

## 1. APPLICANT INFORMATION

First Name: \_\_\_\_\_ MI: \_\_\_\_\_ Last Name: \_\_\_\_\_ Suffix: \_\_\_\_\_

☐ Mr. ☐ Mrs. ☐ Ms. ☐ Dr. ☐ Rev. Gender: ☐ Male ☐ Female Marital Status: ☐ Married ☐ Not Married

Date of Birth (DOB): \_\_\_\_\_ SSN\* or Tax ID: \_\_\_\_\_

☐ U.S. Citizen ☐ Resident Alien ☐ Non-Resident Alien

Residence Address\*\*: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

☐ Business ☐ Personal ☐ Business Mobile ☐ Personal Mobile ☐ Business ☐ Personal ☐ Business Mobile ☐ Personal Mobile

Mailing Address\* (if different from residence): \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Employer: \_\_\_\_\_ Employer Location: \_\_\_\_\_ Hire Date: \_\_\_\_\_

\*Social Security Number (SSN) \*\*All Accounts will be updated with these addresses

## 2. BENEFICIARY DESIGNATION

This beneficiary designation supersedes all previous beneficiary designations for such account(s).

- To ensure that all beneficiaries are identified, list each by name.
- If no percentage is indicated, your benefits will be paid equally to the listed beneficiaries.
- Percentage total must equal 100%.
- A beneficiary may be an individual, institution, estate, or trust.
- If you wish to designate as beneficiaries your current children, and any children who may be born to you or legally adopted in the future, add the words "all my living children" in the name box following the last child listed.
- When there are multiple beneficiaries and one predeceases you, the proceeds will be divided between the remaining beneficiaries.

A designation of "Per Stirpes" after the beneficiary name allows the children of the deceased beneficiary to receive the deceased beneficiary's portion.

## 2A. INSIDE EDGE CUSTODIAL ACCOUNT (Required – this section must be completed.)

List each beneficiary by name. If no percentage is indicated, benefits will be paid equally to beneficiaries of record. Percentage must total 100%.  
If the beneficiary is a minor, or additional space is needed, please complete and submit a Beneficiary Designation Form (VL 14945).

☐ Check here if the beneficiary for the fixed annuity is the same as for the custodial account. (No designation required below.)

**PRIMARY**

Name: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_ DOB or Trust Date: \_\_\_\_\_ SSN or Tax ID: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

E-mail: \_\_\_\_\_ Relationship: \_\_\_\_\_ Percent (Whole): \_\_\_\_\_ %

**CONTINGENT**

Name: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_ DOB or Trust Date: \_\_\_\_\_ SSN or Tax ID: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

E-mail: \_\_\_\_\_ Relationship: \_\_\_\_\_ Percent (Whole): \_\_\_\_\_ %

☐ Check here if you have named additional beneficiaries on a separate sheet, signed, dated and attached to this form.  
Print your name and Social Security number at the top of each separate sheet attached.

## 3. CONTRIBUTION SOURCE

TO BE COMPLETED BY AGENT		Employee Voluntary (1)	Employee Mandatory or Matched (2)	Employer Basic (3)	Employer Supplemental or Matching (4)	Employee Roth (5) 403(b) Only
Plan Information	Group # _____					
	Plan Type _____					
	Plan # _____					
	Product _____					
	Sub Group _____					

## 4. E-MAIL ADDRESS AND DOCUMENT DELIVERY CHOICES

E-mail Address: \_\_\_\_\_ ☐ Business ☐ Personal

Select document delivery choice below. If no selections are made, paper documents will be mailed.

☐ Electronic delivery ☐ Paper delivery

Electronic delivery is a free service though you may pay to access the Internet or receive e-mails. VALIC will send e-mail notices when documents are available for viewing and/or printing online. See the Information page(s) for more details.

## 5. INVESTMENT INSTRUCTIONS

For fund names, numbers, descriptions, see "Fund Sheet Summary". Please make check payable to VALIC.

**NOTE:** Minimum initial and subsequent investment is \$50 per fund per payroll deduction plans. Total Selections must equal 100%.

