American Century Life Insurance Company

Phone 855.966.1111 | Fax 855.855.0181 | service@aclic.com
1333 W. McDermott Dr. #200, Allen, TX 75013

IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES

This document must be signed by the applicant and the producer, if there is one, and a copy left with the applicant.

You have been offered a new annuity contract to replace your existing annuity contract. Before you replace your existing annuity contract, you should consider the financial gains and losses of replacement. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchase are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on an existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase. A financed purchase occurs when the purchase of a new life insurance policy involved the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You may incur additional costs to acquire the new annuity contract, and there may be surrender costs deducted from your existing policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? ☐ Yes ☐ No
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? ☐ Yes ☐ No

If you answered "Yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (including the same of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing.

Insurer Name	Contract or policy #	Insured or Annuitant	Replaced or financing
1.			
2.			
3.			

To make an informed decision about the replacement of your existing annuity contract, you should discuss the provisions of that contract with the producer of insurance or the insurance company which issued it to determine whether your existing annuity contract may be revised to meet your present needs. Your new annuity contract provides 30 days for you to decide if you wish to keep it.

The producer of insurance or insurance company which is offering to replace your existing annuity contract is required to obtain your signature on this notice and to notify your existing insurance company that you are considering the replacement of your existing annuity contract.

The existing policy or contract is being replaced because: ____________________

I do not want this notice read aloud to me (Applicants must initial only if they do not want the notice read aloud.) ________

I certify that the responses herein are, to the best of my knowledge, accurate. I have read this notice and received a copy of it for my records. I have also received a copy of the written comparison of the proposed annuity contract and my existing annuity contract:

Owner Signature	Joint Owner Signature	Date
Agent Signature	Agent Name	Date

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A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agents that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agents to determine whether replacement or financing your purchase makes sense.

PREMIUMS

Are they affordable?
Could they change?
You're older – are premiums higher for the proposed new policy?
How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES

New policies usually take longer to build cash values and to pay dividends
Acquisition costs for the old policy may have been paid, you will incur costs for the new one
What surrender charges do the policies have?
What expense and sales charges will you pay on the new policy?
Does the new policy provide more insurance coverage?

INSURABILITY

If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down
You may need a medical exam for a new policy
Claims on most new policies for up to the first two years can be denied based on inaccurate statements
Suicide limitations may begin anew on the new coverage

IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY

How are premiums for both policies being paid?
How will the premiums on your existing policy be affected?
Will a loan be deducted from death benefits?
What values from the old policy are being used to pay expenses?

IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT

Will you pay surrender charges on your old contract?
What are the interest rate guarantees for the new contract?
Have you compared the contract charges or other policy expenses?

OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS

What are the tax consequences of buying the new policy?
Is this a tax free exchanges? (See your tax advisor.)
Is there a benefit from favorable "grandfathering" treatment of the old policy under the federal tax code?
Will the existing insurer be willing to modify the old policy?
How does the quality and financial stability of the new company compare with your existing company?