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ABIA ANNOUNCES THIRD QUARTER 2010

FIXED ANNUITY SALES IN BANKS

WASHINGTON— The American Bankers Insurance Association (ABIA) today announced estimated fixed annuity sales by banks and other depository institutions for third quarter 2010. Results were \$3.97 billion, down 45.2 percent from third quarter 2009. Quarter-to-quarter results declined 3.9 percent, with lower book value sales outweighing increases for the other three product types. Market estimates are based on findings from the Beacon Research Fixed Annuity Premium Study.

Some 41 percent of the bank channel carriers participating in Beacon's study bucked the overall trend with improved quarter-to-quarter results. Most of these companies reported double-digit sales growth. Western National Life was again the leading bank channel company among participants. Two fixed annuity issuers left the top 10 from second to third quarter 2010; both AEGON/Transamerica and ING USA rejoined. Third quarter 2010 results for the top 10 companies were as follows:

<u>Company Name</u>	<u>Bank Channel Sales (in thousands)</u>
Western National Life	868,500
Lincoln Financial Group	567,669
New York Life	499,015
Great American Financial Resources, Inc.	296,483
Pacific Life	268,146
W&S Financial Group Distributors	265,027
Protective Life	191,045
American National	171,533
AEGON/Transamerica Companies	92,073
ING USA Annuity and Life Insurance Company	70,386

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Lincoln Financial Group's Lincoln New Directions was third quarter's top bank channel product and the first indexed annuity to lead bank sales in the Beacon study's eight-year history. Great American's American Freedom Stars & Stripes 5 was the only market value-adjusted (MVA) annuity, joining the top 10 in tenth place. The New York Life Lifetime Income Annuity remained the only top 10 income annuity. All the other leading products were book value (fixed rate, non-MVA) annuities. Pacific Life's Pacific Explorer rejoined the top 10 in fourth place, and five of the quarter's bestsellers were once again book value products issued by Western National. Third quarter's leading products were as follows:

<u>Rank</u>	<u>Company Name</u>	<u>Product Name</u>	<u>Product Type</u>
1	Lincoln Financial Group	Lincoln New Directions	Indexed
2	New York Life	NYL Preferred Fixed Annuity	Book Value
3	Western & Southern Life	MultiRate Annuity	Book Value
4	Pacific Life	Pacific Explorer	Book Value
5	Western National Life	Proprietary Bank Product F	Book Value
6	Western National Life	Flex 7	Book Value
7	Great American Financial Resources, Inc.	AssurancePlus 7	Book Value
8	Western National Life	Flex 5	Book Value
9	New York Life	NYL Lifetime Income Annuity	Income
10	Great American Financial Resources, Inc.	American Freedom Stars & Stripes 5	MVA

“The outlook for fixed annuity sales is difficult to predict at this time,” said Jeremy Alexander, president and CEO of Beacon Research. “The spread between 5-year fixed annuity and Treasury rates has declined since third quarter, suggesting that sequential sales will be lower. In addition, interest rates have been rising, and fixed annuities generally lag certificates of deposit on the way up. But the yield curve has steepened, and that usually helps insurance companies credit interest more generously. We’re also aware that many banks are paying below-market CD rates because they don’t want more deposits for the time being. It will be interesting to see how all this plays out in actual sales results.”

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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 percent 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.

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.

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