

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY
VALIC FINANCIAL ADVISORS, INC.**

ANTI-MONEY LAUNDERING PROGRAM SUMMARY

General Policy and Guidelines

The Variable Annuity Life Insurance Company (“VALIC”) and VALIC Financial Advisors, Inc. (“VFA”) have established a written policy and guidelines with regard to anti-money laundering activities pursuant to applicable federal law. Specifically, those guidelines:

- a. Prohibit a VALIC or VFA employee or financial advisor from being involved in or intentionally assisting in any money laundering activity or transaction;
- b. Prohibit a VALIC or VFA employee or financial advisor from knowingly engaging in a financial transaction with the knowledge that the transaction is in furtherance of crime or that the source of funds were an illegal source; and
- c. Require that all VALIC and VFA employees and financial advisors will take reasonable steps to know their customer with a view towards preventing and avoiding money laundering.

Financial Advisors Responsibilities

VALIC and VFA financial advisors are required to be alert for risk factors that might suggest money laundering activity when selling an annuity or facilitating an annuity distribution such as a withdrawal or surrender. If a VALIC and VFA financial advisor have a reasonable belief that an annuity transaction might involve money laundering activity, the VALIC and VFA financial advisor should report the transaction to the VALIC and VFA Chief Compliance Officer.

Money Laundering Due Diligence

The VALIC and VFA Chief Compliance Officer may determine that additional due diligence of an annuity purchase or distribution is required and may request in this situation that the VALIC and VFA financial advisors obtain additional information about the customer and the transaction.

This additional information may include:

- a. Obtaining satisfactory identification to corroborate client’s identity (e.g., driver’s license with photo, U.S. Passport);
- b. Obtaining basic background information on customer such as residence, place of business; and

- c. Obtaining information on client's source of funds/wealth to fund the transaction.

This additional information will be required for any purchase of an annuity where annuity contributions exceed \$1,000,000.

Suspicious Activity Reports (SARS)

VALIC and VFA will file SARS as required under applicable federal law for any account activity (including deposits and transfers) conducted through VALIC and VFA involving \$5,000 or more where VALIC and VFA know or have reasons to suspect:

- a. The transaction involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity as part of a plan to violate or evade federal law or regulation;
- b. The transaction is designed to evade any requirement of the Bank Secrecy Act;
- c. The transaction has no business or apparent lawful purpose or is not the sort in which the customer would normally be expected to engage and VALIC or VFA knows after examining the background, possible purpose of the transaction or other facts, of no reasonable explanation for the transaction; and
- d. The transaction involves the use of VALIC and VFA to facilitate criminal activity.

Training.

VALIC and VFA will provide training on its anti-money laundering program to its financial advisors and appropriate employees on an annual basis. In the alternative, another financial institution (bank, broker-dealer or insurance company) may, if VALIC and VFA, after review of the training program, finds the financial institution anti-money laundering training program adequate, submit verification that the financial advisor received anti-money laundering training by the financial institution.

If you have any questions about VALIC's and VFA's Anti-Money Laundering Program, please contact the VALIC and VFA Compliance Department at 713-831-5241.