Statement of Americans to Protect Family Security*

To the Pensions/Retirement & Financial Services Working Groups

On Principles of Tax Reform Pertaining to Life Insurance and Retirement Annuities

*Americans to Protect Family Security is a coalition of the American Council of Life Insurers (ACLI), Association for Advanced Life Underwriting (AALU), GAMA International, Insured Retirement Institute (IRI), National Association of Independent Life Brokerage Agencies (NAILBA), and National Association of Insurance and Financial Advisors (NAIFA).

April 15, 2013

OVERVIEW

Life Insurance and Retirement Annuity Products Provide Financial Security and Peace of Mind

- Life insurance is a valuable tool for American families and businesses to manage financial risk. Life insurance provides financial security in the face of unexpected loss and financial catastrophe and is unique in the provision of guaranteed benefits to policyholders when those benefits are most needed.
- Retirement annuities are a reliable means of securing long-term savings and establishing a guaranteed stream of income for retirement. As the number of American retirees increases and the need for retirement income becomes more pronounced, annuities provide a critical source of steady income.
- Long-term care insurance and disability income insurance are highly effective in their ability to help cover the costs of long-term care and protect against the risk of unforeseen injury and illness. These products offer a necessary layer of protection that can provide coverage or supplement coverage made available by employers or government-provided benefit plans.

The Public Policy Benefits and Economic Impact of the Life Insurance Industry Are Significant

- 75 million American families—2 out of 3—rely on life insurance products for financial security. Life insurance and retirement annuity products ensure that death does not leave families and businesses without resources to meet financial obligations and provide a guarantee of lifetime income.
- Permanent life insurance and retirement annuities represent 20% of Americans' long-term savings—that's 1 out of every 5 dollars saved for the future.
- The life insurance industry pays out $1.5 billion every day through payments from life insurance, annuities, long-term care insurance, disability income insurance, and deposit fund contracts used for retirement.
- Life insurers invest $4.9 trillion in the U.S. economy and are the single largest source of domestic bond financing, holding 18% of all U.S. corporate bonds.
- The life insurance industry is present in every state in the nation and generates approximately 2.5 million jobs.

Life Insurance and Retirement Annuity Products Are Taxed Appropriately

- The taxation of life insurance and retirement annuity products is consistent with 100 years of sound tax policy and helps achieve important public policy benefits.
- The inside buildup of life insurance and retirement annuities has never been viewed as income because of the fundamental rule that a taxpayer does not owe tax on income or gain that has not yet been realized. Tax is owed, however, when insurance protection is foregone and gain is realized.
- The tax treatment of permanent life insurance and retirement annuities is and has always been consistent with the fundamental principles of income tax laws.
- Similarly, we oppose changes to the tax treatment of company-owned life insurance and dividends received by life insurers contained in the President's FY 2014 Budget Revenue Proposal. Such changes would effectively impose additional taxes on our products.

Memorandum

To: Ways and Means Committee Pensions/Retirement and Financial Services Working Groups
From: Americans to Protect Family Security
Date: April 15, 2013
Re: Submission On Principles of Tax Reform Pertaining to Life Insurance and Retirement Annuities

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Introduction
Americans to Protect Family Security greatly appreciates the opportunity to submit our views on tax reform to the Pensions/Retirement and Financial Services Working Groups ("the Working Groups"). We would also like to thank the members of the Pensions/Retirement Working Group, specifically Mr. Tiberi and Mr. Kind, for inviting representatives of our Coalition to participate in a March 14 roundtable discussion focused on life insurance and retirement annuities.[1] We commend your organized and inclusive approach to considering the principles of comprehensive tax reform, and look forward to continuing to work with you as the Ways and Means Committee continues its consideration of tax reform.

As information on the proper approach to tax reform continues to be collected, we applaud the Working Groups for considering the underlying public policy rationales and historical justifications for existing provisions in the Internal Revenue Code ("the Code"), as well as any and all potential practical effects of changes to long-standing public and tax policies.

