VALIC

FLEXIBLE-PREMIUM ANNUITY

ProFlex℠ Annuity

Flexible-premium deferred fixed annuity issued by
The Variable Annuity Life Insurance Company

SAVING : INVESTING : PLANNING

VALIC's ProFlex Annuity can provide you with guaranteed interest earnings to help diversify your overall retirement portfolio. Whether it is saving and investing to accumulate money for your "life after work" or making sure that your assets will provide income that will last you the rest of your life, VALIC has the products and expertise to make sure that this is possible.

No initial sales charges or annual administrative fees, so 100% of your money starts earning interest for you right away.[1]

Competitive earnings

ProFlex provides a guaranteed interest rate regardless of future economic conditions. The Variable Annuity Life Insurance Company guarantees to credit your ProFlex Annuity policy with a minimum rate of interest, as indicated in your policy or applicable endorsements.

All guarantees are backed by the claims-paying ability of The Variable Annuity Life Insurance Company.

Retirement income options

Upon retirement, you can annuitize your ProFlex policy and choose from several payout options including:

- Lifetime income stream you cannot outlive
- Joint and survivor lifetime income
- Lifetime income stream with 5, 10, 15 or 20 years guaranteed
- Lifetime income stream with Refund Amount or Fixed Period Income

[1] Withdrawals in excess of permitted free amounts may be subject to a 5% withdrawal charge based on premium(s) received within the past five years, for the first 12 policy years (may be less in some states).

VALIC's ProFlex Annuity

Guarantees[2]

Crediting Method	Interest is credited and compounded daily to achieve an annual yield equal to the rate for the guaranteed interest rate period. Money must remain in the account, without any withdrawals, to realize the initial interest rate guarantee during the applicable period.
Minimum Guaranteed Interest Rate	Regardless of future economic conditions, your annuity is guaranteed to renew at or above the minimum interest rate, which is listed in your policy or applicable endorsement(s).[2]
Immediate Crediting	Interest crediting begins the same day the money is deposited into The Variable Annuity Life Insurance Company account.
"Free-Look" Guarantee	The Variable Annuity Life Insurance Company allows a 20-day (or longer in some states) "free-look" period.
Return-of-Premium Guarantee	The policyowner can return his/her annuity anytime for an amount equal to the purchase payment(s) less withdrawals (if any), or the withdrawal value (annuity value less any early withdrawal charge), whichever value is greater.[2]
Required Minimum Distributions	The Variable Annuity Life Insurance Company will make all necessary calculations for federally required minimum distributions (RMD), unless the policyowner requests otherwise. Prior to any RMD, the company will notify the owner of distribution options.
Statements	Each client receives a fixed annuity contract and other important policy information and a quarterly statement.

Withdrawals

Penalty-Free Withdrawal Privilege	After the first policy year, multiple withdrawals of up to 10% of the previous anniversary annuity value can be withdrawn free of withdrawal charges.
Systematic Withdrawal	$50 minimum amount.[3] If the withdrawal amount exceeds the permitted free withdrawal amount, withdrawal charges may apply.
Minimum Withdrawal	$250 minimum amount for nonsystematic partial withdrawals.

[2] All guarantees are backed by the claims-paying ability of The Variable Annuity Life Insurance Company.

[3] By company practice, which is subject to change.

Taxes, Tax Advantages & Tax-Free Transfers[4]

Tax Deferral	Federal income taxes are deferred until the year interest is withdrawn, unless the owner is a non-natural person.[5]
Tax-Advantaged Income	Once the contract is annuitized, part of each annuity income payment is considered a tax-free return of principal (except tax-qualified annuities, such as traditional IRAs, where there may be no after-tax basis).
Pre-59½ Withdrawals	Withdrawals of earnings are taxable as ordinary income and, if taken prior to age 59½, may be subject to a 10% federal tax penalty. The penalty may be waived in certain circumstances including death, total disability (as defined by the Internal Revenue Code), if the payment is made as part of a series of substantially equal payments for the life expectancy of the owner, for a period of five years or attainment of age 59½, whichever is longer; and if under an employer plan after separation from service at age 55 or older; in the case of IRAs for the purchase of a first home or payment of tuition.
Tax-Free Exchange	May be used for exchanges from a life insurance or endowment contract or another annuity.[6] To maintain nontaxable status, the owner and annuitant must remain the same, and the owner cannot take receipt of the funds.
Tax-Qualified Plans	May be used for an initial tax-qualified contribution, transfer or direct rollover of funds for IRAs or 403(b)s.[6]

Loans in Employer-Sponsored Plans

Tax-Free Loans (if provided for in your employer-sponsored plan)	Access a portion of your accumulated account value without permanently reducing the account balance or incurring federal tax penalties. Defaulted loan amounts will be taxed as ordinary income and might incur a 10% federal tax penalty if you are under age 59½. Loans may be subject to employer plan provisions and regulations. A $60 loan initiation fee may be applied to your loan and will be considered part of the loan amount. Your financial advisor can help you determine if the fee applies to your loan.