### MUTUAL FUND OPTIONS

#### PUBLIC FUNDS

_____ %	8007	American Century Real Estate Fund Inv
_____ %	8006	American Century Small Cap Growth Fund Inv
_____ %	8009	American Funds Capital World Growth & Income Fund R4
_____ %	8010	American Funds EuroPacific Growth Fund R4
_____ %	8011	American Funds Fundamental Investors Fund R4
_____ %	8012	American Funds Growth Fund of America R4
_____ %	8013	American Funds Income Fund of America R4
_____ %	8014	American Funds New Economy Fund R4
_____ %	8019	BNY Mellon Small/Mid Growth Fund A
_____ %	8090	BNY Mellon International Stock Index
_____ %	8020	BNY Mellon Dynamic Value Fund I
_____ %	8016	Columbia Select Mid Cap Value Fund A
_____ %	8018	Davis NY Venture Fund A
_____ %	8021	Fidelity Adv Emerging Market Fund A
_____ %	8022	Fidelity Adv International Discovery Fund A
_____ %	8023	Fidelity Adv Leveraged Company Stock Fund A
_____ %	8024	Fidelity Adv Small Cap Fund A
_____ %	8025	Franklin Income Fund A
_____ %	8026	Franklin Mutual Beacon Fund A
_____ %	8027	Franklin Mutual Discovery Fund A
_____ %	8091	Franklin Small Cap Value Fund A
_____ %	8000	Invesco Charter Fund R5
_____ %	8002	Invesco Energy Fund R5
_____ %	8032	Invesco Oppenheimer Gold & Special Minerals Fund A
_____ %	8033	Invesco Oppenheimer Main Street Mid Cap Fund A
_____ %	8028	Janus Forty Fund S
_____ %	8029	JP Morgan International Value Fund A
_____ %	8031	Neuberger Berman Sustainable Equity Fund Tr
_____ %	8034	PIMCO Low Duration Fund A
_____ %	8035	PIMCO Total Return Fund A
_____ %	8036	Pioneer Fundamental Value Fund A
_____ %	8037	Pioneer Fund A
_____ %	8038	Pioneer Mid-Cap Value Fund A
_____ %	8039	T. Rowe Price Retirement 2010 Fund Adv
_____ %	8040	T. Rowe Price Retirement 2020 Fund Adv
_____ %	8041	T. Rowe Price Retirement 2030 Fund Adv
_____ %	8042	T. Rowe Price Retirement 2040 Fund Adv
_____ %	8030	Victory Munder Mid-Cap Core Growth Fund A
_____ %	8108	Vanguard Federal Money Market Inv

#### SUBADVISED FUNDS

_____ %	8099	Aggressive Growth Lifestyle Fund
_____ %	8043	Asset Allocation Fund
_____ %	8100	Capital Appreciation Fund
_____ %	8102	Conservative Growth Lifestyle Fund
_____ %	8097	Core Bond Fund
_____ %	8048	Dividend Value Fund
_____ %	8050	Emerging Economies Fund
_____ %	8067	Global Real Estate Fund
_____ %	8052	Global Strategy Fund
_____ %	8053	Government Securities Fund
_____ %	8054	Growth Fund
_____ %	8098	High Yield Bond Fund
_____ %	8057	Inflation Protected Fund
_____ %	8058	International Equities Index Fund
_____ %	8059	International Government Bond Fund
_____ %	8060	International Growth Fund
_____ %	8103	International Opportunities Fund
_____ %	8051	International Socially Responsible Fund
_____ %	8049	International Value Fund
_____ %	8062	Large Capital Growth Fund
_____ %	8063	Mid Cap Index Fund
_____ %	8064	Mid Cap Strategic Growth Fund
_____ %	8104	Mid Cap Value Fund
_____ %	8105	Moderate Growth Lifestyle Fund
_____ %	8066	Nasdaq 100® Index Fund
_____ %	8068	Science & Technology Fund
_____ %	8096	Small Cap Growth Fund
_____ %	8071	Small Cap Index Fund
_____ %	8072	Small Cap Special Value Fund
_____ %	8106	Small Cap Value Fund
_____ %	8075	Stock Index Fund
_____ %	8055	Systematic Core Fund
_____ %	8044	Systemic Growth Fund
_____ %	8045	Systematic Value Fund
_____ %	8107	U.S. Socially Responsible Fund

#### FIXED-INTEREST OPTION

\_\_\_\_\_ % FB009 Fixed Annuity – Long-Term Fixed Option. (This is an annuity contract option separate from the mutual fund account.)

A withdrawal charge may apply to in-service withdrawals or transfer amounts greater than 20% per contract year. Transfers to the fixed annuity within 90 days of a transfer from the fixed annuity may receive a different rate of interest than new purchase payments.