Our Products Provide Financial Security and Peace of Mind
Life insurance, annuities, long-term care insurance, and disability income insurance play a special and invaluable role in Americans' ability to take personal responsibility and effectively plan for unexpected financial catastrophes as well as secure guaranteed income for retirement.

Life insurance is unique in its provision of guaranteed financial security at the precise moment when this guarantee is most needed. In addition to providing immediate protection against premature death, life insurance products serve as a reliable source of liquidity for those who might otherwise struggle to meet financial demands later in life, such as medical care, mortgage obligations, and tuition payments.

Similarly, retirement annuities are a safe and secure means of accumulating long-term savings and generating a guaranteed stream of income for retirement. Annuities are flexible in design and can be structured to provide income to those who need it immediately or to establish a long-lasting stream of income late into life. Annuity owners make their own decisions about how money accumulates and when and how income is received.[2] With 10,000 people retiring every day over the next 17 years as the baby boom generation grows older, Social Security alone is not

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[1] We have appended our presentation materials from the March 14 roundtable discussion to this submission for further background. *See* Appendix A.

[2] For more information about the public policy benefits of life insurance and retirement annuities, visit http://www.securefamily.org/public-policy/.

enough to provide an adequate retirement. Ever increasing numbers of retirees will have to rely on lifetime income products such as annuities to assure a steady income stream after their working days are over.

Long-term care insurance and disability income insurance provide protection against the rising costs of long-term care as well as the risks associated with an unforeseen injury or illness. Without these products, many Americans would not have the assets required to cover the expense of a prolonged need for care, in or out of the home, or to manage a prolonged absence from work due to injury or illness because employer or government-provided benefits may be insufficient to meet these needs.

The Public Policy Benefits of Our Products and Economic Impact of Our Industry Are Significant

There is considerable empirical evidence of the public policy benefits served by life insurance and retirement annuities. America's families and businesses depend on these products for peace of mind each and every day. In fact, seventy-five million American families (or two out of three) have taken on the personal responsibility of planning for their financial futures and depend on life insurers' products to protect against the unexpected loss of a loved one or to establish guaranteed lifetime income for retirement. In addition, life insurance and annuities represent a substantial portion of the retirement safety net for working and retired families alike. Importantly, permanent life insurance and annuities represent 20 percent of Americans' long-term savings—that's one of every five dollars saved for the future.

The economic contributions of the life insurance industry are extensive and help fuel private sector growth, spur innovation, and provide jobs for millions of Americans. The life insurance industry pays out $1.5 billion every day through payments from life insurance, annuities, long-term care insurance, disability income insurance, and deposit fund contracts used for retirement. The industry is also one of the most significant sources of capital investment in the nation. Life insurers collectively invest $4.9 trillion in the U.S. economy and are the single largest source of bond financing for America's businesses—holding 18 percent of all U.S. corporate bonds. From an employment perspective, the industry is represented in every state in the nation and generates approximately 2.5 million American jobs, including direct employees, sellers of life insurers' products, and other jobs supported by the industry.

We believe this data underscores the fact that the life insurance industry plays an integral role in the daily lives of Americans and in our national, state, and local economies.[3]

Life Insurance and Retirement Annuity Products Are Taxed Appropriately

We believe that the long-standing tax treatment of life insurance and retirement annuity contracts is appropriate and that these tax rules should not be modified. The tax treatment of these contracts has been in place since the inception of the federal income tax system in 1913 and is

[3] For data on the financial protection, jobs, and economic investment provided by the life insurance industry in each state across the country, visit http://www.securefamily.org/in-your-state/.

supported by sound tax and public policy.[4] The tax treatment of inside buildup is a consequence of applicable law, not an exception to it.

Since the inception of the federal income tax, earnings on a permanent life insurance policy's cash value have not been taxed as long as the policy remains in force. That is, those earnings have *never* been viewed as income. However, if a policyholder gives up his or her insurance protection, the amounts received are subject to tax as ordinary income, to the extent that they exceed the total premiums paid.

