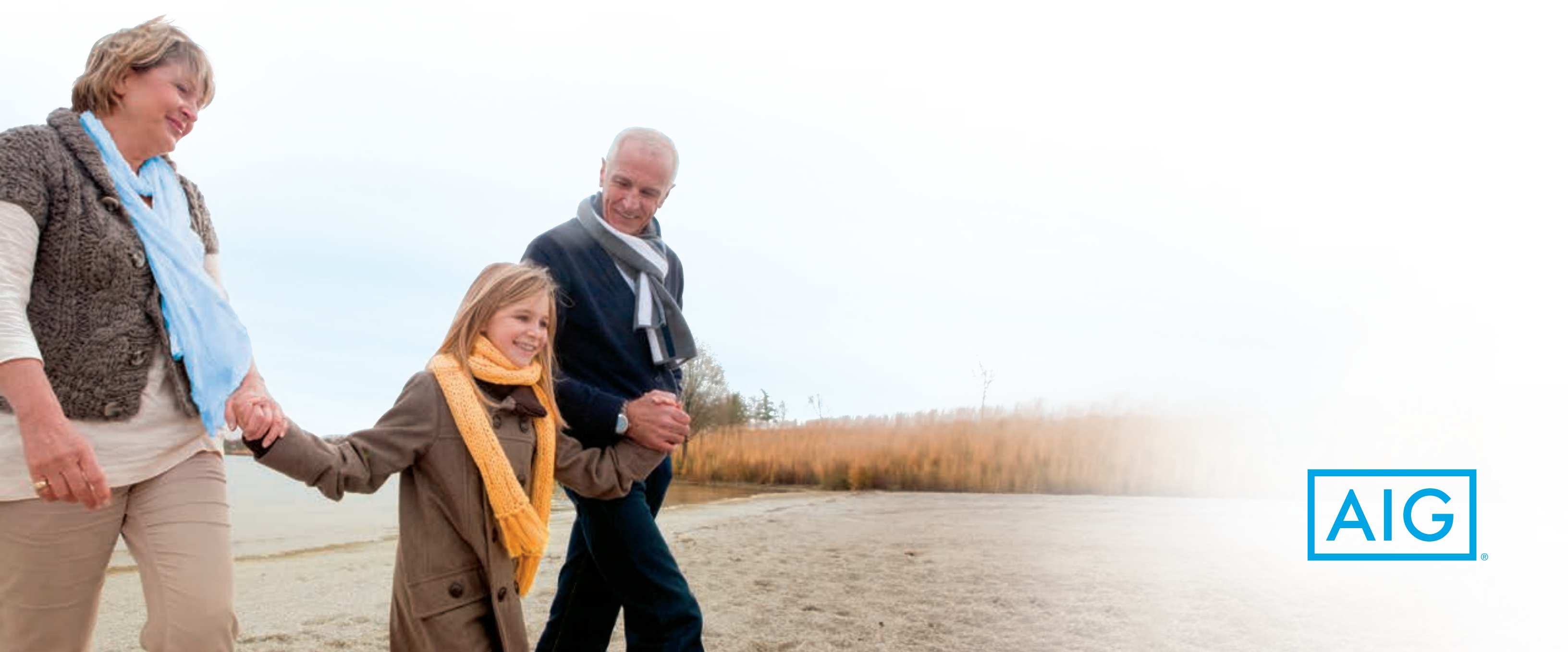
The Impact of RMDs and Market Downturns

When you reach age 70½, and each year thereafter, you must begin RMDs from all of your traditional IRAs. The RMDs are calculated using life expectancy tables, typically Uniform Table III, provided by the Internal Revenue Service (IRS) and are based on all of your traditional IRAs' year-end values.

Unfortunately, you cannot skip taking an RMD if there is poor performance in your investments held by your traditional IRAs. Failure to take a RMD for the year can result in a hefty tax penalty. So at times, your traditional IRA's balance can be impacted by two factors—the deduction of the RMD and adjusted portfolio values due to poor performance. The rules governing RMDs are complex and subject to modification. You should seek the advice of an independent tax advisor for complete information concerning your particular circumstance.

With more than $14.2 trillion currently held in traditional IRAs and 401(k) plans[2], retirees continue to be in search of solutions that address their RMD needs without compromising their desire to leave a legacy for loved ones.

[1] "Boomer Expectations for Retirement 2016" published by the Insured Retirement Institute (IRI), April 2016.
[2] "Defined Contribution Plan Participants' Activities, 2015" published by the Investment Company Institute, June 2016.