## 6. AFFIRMATIONS AND STATEMENTS

By signing this form:

- I represent that all statements, answers and affirmations are complete and true to the best of my knowledge and belief.
  - I have read and understand the information provided in the Information section.
  - I certify and agree that I have received and hereby adopt the VALIC 403(b)(7) Employee Custodial Account Agreement VL 21679 appointing VALIC as Custodian of my 403(b)(7) account and agree to be bound by all of the terms and conditions of that Agreement.
  - I hereby consent to a quarterly custodial/administrative fee of \$7.50 and a recordkeeping fee, which will be deducted from my account on a quarterly basis.
  - I understand that if I have not made an investment election, investments will be placed in the Money Market fund or such other funds my employer has designated.
  - I understand that mutual fund shares are not deposits or obligations of, or guaranteed or endorsed by, any bank, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other agency of the U.S. Government, and that an investment in mutual fund shares involves risks, including the possible loss of principal.
  - I understand that transfers from the Fixed-Interest Option may be restricted. I understand that mutual fund investment return and principal value will fluctuate so that when redeemed any shares in my Plan account may be worth more or less than their original cost. I affirm that the information on this form is accurate and complete, to the best of my knowledge.
  - I understand that I am establishing a custodial account and by separate application, a fixed annuity.
  - I understand that if I invest in this program through a broker-dealer that the broker-dealer may charge an advisory fee. A portion of this fee may be paid to VALIC or an affiliate for recordkeeping fees.
- ☐ Check if you own or participate in another VALIC product.

Applicant's Signature

Signed at City/State

Date

## 7. DEALER/LICENSED AGENT INFORMATION AND SIGNATURES

Licensed Agent: \_\_\_\_\_ VALIC Agent #/Location: \_\_\_\_\_  
(Print Name)

Licensed Agent Phone: (\_\_\_\_) \_\_\_\_\_ State License #: \_\_\_\_\_ Region#: \_\_\_\_\_

To the best of my knowledge the applicant has an existing life insurance policy or annuity contract. ☐ Yes ☐ No

Do you have any reason to believe the annuity applied for will replace or change any existing life insurance or annuity? ☐ Yes ☐ No

As Agent, have you complied with all State Replacement Regulations and completed all required State Replacement Forms? ☐ Yes ☐ N/A

By signing this form, I certify that I have truly and accurately recorded herein the information provided by the applicant.

Licensed Agent/Registered Representative's Signature

Date

Broker-Dealer: \_\_\_\_\_  
(Print Name)

Branch Office Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Licensed Principal of Broker-Dealer's Signature

Date

## INFORMATION

### WITHDRAWAL RESTRICTIONS FOR 403(b)(7) PARTICIPANTS

Under federal tax laws regulating certain 403(b)(7) plans, election contributions, interest and earnings credited to your account after 12/31/88 and elective contributions may be withdrawn only after the following:

- Severance from employment
- Death
- Hardship (contributions only)
- Attainment of age 59½ or older
- Disability

Your Employer's plan may contain other withdrawal restrictions. Some employer plans have alternative investment options among which plan participants may transfer contract values.

### INVESTMENT OBJECTIVE DEFINITIONS

**Safety of Principal** – For clients with a low tolerance for investment risk and/or a short time horizon. The investor generally seeks to hold securities with little or no price fluctuation.

**Long-term Growth** – For clients with a moderate to high tolerance for investment risk and a long time horizon. The investor seeks capital appreciation and has little need for current income.

**Income** – For clients seeking income and protection from inflation. Accepts less fluctuations in investment results by emphasizing more income and capital preservation and less long-term growth.

Questions about this form may be directed to **1-800-448-2542**, Monday through Friday, 7 a.m. to 8 p.m. Central Time.

### Please send completed forms to:

Retirement Services Center  
P.O. Box 15648  
Amarillo, TX 79105-5648

Overnight Delivery:

Retirement Services Center  
1050 N. Western St.  
Amarillo, TX 79106-7011



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

MAR 16 2006

Variable Annuity Life Insurance Company  
2929 Allen Parkway  
Houston, TX 77019

EIN Number: 74-1625348

Ladies and Gentlemen:

In a letter dated October 24, 2005, as supplemented by additional information dated February 21, March 1, 2006, and March 9, 2006, your authorized representative requested a written notice of approval that Variable Annuity Life Insurance Company may act as a passive or non-passive nonbank custodian of medical savings accounts established under section 220 of the Internal Revenue Code and health savings accounts described in section 223, passive or non-passive nonbank custodian of plans qualified under section 401 or accounts described in section 403(b)(7), passive or non-passive nonbank custodian for individual retirement accounts (IRAs) established under sections 408 and 408A (dealing with Roth IRAs), passive or non-passive nonbank custodian of Coverdell education savings accounts established under section 530, and as a passive or non-passive nonbank custodian of eligible deferred compensation plans described in section 457(b).