Similarly, the earnings in a retirement annuity contract are not taxed until they are received as income. That is, those earnings have never been viewed as income until distributions are taken. Moreover, tax rules ensure that these annuity contracts are used to provide income during retirement, whether through systematic withdrawals or guaranteed streams of income for life.

The tax treatment of earnings credited to life insurance and retirement annuities is consistent with the general rule that, if an individual taxpayer does not realize income on a cash basis, then the taxpayer neither recognizes nor owes tax on such amounts. Among the policy reasons which direct this result is the acknowledgment that a tax liability should not be imposed upon a taxpayer unless a taxable event also provides that taxpayer with the means to pay the tax imposed.

Moreover, the savings that build up in life insurance and annuities do not escape taxation. The earnings on these savings are taxed at ordinary income rates when people take withdrawals from their annuity or surrender their life insurance policies when protection is no longer needed. In addition, life insurance and annuity owners pay premiums with after-tax dollars.

Conclusion

Life insurance products and retirement annuities help effectuate the important public policy goal of encouraging individuals and families to take personal responsibility for protecting themselves against future financial risk. At a time when economic uncertainty seems perpetual and consumer confidence is unsteady, these products help provide a measure of certainty and stability that few other, if any, financial products can provide.

Americans need public policy that continues to encourage them to plan ahead, protect their families' financial security, and address unprecedented retirement challenges. With the strain on federal entitlements, as well as on state and local programs, now is not the time to make it more difficult or expensive for families to plan for the long-term. Congress should explore ways to protect and promote life insurance products in an effort to minimize the future financial risks associated with unexpected loss of loved ones or the costs of retirement.

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[4] This applies not only to the federal tax treatment of individually owned life insurance contracts, but to the business uses of life insurance, which have been closely reviewed and affirmed by Congress on a bipartisan basis on a number of occasions. *See* Appendix B, which addresses that topic, along with the importance of insurers' current dividends received deduction under the Code.

A critical component of the effort to ensure that life insurance and retirement annuities continue to deliver the aforementioned public policy benefits is the affirmation of the long-standing tax treatment of life insurance products, which is strongly supported by widely accepted concepts of tax policy and has received consistent and appropriate treatment under our system of federal tax laws for over 100 years.

We thank the Working Groups for consideration of our comments. We look forward to future opportunities to contribute to the debate and provide you with information that would be valuable to the decision-making process.

Appendix A

Ways & Means Committee
Pensions / Retirement Working Group
Americans to Protect Family Security
March 14, 2013

Topics

- Life Insurance
- Annuities
- Long-Term Care Insurance
- Disability Income Insurance

75 million American families count on life insurers to protect their financial future

The Right Approach to Taxation

- The longstanding tax treatment of life insurance and annuity contracts is the correct approach for the taxation of these contracts
- The income tax does not apply until income has been realized upon a distribution from the contract or a sale of the contract
- Life insurance and annuities help individuals protect themselves against financial, mortality, and longevity risks
- Congress has enacted rules to ensure that these contracts provide for risk protection
- Premiums are paid with after-tax dollars and amounts withdrawn are taxed at ordinary rates
- Public policy must encourage individuals to plan for their financial future
- Imposing new taxes on these contracts would penalize individuals and shrink the protection provided by these contracts

Life Insurance

The Basics	• What is Life Insurance? • What Needs Can Life Insurance Meet? • Who Owns Life Insurance?
The Products and Business of Life Insurance	• Insurance Markets – Group Plans and Individual Policies • Insurance Products – Term Life Insurance – Permanent Life Insurance • Cash Value
Tax	• Taxation of Life Insurance Policies • Normal Rules of Taxation • Definitions and Limitations

Life Insurance Provides Protection and Transfers the Risk of Life's Uncertainties

- Allows individuals to manage the financial risk of premature death
  - Transfers the financial risk of premature death from family, dependents and businesses to an insurance company
  - No other private institution can assume this risk
- Life insurance pools individual risks among many policyholders so that the cost of protection is affordable
- Life insurance contracts are governed by state insurance laws
- It provides peace of mind, financial security, and dignity at a time of significant personal and emotional loss

What Needs Can Life Insurance Meet?