A RMD and Legacy Solution with Protection from Market Downturns and No Annual Fees

To help you with leaving a legacy while taking RMDs, consider **Power Select Builder**® Index Annuity from American General Life Insurance Company, a member company of AIG. Power Select Builder combines upside growth potential with protection from market downturns for the life of the contract.

For growth potential, you can choose from five interest crediting options, like index interest accounts based on the performance of the **S&P 500**® **Index** (excluding dividends) or the **ML Strategic Balanced Index**®, a hybrid index that diversifies across multiple asset classes in search of growth and volatility control. The annuity also offers a Fixed Interest Account that provides a guaranteed fixed rate of interest for one contract year.

The Power of Zero for Down Market Protection

As a fixed index annuity, Power Select Builder is not impacted by market downturns. Interest earned from an index interest account is only calculated based on the positive performance of an index; however, there can be years when no interest is earned. Plus, the annuity has no annual fee, so there is no further reduction of your money held in the annuity. Individuals looking to accumulate more assets for retirement may find this an attractive long-term solution.

The hypothetical case study on the following page shows the potential growth benefit of an index interest account with market protection that Power Select Builder may be able to offer to you.

Understanding the Power Series of Index Annuities:

A Power Series Index Annuity is an insurance contract issued by American General Life Insurance Company (AGL). It is not a direct investment in the stock market or any particular index.

A Power Series Index Annuity works in two stages:

- **Accumulation:** In exchange for your money (premium), the annuity provides you with the opportunity to earn interest based in part on the performance of a particular index and/or based on a fixed rate.
- **Income:** When you need income, the issuing company promises to make regular income payments that can last for life or for a time period you select using a process known as annuitization (for no additional cost).

In addition, optional features (known as guaranteed living benefit riders) can provide guaranteed lifetime income that may rise for 10 years or more, depending on the rider you select. These guarantees are backed by the claims-paying ability of the issuing insurance company and are subject to annual fees. Only one rider may be issued per contract and cannot be changed thereafter. Other restrictions and limitations apply.

The index accounts are not equity investments and have provisions like index rate caps, spreads and participation rates that limit the upside potential or reduce the interest earned. These accounts may not earn interest in certain situations. For more information about the index annuities and guaranteed living benefit riders available, please refer to the appropriate Owner Acknowledgment and Disclosure Statement.

This material is intended only for educational purposes to help you, with the guidance of your agent, make informed decisions. We are not a fiduciary and do not provide investment advice or recommendations.

Index interest accounts are not a permanent part of the contract and may be removed due to circumstances beyond the control of American General Life Insurance Company. These circumstances and the special rules that govern how assets in a discontinued index interest account may be reallocated are outlined in the Owner Acknowledgment and Disclosure Statement. Please read it for more information as these rules may vary by state.

How It Works—A Hypothetical Legacy Example

Situation: William, aged 65, recently retired and is looking to optimize his legacy while taking income through RMDs. He puts $1,000,000 of his qualified retirement dollars into Power Select Builder, and will begin taking RMDs at age 70½.

Outcome: This solution would provide William income of $1,683,317 from his RMDs and offer him the opportunity to leave $594,342 as a legacy for his loved ones, assuming he lives to age 95. With protection from down market years, the annuity's contract value is only reduced by the RMD taken leaving more assets in the annuity for further growth potential.

Even if William's annuity earned 0.00% interest over the 30-year period, he would still be able to take $830,921 in RMDs while leaving a legacy valued at $249,327.

This client profile, including the illustration provided, is hypothetical and does not represent an actual client scenario. It is only intended to illustrate how Power Select Builder may work.

