
**INSTRUCTIONS TO FINANCIAL ADVISORS
FOR SUBMITTING ANNUITY TRANSACTIONS FOR NEW YORK STATE ISSUED CONTRACT(S).**

The financial advisor must first determine whether or not a replacement is involved. To do so, obtain a completed Definition of Replacement (VL 12667-NY-IC) form. This form must be signed by both the financial advisor and the applicant(s) and submitted for ALL applications regardless of whether a replacement is involved.

Option 1: If all answers to questions 1-6 on the Definition of Replacement (VL 12667-NY-IC) form are marked “No”, the transaction is not a replacement. The application and other transaction documents may be signed the same day as the Definition of Replacement (VL 12667-NY-IC) or within 60 days to avoid stale dated paperwork. Forward completed paperwork to: VALIC Document Control, P.O. Box 15648, Amarillo, TX 79105

Option 2: If any answer to questions 1-6 on the Definition of Replacement (VL 12667-NY-IC) form is marked “Yes”, the transaction is a replacement.

1. The client must sign the Authorization to Disclose Information (VL 19176).
2. The advisor must complete the following sections on the Disclosure Statement (VL 12670-NY-IC): the applicant information, agent/broker information and Description of Transaction on page 1. All other sections including the information on existing coverage section of Page 1 are left blank.
3. Forward the Authorization to Disclose Information (VL 19176), the Disclosure Statement (VL 12670-NY-IC), signed Definition of Replacement (VL 12667-NY-IC) and investment statement from replaced insurer to VALIC Document Control, P.O. Box 15648, Amarillo, TX 79105-5648 or fax to (800) 858-2542 or Overnight Delivery: VALIC Document Control, 1050 N. Western St., Amarillo, TX 79106-7011.
4. The VALIC Back Office will forward paperwork to the replaced insurer. The replaced insurer is required to provide the requested information in the Description of Transaction and Summary Result Comparison sections within 20 days of receipt inclusive of weekends and holidays. The VALIC Back Office will complete the existing coverage, Summary Result Comparison for the Proposed Annuity and Remarks sections on the Disclosure Statement (VL 12670-NY-IC) and then return the Definition of Replacement (VL 12667-NY-IC), Authorization to Disclose Information (VL 19176), Disclosure Statement (VL 12670-NY-IC) and investment statement back to the advisor. If the replaced insurer fails to respond within 20 days, good faith approximations may be used, and the VALIC Back Office will check the appropriate box for approximations on the form.
5. The advisor must then present the Disclosure Statement (VL 12670-NY-IC) to the client for review along with any sales materials (including the proposal). If the client wishes to continue with the transaction, advisor completes the Agent’s or Broker’s Statement section and marks whether sales material was used on the Disclosure Statement (VL 12670-NY-IC). Client and advisor sign the Disclosure Statement (VL 12670-NY-IC).
6. The advisor must provide the client with the Important Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts (VL 12669-NY-IC); have client sign the form acknowledging they have received and read the form; and leave a copy of the Important Notice with client.

Note: The application and remaining paperwork may be signed the same day or within 60 days of the signature date on the Disclosure Statement (VL 12670-NY-IC) and Important Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts (VL 12669-NY-IC).

7. Advisor forwards to VALIC Document Control, P.O. Box 15648, Amarillo, TX 79105, along with completed application and additional forms:
 - Completed and Signed
 - o Authorization to Disclose Information (VL 19176);
 - o Definition of Replacement (VL 12667-NY-IC);
 - o Disclosure Statement (VL 12670-NY-IC); and
 - o Important Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts (VL 12669-NY-IC).
 - A copy of any sales material (including the proposal) used in the proposed sale.

DEPARTMENT OF FINANCIAL SERVICES OF THE STATE OF NEW YORK
IMPORTANT NOTICE REGARDING REPLACEMENT OR CHANGE OF LIFE INSURANCE POLICIES
OR ANNUITY CONTRACTS

THIS NOTICE IS FOR YOUR BENEFIT AND REQUIRED BY INSURANCE REGULATION NO. 60

YOU ARE CONTEMPLATING THE PURCHASE OF A LIFE INSURANCE POLICY OR ANNUITY CONTRACT IN CONNECTION WITH THE SURRENDER, LAPSE OR CHANGE OF EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS. THE AGENT OR BROKER IS REQUIRED TO GIVE YOU THIS NOTICE TOGETHER WITH A SIGNED DISCLOSURE STATEMENT CONTAINING THE SUMMARY RESULT COMPARISON FOR THE NEW LIFE INSURANCE POLICY OR ANNUITY CONTRACT AND ANY LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS TO BE CHANGED THAT SETS FORTH THE FACTS OF THE TRANSACTION AND ITS ADVANTAGES AND DISADVANTAGES TO YOU. YOUR DECISION COULD BE A GOOD ONE — OR A MISTAKE — SO MAKE SURE YOU UNDERSTAND THE FACTS. YOU SHOULD:

1. CAREFULLY STUDY THE DISCLOSURE STATEMENT, WHICH INCLUDES A SUMMARY RESULT COMPARISON, UNTIL YOU ARE SURE YOU UNDERSTAND FULLY THE EFFECT OF THE TRANSACTION.
2. ASK THE COMPANY, AGENT OR BROKER FROM WHOM YOU BOUGHT YOUR EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS TO REVIEW WITH YOU THE TRANSACTION AND THE DISCLOSURE STATEMENT. YOU MAY BE ABLE TO EFFECT THE CHANGES YOU DESIRE MORE ADVANTAGEOUSLY WITH THEM. THEIR CUSTOMER SERVICE TELEPHONE NUMBER IS CONTAINED IN THE DISCLOSURE STATEMENT.
3. CONSULT YOUR TAX ADVISOR. THERE MAY BE UNFAVORABLE TAX IMPLICATIONS ASSOCIATED WITH THE CONTEMPLATED CHANGES TO YOUR EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS.

