

# INVESTMENT ADVISOR'S TOP 20 SURVIVORSHIP LIFE POLICIES

**THESE ARE SOMEWHAT** odd times for the life insurance industry. LIMRA International, which has been tracking the industry for nearly 100 years, reported earlier this year that individual life insurance sales increased 7% in new annualized premiums in 2006, a pace of growth that the research group noted last occurred in 2000. The healthy 2006 growth is continuing at nearly the same pace this year—life premium sales increased 5% in 2007's second quarter, or 2% year-to-date over 2006, LIMRA more recently reported.

Continued uncertainty over the eventual fate of the estate tax, or the death tax, depending on your political affiliation, resulted in second-to-die, or survivorship life, policies bucking the bullish life insurance trend. While universal life and VUL sales were up 9% last year, and even whole life grew 2%, LIMRA reported that sales of survivorship life dropped 3% in 2006 compared to 2005.

## 2006 SURVIVORSHIP PREMIUMS BY POLICY\*

RANK	COMPANY	2006 TOTAL SURVIVORSHIP PREMS. (\$MIL)	2006 TOTAL FACE AMT. (\$MIL)	2006 AVG. FACE AMT. (\$MIL)	POLICIES ISSUED IN 2006
1	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SUL Guard</i>	\$61.3	\$1,047.8	\$3.0	353
2	GENWORTH LIFE & ANNUITY INS. CO. <i>Lifetime Provider SUL</i>	\$34.0	\$465.0	\$1.5	302
3	JOHN HANCOCK USA <i>Protection SUL-G</i>	\$29.5	\$2,570.7	\$4.8	534
4	METLIFE <i>Legacy Advantage SUL</i>	\$20.4	\$1,229.1	\$1.9	655
5	AXA EQUITABLE <i>Athena Survivorship UL II</i>	\$20.0	\$1,900.0	\$3.2	606
6	AXA EQUITABLE <i>Athena Survivorship Incentive Life '02</i>	\$10.5	\$783.0	\$3.1	253
7	LINCOLN BENEFIT LIFE <i>Legacy Secure SL</i>	\$7.5	\$336.5	\$3.0	112
8	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SVUL Guard</i>	\$6.3	\$125.7	\$3.7	34
9	METLIFE <i>Zenith Survivorship Life 2002</i>	\$6.0	\$579.0	\$3.4	172
10	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SWL</i>	\$3.6	\$305.9	\$3.0	103
11	GUARDIAN LIFE INS.CO. OF AMERICA <i>EstateGuard</i>	\$3.6	\$225.3	\$1.8	125
12	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SUL+</i>	\$3.5	\$136.9	\$3.4	40
13	PENN MUTUAL LIFE INS. CO. <i>Variable EstateMax III</i>	\$1.7	\$131.6	\$2.7	48
14	PROTECTIVE LIFE INS. CO. <i>Survivor Select III</i>	\$1.4	\$662.5	\$1.4	355
15	METLIFE <i>Variable Survivorship Life II</i>	\$1.1	\$113.1	\$4.5	25
16	JOHN HANCOCK USA <i>Performance SUL</i>	\$1.0	\$63.9	\$8.0	8
17	NATIONAL LIFE INS. CO. <i>NL Estate Provider</i>	\$0.9	\$30.3	\$1.0	29
18	PROTECTIVE LIFE INS. CO. <i>Protective Survivor</i>	\$0.8	\$14.8	\$1.6	9
19	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SVUL II</i>	\$0.8	\$100.1	\$3.2	31
20	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SWL Protector</i>	\$0.6	\$70.4	\$3.5	20

\* Based on company supplied data; some companies declined to provide sales figures for individual policies

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**THE LAST YEAR** in which survivorship sales increased was 2004, according to LIMRA International, and the 12 insurers who answered our call for sales data this year on their survivorship insurance policies confirm that sales continue to decline. Those firms reported that they sold 6,339 new policies in 2006, resulting in total new survivorship life premiums of \$313.5 million during the year. Last year, 13 insurers reported to /A that they sold 9,728 policies in 2005, with total premiums of \$455 million. Policies sold in 2006 carried a total face amount of \$18.83 billion in coverage, flat compared to 2005's \$18.89 billion. The average face amount of a policy was \$2.98 million in 2006, our cooperative responders told us, an increase over 2005's reported average of \$1.89 million. For the record, twenty insurers provided us with information on their policies this year, but eight declined to provide sales figures. More complete data from our forthright insurers can be found at [www.investmentadvisor.com](http://www.investmentadvisor.com).

