

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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ABIA ANNOUNCES FIRST QUARTER 2010 FIXED ANNUITY SALES IN BANKS

WASHINGTON— The American Bankers Insurance Association today announced estimated fixed annuity sales by banks and other depository institutions for first quarter 2010. Results were \$4.26 billion, down 61 percent from the record-setting sales of first quarter 2009. Indexed annuity sales increased 82 percent. But fixed rate annuity results dropped significantly due to lower credited rates and a much slimmer rate advantage over bank certificates of deposit (CDs). Income annuity sales fell 14 percent. Compared to fourth quarter 2009, results were down 30 percent, with decreases in all four fixed annuity product types. Market estimates are based on findings from the Beacon Research Fixed Annuity Premium Study.

Western National Life was again the leading bank channel company among participants in the Beacon study. From fourth quarter 2009 to first quarter 2010, one fixed annuity issuer left the top 10 and American National joined. First quarter 2010 results for the top 10 companies were as follows:

Company Name	Bank Channel Sales (in thousands)
Western National Life	1,111,677
New York Life	800,904
Principal Financial Group	246,672
W&S Financial Group Distributors ¹	245,385
Lincoln Financial Group	188,380
Protective Life	173,537
Hartford Life	133,215
Pacific Life	127,736
AEGON/Transamerica Companies	112,030
American National	71,818

(more)

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¹ W&S Financial Group Distributors is the wholesale distributor for Western & Southern Financial Group. It distributes annuities from Western & Southern Life, Integrity Life and National Integrity Life (New York).

ABIA/BEACON: PG2

Although sales through financial institutions were down overall, half of the bank channel carriers participating in Beacon's study reported improved quarter-to-quarter results.

New York Life's Preferred Fixed Annuity was the new top bank channel product in first quarter 2010. Two other New York Life annuities also made the top 10, including the only income annuity. Half of first quarter's top 10 products were issued by Western National, the quarter's leading company. One indexed annuity was among the quarter's bestsellers – Lincoln Financial Group's Lincoln New Directions.

Rank	Company Name	Product Name	Product
1	New York Life	NYL Preferred Fixed Annuity	Book Value
2	Western National Life	Flex 5	Book Value
3	Western National Life	Proprietary Bank Product F	Book Value
4	Western & Southern Life	MultiRate Annuity	Book Value
5	Lincoln Financial Group	Lincoln New Directions	Indexed
6	New York Life	NYL Fixed Annuity	Book Value
7	Western National Life	Flex 7	Book Value
8	Western National Life	Proprietary Bank Product B	Book Value
9	Pacific Life	Pacific Explorer	Book Value
10	New York Life	NYL Lifetime Income Annuity	Income

“For the remainder of 2010, bank sales of fixed annuities will rise if their rate advantage over CDs grows. This will be a function of decisions by banks and insurance companies as well as the interest rate environment,” said Jeremy Alexander, president and CEO of Beacon Research. “Fixed annuity product innovation may make results less rate-dependent in future years. Certainly the demand for conservative investments by bank customers will continue to be strong.”

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The American Bankers Insurance Association (ABIA) is the separately chartered insurance affiliate of the American Bankers Association (ABA) and is the only Washington, D.C.-based full service association for bank insurance interests. The ABIA's mission is to develop policy and provide advocacy for banks in insurance and to support bank insurance operations through research, education, compliance-assistance and peer group networking opportunities. ABIA Membership consists of banks, and their affiliated agencies, insurance companies, marketing, and administrative services suppliers, non-bank lending organizations and other firms involved in the bank affiliated insurance industry. Additional information on the ABIA can be found on the Internet at www.theabia.com.

Beacon Research is an independent research company and application service provider founded in 1997 and based in Evanston, IL. Beacon tracks fixed and variable annuity features, rates and sales. Its quarterly Fixed Annuity Premium Study is the first and only source to analyze fixed annuity sales at the product level. Beacon lowers compliance risk and increases fixed annuity sales with 100% carrier-approved, comprehensive product profiles, spreadsheets and search tools for the advisor/rep websites of banks, TPMS, broker-dealers and marketing organizations. Financial institutions use its systems at www.annuitynexus.com for compliance review of 1035 exchanges, sales support, conservation and product research. Beacon also licenses information to other platforms, including Ebix, Ibbotson, Insurance Technologies, Interactive Data Corporation and Lipper (Thomson Reuters) . Beacon is a member of National Financial's Alliance program. Directly and through its licensees, Beacon information can be accessed by hundreds of financial institutions and distributors.