Section 220(d)(1)(B) of the Code (dealing with Archer MSAs (medical savings accounts)) provides, in pertinent part, that the trustee of a medical savings account must be a bank (as defined in section 408(n)), an insurance company (as defined in section 816), or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section. Q & A-10 of Notice 96-53, 1996-2 C.B. 219 provides, in pertinent part, that persons other than banks, insurance companies, or previously approved IRA trustees or custodians may request approval to be a trustee or custodian in accordance with the procedures set forth in section 1.408-2(e) of the Income Tax Regulations.

Section 223(d)(1)(B) of the Code provides, in pertinent part, that the trustee of a health savings account must be a bank (as defined in section 408(n)), an insurance company (as defined in section 816), or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be



consistent with the requirements of this section. Section 223(d)(4)(E) provides, in general, that rules similar to section 408(h) (dealing with custodial accounts) also apply to health savings accounts. See below.

Section 401(f)(1) of the Code provides that a custodial account shall be treated as a qualified trust under this section if such custodial account would, except for the fact it is not a trust, constitute a qualified trust under this section. Section 401(f)(2) provides that the custodian must be a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will hold the assets will be consistent with the requirements of section 401 of the Code. Section 401(f) also provides that in the case of a custodial account treated as a qualified trust, the person holding the assets of such account shall be treated as the trustee thereof.

Section 403(b)(7)(A) of the Code requires, in part, that for amounts paid by an employer to a custodial account to be treated as amounts contributed to an annuity contract for his employee, the custodial account must satisfy the requirements of section 401(f)(2). That section also requires, in order for the amounts paid by an employer to be treated as amounts contributed to an annuity contract for his employee, that the amounts are to be invested in regulated investment company stock to be held in the custodial account, and under the custodial account no such amounts may be paid or made available to any distributee before the employee dies, attains age 59 1/2, has a severance from employment, becomes disabled (within the meaning of section 72(m)(7)), or in the case of contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(1)(D)), encounters financial hardship.

Section 408(a)(2) of the Code requires that the trustee of an IRA be a bank (as defined in section 408(n) of the Code) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the IRA will be consistent with the requirements of section 408.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under this section if the assets of such account are held by a bank (as defined in subsection (n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in subsection (a). Section 408(h) also provides that, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

Section 408A of the Code provides, in general, that a Roth IRA shall be treated in the same manner as an individual retirement plan. Section 7701(a)(37)(A) defines an individual retirement plan as an individual retirement account described in section 408.

Section 530(b)(1)(B) of the Code (dealing with Coverdell education savings accounts) requires that the trustee of such an account be a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section or who has so demonstrated with respect to any individual retirement plan.

Section 530(g) of the Code (dealing with Coverdell education savings accounts) provides that a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an account described in subsection (b)(1). For purposes of title 26 [the Internal Revenue Code], in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

Section VII of Notice 98-8, 1998-1 C.B. 355 (guidance relating to the requirements applicable to eligible deferred compensation plans described in section 457(b) of the Code), provides, in pertinent part, that for purposes of the trust requirements of section 457(g)(1), a custodial account will be treated as a trust if the custodian is a bank, as described in section 408(n), or a person who meets the nonbank trustee requirements of section VIII of this notice, and the account meets the requirements of section VI of this notice, other than the requirement that it be a trust. Section VIII provides that the custodian of a custodial account may be a person other than a bank only if the person demonstrates to the satisfaction of the Commissioner that the manner in which the person will administer the custodial account will be consistent with the requirements of section 457(g)(1) and (g)(3) of the Code. To do so, the person must demonstrate that the requirements of paragraphs (2)-(6) of section 1.408-2(e) of the regulations relating to nonbank trustees will be met.

The Income Tax Regulations at section 1.408-2(e) contain the requirements that such other person must comply with in order to act as trustee or custodian, for purposes of sections 220, 223, 401(f), 403(b)(7), 408(a)(2), 408(h), 408(q), 408A, 457(b) and 530 of the Code. One of the requirements of section 1.408-2(e) states that such person must file a written application with the Commissioner demonstrating, as set forth in that section, its ability to act as a trustee or custodian.