4 Neither VALIC nor its financial advisors or other representatives give legal or tax advice. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. For legal or tax advice concerning your situation, consult your attorney or professional tax advisor.

5 For federal income tax purposes, withdrawals from nonqualified annuities are treated as earnings first, subject to ordinary income tax and as a return of principal after earnings are exhausted. Certain trusts qualifying for 'look through treatment' under the Code might receive tax deferral.

6 State replacement form(s) may be required on Section 1035 exchanges, rollovers and transfers from other annuities in AR, AZ, CA, CO, DE, FL, GA (life insurance only), HI, IA, ID, IL, IN, KS, LA, MA, MD, MN, MO, MS, MT, NC, NE, NH, NM, OH, OK, OR, PA, SC, SD, TN, UT, VA (life insurance only), VT, WA, WI, and WY.

Charges & Fees

Initial Sales Charge	None.
Annual Fee	None.
Withdrawal Charge	Withdrawals in excess of permitted free amounts may incur an early withdrawal charge. Withdrawals are taken first from earliest premium payments, then later premiums, and finally interest. No withdrawal charges will be assessed on any withdrawals made after the 12th policy year (may be less in some states). Withdrawal charges are assessed based on the age of the premium(s) used to satisfy the withdrawal as follows: Years Since Receipt of Premium: 1 / 2 / 3 / 4 / 5 / 6+ Withdrawal Charge: 5% / 5% / 5% / 5% / 5% / 0%
Waiver of Withdrawal Charge	We will waive any applicable early withdrawal charge for withdrawals for the following conditions: death, disability, terminal illness, extended care (all states except MA), account is at least five years old and separated from service after attaining age 55, withdrawals of less than 10% of the Annuity Value (see Penalty Free Withdrawal Privilege section) or any withdrawals made after the twelfth (12) Contract Year (may be less in some states).

Years Since Receipt of Premium	1	2	3	4	5	6+
Withdrawal Charge	5%	5%	5%	5%	5%	0%

Death Benefit (before annuity date)

Amount of Death Benefit	If the owner dies, 100% of the annuity value, less any outstanding loan balances, will be paid to the owner's beneficiary(ies). No early withdrawal charge applies.
Spousal Beneficiaries	In the case of a nonqualified annuity or IRA, the spouse of a deceased owner may elect to receive a distribution or become the new "owner" and continue the contract, if the spouse is the sole primary beneficiary. In the case of a tax-qualified annuity, the spouse may wait until the decedent would have attained age 70½ to begin distributions.
Nonspousal Beneficiaries	Upon the death of any owner, the beneficiary(ies) may receive income payments by December 31 of the year following the year of death or take total distribution within five years of death.

Amounts

$50 per month or $2,000	Minimum purchase premium for nonqualified or qualified annuity.
$2,000	Minimum value to maintain policy.
$250	Minimum amount for nonsystematic withdrawals.
$50	Minimum systematic withdrawal amount.[3]
$1,000,000 ($500,000 above age 75)	Maximum purchase premium amount without prior company approval.

Ages

Issue Ages	**Up to 85** owner and annuitant for nonqualified and IRA. **Up to 70** owner and annuitant for qualified.
Maximum Annuity Age	When distribution of annuity income must begin: **Nonqualified annuities:** age 95 (may be lower in some states). **Tax-qualified annuities:** Distribution must generally begin by April 1 of the year after the annuitant reaches age 70½ or retires from the employer sponsoring the plan, whichever is later (age 70½ in the case of IRAs) unless, in the case of a 403(b) or IRA, required minimum distribution requirements are being satisfied elsewhere. Distribution may be accomplished by annuitization of the contract or by taking partial withdrawals. Roth IRAs do not have minimum distribution requirements during the owner's lifetime.

Ownership

Types of Ownership	Single, trust, minor (UTMA/UGMA), corporate, organization.

[3] By company practice, which is subject to change.

Tax-qualified contributions such as IRAs, 401(k)s, etc. are tax deferred regardless of whether they are funding a tax-qualified retirement plan with an annuity. You should know that an annuity does not provide any additional tax-deferred treatment of earnings beyond the treatment by the tax-qualified retirement plan itself. However, annuities do provide other features and benefits such as income options.

VALIC represents The Variable Annuity Life Insurance Company and its subsidiaries, VALIC Financial Advisors, Inc. and VALIC Retirement Services Company.

The contract may not be available in all states and policy provisions may vary from state to state. Refer to your contract for actual governing contractual provisions.

Sound future

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