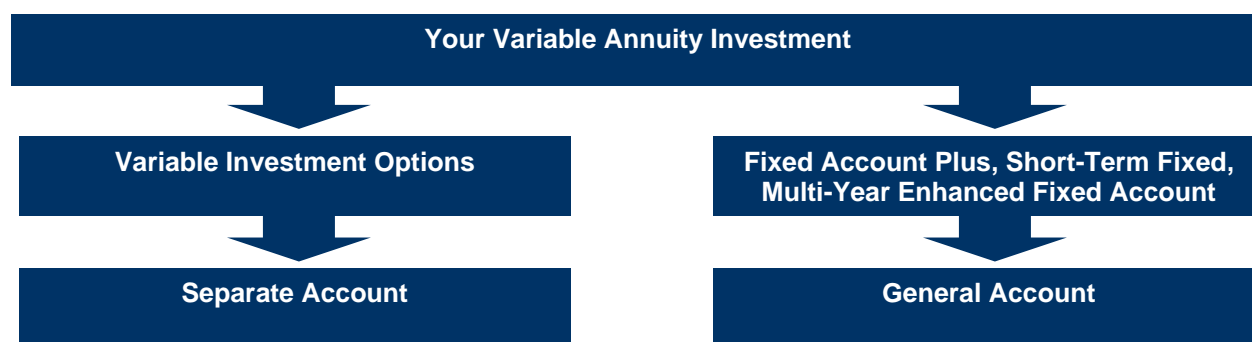


VALIC Variable Annuities: Structured to help protect your clients

March 2, 2009

In light of recent news about VALIC's parent company, AIG (American International Group, Inc.), here's a simple overview of how your variable annuity is structured to help protect you. This structure ensures that your long term retirement savings remain protected, regardless of issues and decisions at the parent company level.

When you purchase a variable annuity, your money is invested in a "separate account," "general account" or a combination of the two, based on how you choose to allocate your investment.



- Your assets in the variable investment options (subaccounts) are invested in underlying portfolios that are regulated by the SEC and managed by professional money managers.
- These assets are held in a separate account, which is segregated from the insurance company's general account and cannot be tapped by creditors or the parent company.
- Separate account assets are held for the exclusive benefit of you and your beneficiaries.
- While investment dollars in the separate account are subject to market risk and potential loss of principal, they are not subject to claims from any person or entity other than a contract owner, plan participant or beneficiary.
- State insurance law *requires* insurance company separate account assets to be held apart from the rest of the company assets.
- Assets in an insurance company's general account are regulated by state insurance departments.
- State insurance regulations are substantial and are designed to preserve and enhance the solvency of the general account. Their purpose is to assure that contractual obligations to clients are fulfilled.
- Guarantees in a variable annuity contract—including the fixed account rates, death benefits and income guarantees—are supported by the general account, which supports only the obligations of that insurance company, not any obligations of AIG or any other parent company.
- In accordance with company investment guidelines and state requirements, VALIC's general account assets are primarily invested in cash and high quality investment grade fixed income securities (bonds).
- All guarantees are backed by the claims-paying ability of The Variable Annuity Life Insurance Company (VALIC) and its general account.

Note: Variable annuities are long-term investments designed for retirement. An investment in a variable annuity involves investment risk, including possible loss of principal. Variable annuity investment options fluctuate with market conditions.

Why are financial strength ratings important?

- While financial strength ratings are subject to change at any time, we remain confident in our current high (investment grade) ratings. These ratings are assigned by ratings agencies following an in-depth review of company financials. The ratings assigned represent the agencies' assessment of a company's financial condition and ability to satisfy its contractual obligations to its customers. Financial strength is important—you want the company that stands behind the insurance guarantees in an annuity to be there when you need it—when you're ready to take income or when your heirs need the funds that are due to them. Our ratings are competitive with those of our industry peers. VALIC's ratings are:

VALIC: Financial Strength Ratings			<i>as of 03/02/2009</i>
Agency	Rating	Descriptor	Definition
A.M. Best ¹	A	Excellent	"Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations."
Fitch ²	AA-	Very Strong	"Denote a very low expectation of ceased or interrupted payments. They indicate very strong capacity to meet policyholder and contract obligations on a timely basis. This capacity is not significantly vulnerable to foreseeable events."
Moody's ³	A1	Good	"Insurance companies rated A offer good financial security. However, elements may be present which suggest a susceptibility to impairment sometime in the future. "
S&P ⁴	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."

1 Negative outlook

2 Rating watch evolving

3 Developing outlook

4 Outlook negative

What obligations does an insurance company have to customers?

For money invested in the general account, the company provides fixed rate earnings and a guarantee of principal plus living and death benefits. It's the opinion of the rating agencies that VALIC has an "excellent ability" to meet its ongoing insurance obligations.

Is my annuity insured by the FDIC?

- No. The FDIC insures bank accounts, such as checking, savings, trust and money market deposit accounts, as well as certificates of deposit (CDs) and IRAs. Bank accounts generally are insured by the FDIC up to the legal limit of \$250,000.
- The FDIC does not insure products such as mutual funds, annuities, life insurance policies, stocks and bonds.

Securities and investment advisory services are offered by AIG Retirement Advisors, Inc., member FINRA, SIPC and an SEC-registered investment advisor.

Annuity contracts are issued by The Variable Annuity Life Insurance Company. Annuities and mutual funds offered by AIG Retirement Advisors, Inc. are distributed by its affiliate, American General Distributors, Inc., 2929 Allen Parkway, Houston, TX 77019, member FINRA.