- Income replacement
- Mortgage, education, and other major liability protection
- Special needs and other dependent care funding
- Final expenses
- Other uses
  - Business uses – examples: business continuation funding and key man insurance
  - Estate liquidity
  - Charitable giving

Who Owns Life Insurance?

Life insurance ownership mirrors the race/ethnicity of U.S. households

Life Insurance Ownership by Race/Ethnicity of Household Head in U.S. (As Share of Households with Product)				
	% of US households	Any Life Insurance	Permanent Life	Term Life
Caucasian	71%	75%	80%	74%
African-American	14%	15%	13%	15%
Hispanic	11%	6%	3%	7%
Other	5%	4%	4%	5%

Across all races/ethnicities, the death benefit from life insurance will provide U.S. families approximately three years of income replacement.

Average # of years of household income the death benefit represents			
	All	Perm	Term
Total	3.4	2.1	3.4
Caucasian	3.4	2.1	3.4
African-American	2.9	2.4	2.7
Hispanic	3.4	2.0	3.4
Other	4.9	2.0	5.3

Source: American Council of Life Insurers, ACLI calculations of Federal Reserve *2010 Survey of Consumer Finances*

Life Insurance Coverage Is Available Through Both Group Plans and Individual Policies

| Group Insurance |

- Available to groups of people, such as employees of a firm or members of an organization
- Underwritten based on the general characteristics of the group
- 2011: $20 billion in life insurance benefits paid to beneficiaries

| Individual Insurance |

- Contracts cover a single life or perhaps a couple, family or business partners
- Underwritten individually based on the medical, financial and lifestyle characteristics of the insured
- 2011: $42 billion of life insurance benefits paid to beneficiaries
- 2011: 151 million individual policies were in force (term and permanent)

Source: American Council of Life Insurers, *2012 Life Insurers Fact Book*

Term Life Insurance Provides Coverage for a Specific Period of Time

| Term Life Insurance |

- Protection only – no cash value
- Term – one year, five years, ten years, etc.
- Premiums are fixed for the term of the contract
- Premiums will generally be higher under a new term or a new contract
- 2011: 37% of individual policies issued were term insurance

Permanent Life Insurance Provides Lifetime Coverage

| Permanent Life Insurance |

- Traditional Whole Life
  - Lifetime protection supported by cash value accumulation
  - Fixed, scheduled premiums
- Universal Life
  - Lifetime protection supported by cash value accumulation
  - Flexible premiums
  - Cash values based on premiums paid, interest credited and charges deducted
- Variable Life / Variable Universal Life
  - Lifetime protection supported by cash value accumulation
  - Flexible premiums
  - Cash values based on premiums paid, investment performance and charges deducted

The Policy's "Cash Value" Funds Death Benefits and Enables Level Premium Payments

- Cash value is a funding mechanism for providing death benefits and level premium payments for the life of the contract in permanent life insurance contracts. It generally grows during the life of the policy

- Where does the cash value come from?
  - Periodic premium payments and interest or earnings
  - Initial premiums exceed the cost of protection; later premiums are less than the cost of protection

- The cash value provides a significant difference when compared to term insurance. The premiums will not increase as the insured ages

Taxation of Life Insurance Policies

- Premiums paid with after-tax dollars – not deductible
- Death benefits, including accelerated death benefits
  - Excluded from gross income
  - Exception: if the insurance policy was transferred for value – sold to another
- Surrenders and Distributions
  - Amounts received on or prior to surrender are taxed as ordinary income to the extent the amount received exceeds premiums paid
- Policy Loans
  - Debt secured by policy's cash value
  - Loans bear interest and are always repaid
  - Policy loan interest is generally not deductible by borrower

