

From: Transamerica Field Communications
Sent: Thursday, July 01, 2010 1:34 PM
Subject: Universal Life Interest Rate Decrease

From: Phyllis Dilbeck, Vice President
Life Products
To: General Agents
Subject: Universal Life Interest Rate Decrease
Date: July 1, 2010

Effective August 2, 2010, new money interest rates credited on universal life products will be decreased. The rates now in effect will be credited to all premium received in our administrative office by the close of business, Friday, July 30, 2010. Most interest rates will be decreased by 50 basis points (.50%), subject to the policy's minimum guaranteed interest rate. The interest rate for TransUltra[®] SP, TransUltra[®] Select and TransUltra[®] Plus has to be decreased 100 basis points due to Illustration Regulation certification requirements. The rates for TransACE[®] and TransACE Survivor[®] 2008 remain unchanged.

Effective immediately, you must start illustrating cases using interest rates no higher than the new declared rates stated in this bulletin. Your software will be updated tomorrow with the new interest rates.

Because Company-declared interest rates now in effect will be credited to all premiums received by the close of business, Friday, July 30, 2010, if you have a case for which the entire first year's total premium will be received by July 30, then we can illustrate today's rate for the first year and the lower rates for subsequent years for products other than TransUltra SP, Select or Plus. Please contact Life Products for this illustration. If a 1035 exchange is in process, the money must be received by July 30, 2010 to receive the higher rate. Due to the Illustration Regulation certification requirements mentioned above, this option is **not** available on TransUltra SP, Select or Plus cases regardless of when the premium is received.

For NAIC illustration regulation states, a new illustration using the new lower interest rates is required for any policy **not yet issued as of the date of this announcement**, whether or not a signed illustration was submitted previously and regardless of when the policy will be placed. If there was a previously submitted signed illustration, then the new one must be labeled "REVISED."

As of Tuesday, August 2, 2010, the new money interest rates will be decreased to the rates shown below:

Interest-Sensitive Life—New Business	Rates
TransACE [®]	4.00%
TransACE [®] CV	4.00%
TransACE [®] CV NY	4.00%
TransACE Survivor [®] 2008	4.00%
TransProtector [®]	4.25%
TransSecure [®] II	
(face amounts less than \$1,000,000)	4.00%
(face amounts of \$1,000,000 or more)	4.25%
TransSecure [®] II NY	
(face amounts less than \$1,000,000)	4.00%
(face amounts of \$1,000,000 or more)	4.25%
TransUltra [®] SP 2006 and TransUltra Select SM SP 2006	
(face amounts less than \$1,000,000)	4.00%
(face amounts of \$1,000,000 or more)	4.25%

TransUltra [®] Plus 2006	
(face amounts less than \$1,000,000)	4.00%
(face amounts of \$1,000,000 or more)	4.25%
TransUltra [®] SP NY	
(face amounts less than \$1,000,000)	4.00%
(face amounts of \$1,000,000 or more)	4.25%
TransUltra [®] Plus NY	
(face amounts less than \$1,000,000)	4.00%
(face amounts of \$1,000,000 or more)	4.25%

How to Decrease the Current Interest Rate on the TLC Software

Your TransWare[®] has an automatic update feature. TransWare routinely checks for updates whenever the software is in use. When an update is available, a window will pop up on your screen stating “An update to the TransWare Illustration System is available.” Just click on the “Download Now” button, and the new current interest rates will load automatically.

Who to Call

Please call the Strategic Marketing Sales Desk at (866) 545-9058 or Life Products at (213) 741-6284 for additional information.