



Field
Update



December 1, 2009
Number: 0215

Crediting rates and illustrated rates decreasing on life products

Aviva Life and Annuity Company will decrease the interest rates and cap rates on several of its life insurance products, effective January 1, 2010.

Both new business and existing in-force policies will be affected by these changes.

A summary of changes is below:

Indexed Universal Life products

The following rate reductions impact all current and discontinued indexed universal life products with the exception of Multi Choice Indexed Single Premium Life, Independent Choices and Professional Choices:

- The cap rate on One-Year Point-to-Point strategies will be lowered by 50 bps.
- The cap rate on Two-Year Point-to-Point strategies will be lowered by 100 bps.
- The cap rate on Multi Index strategies will be lowered by 200 bps.
- The crediting rate on all fixed strategies will decrease by 25 bps.

In advance of the rate change, we have lowered the illustrated rates on these strategies, effective December 1, 2009. New illustrated rates are available in Life Portraits Sales Solutions.

In force policyholders of indexed UL products will be notified by letter of the rate changes.

Don't forget.... The Aviva Indexed Life policies provide a guaranteed minimum interest rate of 2%. On the fixed-term strategies, the policy guarantees that the declared interest rate will never be less than 2%. On the indexed strategies, the policy guarantees that the interest credited will never be less than 2% compounded annually over the segment term. The guarantee will be applied at the end of the segment term or upon lapse, surrender or maturity of the policy.

Traditional Universal Life and Whole Life products

- The crediting rate on Guarantee UL Solution and Patriot Solution II will be lowered by 25 bps.
- Also, crediting rates on many of Aviva's discontinued Universal Life and Whole Life products will be reduced between 5 and 25 bps.
- Rates for discontinued products will remain at or above the guaranteed minimum crediting rates specified in the contracts.

You can find current rates for Aviva's [current portfolio](#) and for [retired products](#) under Products > Interest Rates > Current Rates.

Illustrations

The Web version of Life Portraits Sales Solutions has been updated with the new illustrated rates. The software can also be downloaded from the agent website. The current desktop (CD-rom) version of Sales Solutions will need to be updated via a Remote System Update (RSU). The RSU is available on Aviva Live.

If you have questions, please call Distribution Services at (800) 801-1486, option 1, ext. 2396.