Life Insurance – Normal Rules of Taxation

- Tax treatment of life insurance is part of the normal rules of the income tax
- The income tax does not apply until income or gain is realized (received)
- The value of an insurance contract may increase, but there is no realization
- There is no special provision of the Internal Revenue Code for this tax treatment
  - This tax treatment should not be considered a tax expenditure
- The income tax applies when distributions have been made from the contract or when the contract has been sold
  - The tax applies when amounts have been realized by the owner
  - The tax does not apply until the individual has received distributions or payments
- There is one exception, death benefits are not subject to tax

Definitions and Limitations

In the 1980s, The Internal Revenue Code (IRC) was amended with the addition of definitions and limitations that apply to a life insurance contract. These IRC provisions ensure that the contract is more in the nature of insurance than investment

- Section 7702: Definition of life insurance. Guidelines and tests. Requirements must be satisfied at all times

- Section 7702A: Limits on amount of premiums

- Section 817: Variable products. Investment options underlying insurance contract must be diversified and only available through life insurance contract. Diversification measured quarterly

Annuities

Retirement Challenges	• Uncertainties in Retirement
Annuity Basics	• What is an Annuity? • Types of Annuities – Deferred Annuities – Immediate Annuities • Benefits • Who Owns an Annuity?
Tax	• Taxation of Nonqualified Annuity Contracts

Retirees Face Numerous Uncertainties

What could prevent retirees from accomplishing what they want in retirement:

- Longevity Risk
- Inflation Risk
- Withdrawal Risk
- Market Risk

Annuities can be used to help retirees with the financial implications of these risks.

What Is an Annuity?

- An annuity is an insurance contract that allows for
  - Accumulation of retirement savings
  - Converting savings into income for life, or
  - Both
- Annuities transfer the risk of living too long from the individual to the insurer
- Annuity contracts are governed by state insurance laws
- The insurance company pools the longevity risks associated with many lives and pays guaranteed lifetime benefits
- Annuities may be purchased with retirement plan savings or individual savings

Types of Annuities and Benefits

- Deferred: Savings accumulate until income payout phase begins
  - Can be single or multiple premiums
  - Premiums can be fixed or flexible
  - Contract owner determines timing and frequency of income payouts
  - Fixed, Variable, Indexed
- Immediate: Savings are converted to income right away, similar to a pension
- Forms of Annuitization
  - Single Life – Guarantees income throughout one's lifetime
  - Joint and Survivor Life – Guarantees income as long as either annuitant lives
  - Period Certain – a series of payouts for a number of years
- Benefits
  - Death Benefits
  - Refund of Premium
  - Cost of Living Adjustment
  - Living Benefits Riders
  - Long-Term Care Benefit Riders

Who Owns an Annuity?

- 3 out of 5 annuity owners are women
- 80% of owners think that annuities are an important source of retirement security and make them feel more comfortable in times of financial uncertainty
- 83% of owners say they intend to use the annuity as a financial cushion for living beyond life expectancy
- 81% of owners say they intend to use the annuity to avoid being a financial burden on children

Source: The Gallup Organization with Mathew Greenwald & Associates, *2009 Survey of Owners of Non-Qualified Annuity Contracts* (survey of 1,003 owners of non-qualified annuity contracts, conducted on behalf of the Committee of Annuity Insurers)

Taxation of Nonqualified Annuity Contracts

Premiums are paid with after-tax dollars

Congress has provided rules to ensure that annuities are used for retirement purposes:

- Section 72: Taxation as ordinary income upon withdrawals or payouts from the annuity
- Section 72(b): Annuity payouts. Exclusion ratio treatment (pro rata recovery of basis over the years annuity payouts are received)
- Section 72(e): Deferred annuities. Withdrawals subject to tax on income-first treatment basis
- Section 72(t): 10% penalty tax for premature distributions (that is, before age 59-½ with some exceptions
- Section 72(s): Death of owner triggers required distributions
- Section 1014(b)(9): No basis step-up at death (pre-death gain is taxed when distributed)
- Sections 817(d) and (h): Variable products. Investment options underlying insurance contract must be diversified and only available through a life insurance or annuity contract