Based on all the information submitted to this office and all the representations made in the application, we have concluded that Variable Annuity Life Insurance Company meets the requirements of section 1.408-2(e) of the regulations and, therefore, is approved to act as a passive or non-passive nonbank custodian of medical savings accounts established under section 220 of the Code and health savings accounts described in section 223, passive or non-passive nonbank custodian of plans qualified under section 401 or accounts described in section 403(b)(7), passive or non-passive



nonbank custodian for individual retirement accounts (IRAs) established under sections 408 and 408A (dealing with Roth IRAs), passive or non-passive nonbank custodian of Coverdell education savings accounts established under section 530, and as a passive or non-passive nonbank custodian of eligible deferred compensation plans described in section 457(b).

This letter authorizes Variable Annuity Life Insurance Company to act as a passive or non-passive nonbank custodian. When Variable Annuity Life Insurance Company acts as a passive nonbank custodian (within the meaning of section 1.408-2(e)(6)(i)(A) of the regulations), it is authorized only to acquire and hold particular investments specified by the custodial agreement. It may not act as a passive custodian if under the written custodial agreement it has discretion to direct investments of the custodial funds.

This letter while authorizing Variable Annuity Life Insurance Company to act as a custodian does not authorize it to pool accounts in a common investment fund (other than a mutual fund) within the meaning of section 1.408-2(e)(5)(viii)(C) of the regulations. Variable Annuity Life Insurance Company may not act as a custodian unless it undertakes to act only under custodial agreements that contain a provision to the effect that the grantor is to substitute another trustee or custodian upon notification by the Commissioner that such substitution is required because Variable Annuity Life Insurance Company has failed to comply with the requirements of section 1.408-2(e) of the regulations or is not keeping such records, or making such returns or rendering such statements as are required by forms or regulations. For example, one such form is Form 990-T for IRAs that have \$1000 or more of unrelated business taxable income that is subject to tax by section 511(b)(1) of the Code.

Variable Annuity Life Insurance Company is required to notify the Commissioner of Internal Revenue, Attn: SE:T:EP:RA, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change which affects the continuing accuracy of any representations made in its application. Further, the continued approval of Variable Annuity Life Insurance Company to act as a passive or non-passive nonbank custodian of medical savings accounts established under section 220 of the Code and health savings accounts described in section 223, passive or non-passive nonbank custodian of plans qualified under section 401 or accounts described in section 403(b)(7), passive or non-passive nonbank custodian for individual retirement accounts (IRAs) established under sections 408 and 408A (dealing with Roth IRAs), passive or non-passive nonbank custodian of Coverdell education savings accounts established under section 530, and as a passive or non-passive nonbank custodian of eligible deferred compensation plans described in section 457(b) is contingent upon the continued satisfaction of the criteria set forth in section 1.408-2(e) of the regulations.

This approval letter is not transferable to any other entity. An entity that is a member of a controlled group of corporations, within the meaning of section 1563(a) of the Code, may not rely on an approval letter issued to another member of the same controlled

group. Furthermore, any entity that goes through an acquisition, merger, consolidation or other type of reorganization may not necessarily be able to rely on the approval letter issued to such entity prior to the acquisition, merger, consolidation or other type of reorganization. Such entity may have to apply for a new notice of approval in accordance with section 1.408-2(e) of the regulations.

This letter constitutes a notice that Variable Annuity Life Insurance Company may act as a passive or non-passive nonbank custodian of medical savings accounts established under section 220 of the Code and health savings accounts described in section 223, passive or non-passive nonbank custodian of plans qualified under section 401 or accounts described in section 403(b)(7), passive or non-passive nonbank custodian for individual retirement accounts (IRAs) established under sections 408 and 408A (dealing with Roth IRAs), passive or non-passive nonbank custodian of Coverdell education savings accounts established under section 530, and as a passive or non-passive nonbank custodian of eligible deferred compensation plans described in section 457(b) and does not bear upon its capacity to act as a custodian under any other applicable law. This is not an endorsement of any investment. The Internal Revenue Service does not review or approve investments.

This notice of approval is effective as of the date of this letter and will remain in effect until withdrawn by Variable Annuity Life Insurance Company or revoked by the Service. This notice of approval does not authorize Variable Annuity Life Insurance Company to accept any fiduciary account before this notice becomes effective.

In accordance with the power of attorney on file in this office, a copy of this letter is being sent to your authorized representative.

If you have any questions, please contact Mr. Robert C. Brambilla (Badge No. 50-00751) at (202) 283-9610.

Sincerely,

A handwritten signature in cursive script that reads "Carlton A. Watkins".

Carlton A. Watkins, Manager  
Employee Plans Technical Group 1