

SUBJECT: REDUCED VETERANS GROUP LIFE INSURANCE PREMIUM RATES

1. EFFECTIVE 1 JULY 1986 VETERANS LIFE INSURANCE PREMIUM RATES ARE CHANGED AS FOLLOWS:

THE NEW RATE HAS SIX AGE GROUPINGS RATHER THAN TWO.

<u>AGE GROUP</u>	<u>PER \$1000</u>	<u>NEW MONTHLY VGLI PREMIUM</u>
UP THROUGH 29	\$00.12	\$6.00
30-34	.20	10.00
35-44	.34	17.00
45-49	.42	21.00
50-59	.52	26.00
60-OVER	.75	37.50

2. THE NEW PREMIUM RATES WILL APPLY TO INDIVIDUALS WHO ARE SEPARATED FROM ACTIVE SERVICE OR WHO ARE ASSIGNED TO THE INDIVIDUAL READY RESERVE (IRR) OR THE INACTIVE NATIONAL GUARD (ING) ON OR AFTER 1 JUL 1986. INDIVIDUALS IN THE IRR/ING WHO PRESENTLY HAVE VGLI COVERAGE OR MAKE APPLICATION FOR SUCH COVERAGE PRIOR TO 1 JUL 1986. BASED ON MEMBERSHIP IN THE IRR OR ING, THEY WILL HAVE OPTION TO RENEW THEIR COVERAGE FOR ANOTHER 5-YEAR PERIOD AT THE NEW RATES, IF THEY REMAIN IN THE IRR OR ING.

3. THIS REVISED RATE STRUCTURE MAKES A SIGNIFICANT IMPROVEMENT IN THE VGLI PROGRAM AND OFFERS INDIVIDUALS VALUABLE INSURANCE PROTECTION AT REASONABLE RATES. THE VETERANS ADMINISTRATION THROUGH THE OFFICE OF THE SERVICEMENT'S GROUP LIFE INSURANCE, WILL MAIL VGLI APPLICATIONS AND INFORMATION TO INDIVIDUALS SEPARATED ON OR AFTER 1 JUL 1986 REFLECTING THE NEW PREMIUM RATES.

4. THIS NEW CHANGE INCLUDES TRANSITION/RETIRING SOLDIERS.