Long-Term Care Insurance

Long-Term Care (LTC) Insurance reimburses expenses for care provision, typically resulting from chronic physical and cognitive conditions resulting from aging such as home care, assisted living, and nursing home services

Taxation of Long-Term Care Insurance

- Section 7702B: Requirements for qualified LTC
  - Satisfaction of state consumer protection requirements, disclosure standards, and non-forfeiture protections
  - Conditioning benefits on certification of inability to perform certain activities of daily living
  - Prohibition on cash value
  - Restriction on any coverage other than for qualified LTC services
- Sections 104(a)(3) and105(b): Qualified LTC benefits are generally tax free

Disability Income Insurance

Disability Income Insurance provides financial or income protection when an insured is unable to work due to an unforeseen accident or illness, either for a short time (short-term disability) or for longer periods of time (long-term disability)

Taxation of Disability Income Insurance

- Section 106: Employee gross income does not include employer provided coverage.
- Sections 104 and 105:
  - If the employer pays all premiums or "elective employer contributions" (cafeteria plans), then the Disability Benefit is *taxable*
  - If the employee pays all the premiums on an after-tax basis, then the Disability Benefit is *not taxable*

Insurance Business Regulation

State Insurance Departments

Financial Regulation
- Statutory Accounting Principles
- Risk Based Capital Standards
- Exams and Audits

Consumer Protection
- Insurable Interest Rules
- Suitability
- Nonforfeiture Rights

Company Licensing

Product Regulation

Market Conduct

National Association of Insurance Commissioners

Organization of state insurance commissioners dedicated to coordination and collaboration between the states and with federal and international regulators

Securities and Exchange Commission

Variable Products are treated as Securities. Requires prospectus and can only be sold by agents/brokers with appropriate licenses

The Right Approach to Taxation

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- Congress has enacted rules to ensure that these contracts provide for risk protection
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Appendix B

Business Use of Life Insurance and Dividends Received Deduction

The life insurance industry would like to express deep concern with, and register unified opposition to, the President's Fiscal Year 2014 Budget Revenue Proposal to increase taxes by nearly $11 billion on life insurance policyholders and companies.

Increasing taxes on products and on an industry that encourages American consumers and businesses to plan for the future and effectively manage risk is unwise public policy. Seventy-five million American families rely on the products offered by life insurers for their financial and retirement security. The Fiscal Year 2014 proposals would make it more expensive to obtain the security and peace of mind our products provide.

One proposal is a provision Congress has considered and rejected repeatedly on a bipartisan basis that would attack the core tax treatment of life insurance and impair the ability of businesses to use life insurance to protect jobs and secure employee benefits. It would indirectly tax the earnings or "inside buildup" of life insurance policies owned by businesses by disallowing a proportionate amount of deductible interest expenses for unrelated borrowing.

Businesses often purchase life insurance to keep businesses running and to protect jobs after the death of an owner or key employee. They also use life insurance to finance employee benefits, including important health, disability, survivor and supplemental retirement benefits. This use of life insurance is commonly referred to as company-owned life insurance (COLI). In the current fiscal environment, protecting jobs and employee benefits has never been more important, and COLI plays a key role in both of these functions. A COLI policy can only be issued to a company on employees for whom they have an insurable interest. Moreover, just a few years ago and on a strong bipartisan basis, Congress undertook a thorough examination of the business use of life insurance resulting in the COLI Best Practices Act. That legislation confirmed that COLI should not be taxed as long as best practices are followed—that policies be taken out only on officers, directors, and highly compensated employees and that companies notify those individuals and receive their informed consent. The 2006 law ensures compliance through IRS enforcement. No additional limitations are needed or appropriate, and COLI should be seen for what it is: a way for responsible employers to protect jobs and benefits.