Hypothetical Values Based on S&P 500® Returns from 1986-2016

Year	Age	S&P 500® Index Change	Interest Earned	Withdrawal Amount	RMD Factor	Contract Anniversary Value	Cash Surrender Value	Legacy Death Benefit
At Issue	65	—	—	—	—	$1,000,000	$900,000	$1,000,000
1	66	2.03%	$6,500	—	—	$1,006,500	$924,974	$1,006,500
2	67	12.40%	$39,958	—	—	$1,046,458	$971,113	$1,046,458
3	68	27.25%	$91,251	—	—	$1,137,709	$1,066,034	$1,137,709
4	69	-6.56%	$0	—	—	$1,137,709	$1,076,273	$1,137,709
5	70	26.31%	$95,795	$45,018 RMD	3.65%	$1,233,504	$1,177,997	$1,233,504
6	71	4.46%	$16,995	$45,490 RMD	3.77%	$1,205,481	$1,162,084	$1,205,481
7	72	7.06%	$26,216	$46,336 RMD	3.91%	$1,186,207	$1,154,180	$1,186,207
8	73	-1.54%	$0	$46,149 RMD	4.05%	$1,139,871	$1,119,353	$1,139,871
9	74	34.11%	$119,434	$50,973 RMD	4.20%	$1,213,157	$1,202,238	$1,213,157
10	75	20.26%	$75,310	$54,039 RMD	4.37%	$1,237,493	$1,237,493	$1,237,493
11	76	31.01%	$117,399	$59,130 RMD	4.55%	$1,300,853	$1,300,853	$1,300,853
12	77	26.67%	$105,919	$63,568 RMD	4.72%	$1,347,642	$1,347,642	$1,347,642
13	78	19.53%	$80,255	$67,208 RMD	4.93%	$1,364,329	$1,364,329	$1,364,329
14	79	-10.14%	$0	$66,519 RMD	5.13%	$1,297,121	$1,297,121	$1,297,121
15	80	-13.04%	$0	$65,808 RMD	5.35%	$1,230,602	$1,230,602	$1,230,602
16	81	-23.37%	$0	$65,072 RMD	5.59%	$1,164,794	$1,164,794	$1,164,794
17	82	26.38%	$92,817	$69,739 RMD	5.85%	$1,192,538	$1,192,538	$1,192,538
18	83	8.99%	$32,337	$70,867 RMD	6.13%	$1,155,136	$1,155,136	$1,155,136
19	84	3.00%	$10,409	$70,624 RMD	6.45%	$1,094,678	$1,094,678	$1,094,678
20	85	13.62%	$44,649	$72,210 RMD	6.76%	$1,068,702	$1,068,702	$1,068,702
21	86	3.53%	$11,260	$71,472 RMD	7.09%	$1,007,753	$1,007,753	$1,007,753
22	87	-38.49%	$0	$69,872 RMD	7.46%	$936,281	$936,281	$936,281
23	88	23.45%	$64,981	$73,338 RMD	7.87%	$931,390	$931,390	$931,390
24	89	12.78%	$35,094	$74,429 RMD	8.33%	$893,146	$893,146	$893,146
25	90	0.00%	$0	$71,817 RMD	8.77%	$818,718	$818,718	$818,718
26	91	13.41%	$32,042	$72,124 RMD	9.26%	$778,942	$778,942	$778,942
27	92	29.60%	$66,936	$75,858 RMD	9.80%	$773,754	$773,754	$773,754
28	93	11.39%	$25,403	$75,344 RMD	10.42%	$723,299	$723,299	$723,299
29	94	-0.73%	$0	$71,204 RMD	10.99%	$647,955	$647,955	$647,955
30	95	9.54%	$17,591	$69,110 RMD	11.63%	$594,342	$594,342	$594,342

Hypothetical Assumptions: $1 million premium in Power Select Builder, 100% of premium allocated to the Annual Point-to-Point Participation Rate Index Interest Account (S&P 500®) with a 32% participation rate that is reset at 32% every year. Participation rate is subject to change on each contract anniversary and may be higher or lower than the rate shown here. These values are for example purposes only and are not guaranteed.

Help create a balance of receiving RMDs and wanting to leave a legacy for loved ones by using the Power Select Builder Index Annuity.

Work with your agent today to learn more about this powerful combination for your retirement.

Index annuities are long-term products designed for retirement. Early withdrawals may be subject to withdrawal charges. Withdrawals of taxable amounts are subject to ordinary income tax and, if taken prior to age 59½, an additional 10% federal tax may apply.

Index annuities are not a direct investment in the stock market. Guarantees are backed by the claims-paying ability of the issuing insurance company. They provide the potential for interest to be credited based on the elected index interest account, which is based in part on the performance of a specified index, and/or a fixed interest account, without the risk of loss of premium due to market downturns or fluctuations. Index Interest accounts are subject to participation rates, index rate caps, or annual spreads that can decrease or limit the amount of interest credited. Index annuities may not be suitable or appropriate for all individuals. The index rate caps, spreads and participation rate are set at contract issue and guaranteed for one index term, after which they are subject to change at the end of each term. An annual index rate cap is the maximum rate of interest you can earn in an index term. A participation rate is the percentage of the year-to-year index return that is used to calculate interest in specific accounts. A spread is a preset deduction that is used to calculate the interest earned in several accounts.

Tax-qualified plans such as IRAs and 401(k)s are tax deferred regardless of whether or not they are funded with an annuity. If you use an annuity to fund a tax-qualified plan, you should know that an annuity does not provide any additional tax-deferred treatment of interest beyond the treatment by the tax-qualified plan itself. You should only use an index annuity in a tax-qualified plan if you want to benefit from features other than tax deferral.

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