

Field Update



June 19, 2009

## Annuity product changes taking effect after July 17, 2009

The continued economic volatility has required all insurers to aggressively manage their business. Aviva has been evaluating its product portfolio to maximize our competitiveness and the capacity for sales, and has made several adjustments to its annuity products. The furtherance of our current business strategies requires additional changes to our annuity products.

Beginning with applications received by the Aviva Home Office after 3 p.m. CDT on July 17, 2009, we are reducing the Premium Bonus rate available on the BPASelect 10 Premium Bonus Rider from 10% to 6% and suspending the 10% Premium Bonus Rider on the BPASelect 12. For producers doing business in the state of Nevada, the 10% Premium Bonus Rider is also being suspended on the BPA 12.

**Applications for these products must be received by your IMO by the end of the day July 16 to qualify for the 10% Premium Bonus Rider. All BPASelect 10 and BPASelect 12 applications received after this date that elected the 10% Premium Bonus Rider will automatically receive the 6% Premium Bonus Rider; however, we will require a new Election form prior to issue showing that the 6% Premium Bonus Rider is the rider being requested.**

Please keep in mind that Aviva is only accepting applications with cash at this time.

### State Exceptions on the BPASelect 10

The new Premium Bonus rate on the BPASelect 10 Premium Bonus Rider will be in effect in all states where this product is approved, with the exception of the following states that require us to re-file this change:

- Indiana
- Oklahoma

The 10% Premium Bonus Rider will remain on the BPASelect 10 in the above states until each approves the product change, and we will communicate those approvals to you.

### New Premium Bonus Recapture Charge Percentages

This change in the Premium Bonus rate necessitates adjustments to the Premium Bonus Recapture Charge Percentages on the BPASelect 12 and BPASelect 10. We are also adjusting the recapture charges on the BPASelect 6 5% Premium Bonus Rider to avoid recapturing more than the credited bonus amount.

The new Recapture Charge Percentages will be as follows:

#### **BPA Select12 6% Premium Bonus Rider**

##### Contract Years

1-4	5-8	9-12	13+
5.6%	4%	2%	0%

*continued*

## **BPASelect 10 6% Premium Bonus Rider**

### Contract Years

<b>1-5</b>	<b>6-10</b>	<b>11+</b>
5.6%	3%	0%

## **BPASelect 6 5% Premium Bonus Rider**

### Contract Years

<b>1-6</b>	<b>7+</b>
4.7%	0%

## Impact on Marketing Materials

You will need new Premium Bonus Rider Inserts and Election Forms for the BPASelect 12, BPASelect 10 and BPASelect 6 reflecting these changes. Updated versions of these materials will be available on Aviva Live on July 1.

These changes will help ensure Aviva remains well positioned from a competitive perspective and be prepared to support the growth of your business. Thank you for your support and continued hard work during these challenging times. We appreciate your efforts to deliver peace of mind and prosperity to our customers.

If you have any questions, please contact your Marketing Organization.