Another proposal concerns the life insurance company "dividends received deduction" (DRD) which would increase taxes by undercutting long-standing rules that prevent double taxation of corporate earnings. All corporate taxpayers are entitled to a DRD, which generally provides corporate shareholders with a partial exclusion (70%) of the dividend amount from income tax. Life insurance companies are subject to an additional set of rules that further limit their DRD, including rules for DRD for separate accounts, which underlie variable life insurance and variable annuity contracts—important products for financial and retirement security. It has been long-standing policy that life insurers be subject to these rules for calculating their DRD. The

Treasury's proposal would reduce life insurance companies' DRD even further by inappropriately changing the calculation of the DRD on separate accounts. The Treasury's proposal is based on a misguided notion that life insurers' DRD under current law represents more than the insurers' interest in the dividends. Reducing insurers' DRD would drain value from the financial and retirement security products that 75 million American families have come to rely on, making life insurers' products more expensive and hindering Americans' ability to save for retirement. There is no good policy justification for singling out the life insurance industry for an additional DRD disallowance.

Life insurance products and the life insurance industry are key elements of the solution for Americans' financial health and protection. It is wrong to change long-established tax policy and impair the ability of a vital industry to help families, businesses, employees, and the American public.

The **American Council of Life Insurers** (ACLI) is a Washington, D.C.-based trade association with more than 300 legal reserve life insurer and fraternal benefit society member companies operating in the United States. ACLI members represent more than 90 percent of the assets and premiums of the life insurance and annuity industry. In addition to life insurance and annuities, ACLI member companies offer pensions, 401(k) and other retirement plans, long-term care and disability income insurance, and reinsurance. ACLI's public website can be accessed at www.acli.com**.**
Contact: Mo Goff, 202-624-2013, morrisgoff@acli.com

The **Association for Advanced Life Underwriting** (AALU) is a professional trade association representing 2,000 life insurance agents and professionals nationwide, who have significant expertise and are industry leaders in the sale and use of life insurance in estate planning, charitable planning, business continuation planning, retirement planning, deferred compensation and employee benefit planning. The mission of AALU is to promote, preserve and protect advanced life insurance planning for the benefit of its members, their clients, the industry and the general public. AALU's website can be accessed at www.aalu.org.
Contact: Marc Cadin, 202-772-2492, cadin@aalu.org

GAMA International is a worldwide professional association serving 5,500 field leaders in the insurance and financial services industry. Its members recognize their critical role in finding, building and inspiring the next generation of top performers who will, in their turn, lead the industry into the future. To help build these leaders, the association provides its members with professional development resources and opportunities, including educational, networking and leadership. GAMA International's website is located at www.gamaweb.com**.**

The **Insured Retirement Institute** (IRI) is a not-for-profit organization that for twenty years has been a mainstay of service, commitment and collaboration within the insured retirement industry. Today, IRI is considered to be the authoritative source of all things pertaining to annuities, insured retirement strategies and retirement planning. IRI's members are the major insurers, asset managers, broker-dealers/distributors, and 150,000 financial professionals. IRI exists to vigorously promote consumer confidence in the value and viability of insured retirement strategies, bringing together the interests of the industry, financial advisors and consumers under one umbrella. For more information visit www.IRIonline.org.
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The **National Association of Independent Life Brokerage Agencies** (NAILBA) is the premiere insurance industry organization promoting financial security and consumer choice through the use of independent brokerage distribution. The purpose of NAILBA is to serve as the national association of life, health and annuity insurance distributors.
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The **National Association of Insurance and Financial Advisors** (NAIFA) comprises more than 600 state and local associations representing the interests of approximately 200,000 agents and their associates nationwide. NAIFA members focus their practices on one or more of the following: life insurance and annuities, health insurance and employee benefits, multiline, and financial advising and investments. The Association's mission is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of its members. www.naifa.org.
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