

Legacy Series

Same great products. Same total value.

Effective May 17, 2010, we are introducing modest price increases on Legacy Choice UL, Legacy Secure UL and Legacy Secure SL. These products remain well positioned in the industry as one of the best overall values in terms of premiums, cash values and guaranteed liquidity; and continue to be the foundation of our life portfolio offering your customers more than just life insurance--offering them total value!

Along with the modest price increases, we will be adopting a \$5 million face amount cap for Legacy Secure SL policies. We are currently required to keep significant reserves on policies with long-term guarantees; and these reserves are even more excessive for survivorship life. By limiting the face amount to \$5 million, we will be able to use our capital more prudently; and this will allow us to maintain our strong value story and fair consumer pricing across a vast majority of your survivorship life sales.

The current estate tax outlook provides you with an incredible opportunity to support the estate planning needs of your customers. And even with a \$5 million cap, Legacy Secure SL continues to support the needs of those customers who have a net worth in excess of \$10 million. Keep in mind that Legacy Secure SL, along with its one-of-a-kind Estate Liquidity Rider^{1,2}, continues to provide one of the most compelling SL stories in the industry.

Overview of Changes

Legacy Secure UL & Legacy Choice UL

- Average price increase ranges from 3-4%.
- Largest price increases will be seen at older ages, sales using up-front funding, amounts under \$200,000 and amounts over \$5 million.
- Smallest price increases will occur at younger ages and face amounts between \$200,000 - \$5 million.
- Changes will impact the Coverage Protection Rider rates as well as current charges for new business only.

Legacy Secure SL

- Average price increase ranges from 4-5%.
- New face amount cap for policies of \$5 million.
(**Please note:** Today, 9 out of 10 Legacy Secure SL policies are issued for \$5 million or less.)

Transition Rules

To obtain a Legacy policy before the May 17, 2010, updates take effect, the Appendix 11 must be signed on or before May 16, 2010, among other requirements. See below for specific information regarding non-replacements

and replacements in New York.

Non-Replacements

If all Appendix 11 questions are answered “no”, the paperwork will be processed for the current Legacy product IF:

- The Appendix 11 is signed on or before May 16, 2010,
- The application form is signed on or after the Appendix 11 signed date, but not later than May 16, 2010 AND
- Both forms are received in good order at our service center by close of business on May 28, 2010, the paperwork will be processed for the current Legacy product.

If these dates are not met, the paperwork will be processed for the revised product.

Replacements

If one or more questions on Appendix 11 are answered “yes”, the paperwork will be processed for the current Legacy product IF:

- The Appendix 11 and the Authorization/Transmittal form are signed and dated on or before May 16, 2010, AND
- Received at our service center by close of business on May 28, 2010.
- Please note that all applications for replacement business must be received by close of business on June 28, 2010.

If these dates are not met, the paperwork will be processed for the revised product.

1 Please see rider for terms, conditions and restrictions. The Estate Liquidity Rider is attached at no cost to all Legacy Secure SL policies in which the youngest insured is age 75 or younger and neither insured is classified as uninsurable.

2 Withdrawals will reduce cash value and death benefit of the policy. Partial withdrawals and surrenders from life policies are generally taxed as ordinary income to the extent the withdrawal exceeds your investment in the contract, which is also called the “basis.” In some situations, partial withdrawals during the first 15 policy years may result in taxable income prior to recovery of the contract. However, when cash values are used to repay a loan, the transaction is treated like a withdrawal and taxed accordingly. If a policy is a modified endowment contract, loans are treated as a taxable distribution to the extent of policy gain. Loans, withdrawals, and surrenders are treated first as distributions of the policy gain subject to ordinary income taxation and may be subject to an additional 10% federal tax penalty if made prior to age 59 ½.

For Broker/Dealer or Agent use only. Not for public dissemination. May not be shown to the public in oral, written or electronic form as sales material.

Guarantees are based on the claims-paying ability of Allstate Life Insurance Company of New York.

Legacy Secure UL® (NYLU676) and Legacy Choice UL (NYLU678) are both universal life insurance policies and Legacy Secure SL (NYLU722) is a survivorship universal life insurance policy issued by Allstate Life Insurance Company of New York, Home Office, Hauppauge, NY.