As a general rule, it is often not advantageous to drop or change existing coverage in favor of new coverage, whether issued by the same or a different insurance company. Some of the reasons it may be disadvantageous are:

1. The amount of the annual premium under an existing life insurance policy may be lower than that called for by a new life insurance policy having the same or similar benefits. Any replacement of the same type of policy will normally be at a higher premium rate based upon the insured's then attained age.
2. Since the initial costs of a life insurance policy are charged against the cash value increases in the earlier life insurance policy years, the replacement of an old life insurance policy by a new one results in the policyholder sustaining the burden of these costs twice. Annuity contracts usually contain provision for surrender charges, therefore a replacement involving annuity contracts may result in the imposition of surrender charges.
3. The incontestable and suicide clauses begin anew in a new life insurance policy. This could result in a claim being denied under the new life insurance policy that would have been paid under the life insurance policy that was replaced.
4. An existing life insurance policy or annuity contract often has more favorable provisions than a new life insurance policy or annuity contract in areas such as loan interest rate, settlement options, disability benefits and tax treatment.

5. There may have been changes in your health since the purchase of the existing coverage.
6. The insurance company with which you have existing coverage can often make a desired change on terms that would be more favorable than if you replaced existing coverage with new coverage.

YOU HAVE THE RIGHT, WITHIN 60 DAYS FROM THE DATE OF DELIVERY OF A NEW LIFE INSURANCE POLICY OR ANNUITY CONTRACT, TO RETURN IT TO THE INSURER AND RECEIVE AN UNCONDITIONAL FULL REFUND OF ALL PREMIUMS OR CONSIDERATIONS PAID ON IT, OR IN THE CASE OF A VARIABLE OR MARKET VALUE ADJUSTMENT POLICY OR CONTRACT, A PAYMENT OF THE CASH SURRENDER BENEFITS PROVIDED UNDER THE POLICY OR CONTRACT, PLUS THE AMOUNT OF ALL FEES AND OTHER CHARGES DEDUCTED FROM GROSS CONSIDERATIONS OR IMPOSED UNDER THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT, AND MAY HAVE THE RIGHT TO REINSTATE OR RESTORE ANY LIFE INSURANCE POLICIES AND ANNUITY CONTRACTS THAT WERE SURRENDERED, LAPSED OR CHANGED IN THE TRANSACTION TO THEIR FORMER STATUS TO THE EXTENT POSSIBLE AND IN ACCORDANCE WITH THE INSURER'S PUBLISHED REINSTATEMENT RULES TO THE EXTENT SUCH RULES ARE NOT INCONSISTENT WITH THE PROVISIONS OF THIS PART.

IMPORTANT: THIS RIGHT SHOULD NOT BE VIEWED AS REINSTATING OR RESTORING YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT TO THE SAME CONDITION AS IF IT HAD NEVER BEEN REPLACED. THERE MAY BE CONSEQUENCES IN REINSTATING OR RESTORING YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT, INCLUDING BUT NOT LIMITED TO:

- THE RIGHT TO REINSTATE OR RESTORE YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT APPLIES ONLY TO COMPANIES SUBJECT TO NEW YORK INSURANCE LAWS;
- YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT IS SUBJECT TO YOUR SPECIFIC COMPANY'S REINSTATEMENT RULES, WHICH MAY VARY FROM COMPANY TO COMPANY. THESE RULES MAY REQUIRE PAYMENT OF BOTH PREMIUM AND INTEREST; HOWEVER, YOU WILL NOT BE SUBJECT TO EVIDENCE OF INSURABILITY, OR A NEW CONTESTABLE OR SUICIDE PERIOD;
- YOU MAY NOT RECEIVE THE INTEREST OR INVESTMENT PERFORMANCE DURING THE PERIOD THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT WAS REPLACED; AND
- THERE MAY BE UNFAVORABLE FEDERAL INCOME TAX CONSEQUENCES AS A RESULT OF THE REINSTATEMENT OF YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT.

IMPORTANT: IN THE CASE OF A VARIABLE OR MARKET VALUE ADJUSTMENT POLICY OR CONTRACT, THE VALUE OF THE POLICY OR CONTRACT MAY INCREASE OR DECREASE DURING THE 60 DAY PERIOD DEPENDING ON THE PERFORMANCE OF THE UNDERLYING INVESTMENTS, WHICH MAY AFFECT THE VALUE OF THE REFUND YOU RECEIVE.

I HEREBY ACKNOWLEDGE THAT I READ THE ABOVE "IMPORTANT NOTICE" AND HAVE RECEIVED A COPY OF SAME.

Date: _____ Signature of Applicant: _____

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