



## Max Accumulator+ II IUL & 7702 Updates

We are pleased to announce that effective July 17<sup>th</sup>, 2021, Max Accumulator+ II IUL will be updated to meet the new 7702 requirements, including new CVAT Corridor Factor and Guideline/7-Pay Premium Test interest rates. As the result of the change, clients can now choose to pay more premium into the policy without creating a Modified Endowment Contract (MEC) violating life insurance tests, and therefore improve cash value accumulation and income distribution potential.

In addition to this 7702 update, we also made some changes and improved the ML Strategic Balanced Index Participation Rate from 110% to 115%. Max Accumulator+ II will continue to be a competitive cash accumulation IUL with innovative features. For more product information, click [here](#).

## Max Accumulator+ II Transition Rules

### Paper Applications

- New Max Accumulator+ II product is effective **July 17, 2021**.
- Applications received on or after **July 17, 2021** will receive the **new product**.
- Starting **4:00 PM CDT on July 16, 2021** only the **new product** will be available in Winflex.
- To receive the **old product** applications must be received on or before **July 16, 2021**.
  - A new 7702 compliant illustration is required and must be requested from the Sales Support Desk (access code required). Please contact the Sales Support Desk to request a new 7702 compliant illustration.
  - Applications for the **old product** must be issued by **September 16, 2021**; otherwise, an illustration for the **new product** will be required.
  - For 1035 exchanges, funding must be received from the transferring carrier no later than September 16, 2021. Or alternatively, the insured may pay the minimum initial out-of-pocket premium by September 16, 2021 to continue toward issuance of the prior version of the Max Accumulator+ II product. Otherwise an illustration for the new product will be required.

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## State Availability

All states, including NY

## Resources

[Bulletin 21-017](#):

IRC Section 7702 Year-end Updates

## Other products affected by the 7702 change:

**Value+ Protector II**, **Protection Extend IUL (conversion only IUL)** and **Secure Lifetime GUL 3** will also use new 7-Pay and Guideline Premium Test calculations in the illustration software and administrative Systems effective July 17<sup>th</sup>

>> [click here](#) for transition rules.

## Max Accumulator+ II Transition Rules - Continued

- For applications received prior to **July 17, 2021**, the new Max Accumulator+ II product can be requested with a new product illustration provided.
- Reissue requests **will not** be honored.

### Quick Ticket

- The new Max Accumulator+ II product is effective **July 17, 2021**.
- Applications submitted via Quick Ticket by **July 16, 2021** will receive the **old product** if AIG receives the application **in good order** by **August 2, 2021**.
  - A new 7702 compliant illustration for the old product will be required and must be requested from the Sales Support Desk (access code required). Please Contact the Sales Support Desk to request a new 7702 compliant illustration.
- Applications submitted via Quick Ticket by **July 16, 2021** will receive the **new product** if AIG receives the application **in good order** after **August 2, 2021**.
  - A new Max Accumulator+ II illustration will be required.
- Applications for the old product must be issued by **September 16, 2021**. Otherwise, a new Max Accumulator+ II illustration will be required.
- Applications submitted to AIG via Quick Ticket on or after **July 17, 2021** will automatically receive the **new product**.
- Reissue requests **will not** be honored.

### iGo Full eApp

- New 7702 rates are applied for Max Accumulator+ II product.
- Please start a new case from the Case information screen and attach a new illustration.

### PDF Retrieval for older cases:

- For IUL cases started before **July 17**-you will get a blocker message and as a reference you can view the older case PDF from "My Cases" screen
- For IUL cases unlocked after **July 16**-you will get a blocker message and as a reference you can view the older cases PDF from "My Cases" screen
- For IUL cases locked before **July 17**-you will be able to complete signatures and submit the case to AIG within 15 business days.

## Value+ Protector II, Protection Extend IUL and Secure Lifetime GUL 3 Transition Rules

- New IRC 7702 rates are effective **July 17, 2021**.
- Starting **4:00 PM CDT** on **July 16, 2021** the new 7702 compliant illustration will be available in Winflex.
- Applications received but not issued and with an effective date on or after **July 17, 2021** will require a new 7702 compliant illustration prior to issue.
  - A new 7702 compliant illustration can be rerun on Winflex after 4PM on 7/16/2021.
  - Please submit the revised illustration to the Home Office.
- Applications pending with a prior version of the illustration and an effective date prior to **July 17, 2021** must be issued by **September 16, 2021**.
- If not issued by **September 16, 2021** a new 7702 compliant illustration will be required with a new effective date on or after **July 17, 2021**.
- Reissue requests will not be honored.