## 2006 AVERAGE FACE AMOUNT BY POLICY\*

RANK	COMPANY	2006 AVG. FACE AMT. (\$MIL)	2006 TOTAL FACE AMT. (\$MIL)	2006 TOTAL SURVIVORSHIP PREMS. (\$MIL)	POLICIES ISSUED IN 2006
1	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>Prestige SUL</i>	\$26.0	\$26.0	\$0.2	1
2	JOHN HANCOCK USA <i>Performance SUL</i>	\$8.0	\$63.9	\$1.0	8
3	JOHN HANCOCK USA <i>Protection SUL-G</i>	\$4.8	\$2,570.7	\$29.5	534
4	NATIONAL LIFE INS. CO. <i>Sentinel Estate Provider</i>	\$4.6	\$64.2	\$0.4	14
5	METLIFE <i>Variable Survivorship Life II</i>	\$4.5	\$113.1	\$1.1	25
6	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SUL 10</i>	\$4.0	\$328.2	\$0.5	82
7	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SVUL Guard</i>	\$3.7	\$125.7	\$6.3	34
8	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SWL Protector</i>	\$3.5	\$70.4	\$0.6	20
9	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>Survivorship UL+</i>	\$3.4	\$136.9	\$3.5	40
10	METLIFE <i>Zenith Survivorship Life 2002</i>	\$3.4	\$579.0	\$6.0	172
11	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SVUL II</i>	\$3.2	\$100.1	\$0.8	31
12	AXA EQUITABLE <i>Athena Survivorship UL II</i>	\$3.2	\$1,900.0	\$20.0	606
13	AXA EQUITABLE <i>Athena Survivorship Incentive Life '02</i>	\$3.1	\$783.0	\$10.5	253
14	LINCOLN BENEFIT LIFE <i>Legacy Secure SL</i>	\$3.0	\$336.5	\$7.5	112
15	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SWL</i>	\$3.0	\$305.9	\$3.6	103
16	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SUL Guard</i>	\$3.0	\$1,047.8	\$61.3	353
17	PENN MUTUAL LIFE INS. CO. <i>Variable EstateMax III</i>	\$2.7	\$131.6	\$1.7	48
18	METLIFE <i>Legacy Advantage SUL</i>	\$1.9	\$1,229.1	\$20.4	655
19	GUARDIAN LIFE INS.CO. OF AMERICA <i>EstateGuard</i>	\$1.8	\$225.3	\$3.6	125
20	PROTECTIVE LIFE INS. CO. <i>Protective Survivor</i>	\$1.6	\$14.8	\$0.8	9

\* Based on company supplied data; some companies declined to provide sales figures for individual policies

# INVESTMENT ADVISOR'S TOP 20 SURVIVORSHIP LIFE POLICIES

**THE 2009 DEADLINE** for Congress to deal with the estate tax is fast approaching, and industry observers say not to expect an outright repeal, but instead look for lawmakers to raise the exemption amount and index that amount to inflation. The federal estate tax exclusion, which now stands at \$2 million, will jump to \$3.5 million in 2009 and goes away for one year, 2010, after which time it reverts to \$1 million in 2011.

Mary Bell, the FPA's assistant director of government relations, says a repeal of the estate tax is unlikely "with the Democrats in power." Max Baucus (D-Montana), chairman of the Senate Finance Committee, has said he wants to put the estate tax issue back on the table this year, and "wants to mark up a bill by Spring of 2008," on the estate tax, Bell says.

Greg Valliere, chief strategist at the Stanford Washington Research Group in Washington, predicts that the estate tax will be dealt with in "the huge tax bill that gets passed in 2009."

## MOST INDIVIDUAL POLICIES SOLD IN 2006\*

RANK	COMPANY	POLICIES ISSUED IN 2006	2006 TOTAL SURVIVORSHIP PREMS. (\$MIL)	2006 TOTAL FACE AMT. (\$MIL)	2006 AVG. FACE AMT. (\$MIL)
1	METLIFE <i>Legacy Advantage SUL</i>	655	\$20.4	\$1,229.1	\$1.9
2	AXA EQUITABLE <i>Athena Survivorship UL II</i>	606	\$20.0	\$1,900.0	\$3.2
3	JOHN HANCOCK USA <i>Protection SUL-G</i>	534	\$29.5	\$2,570.7	\$4.8
4	PROTECTIVE LIFE INS. CO. <i>Survivor Select III</i>	355	\$1.4	\$662.5	\$1.4
5	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SUL Guard</i>	353	\$61.3	\$1,047.8	\$3.0
6	GENWORTH LIFE & ANNUITY INS. CO. <i>Lifetime Provider SUL</i>	302	\$34.0	\$465.0	\$1.5
7	AXA EQUITABLE <i>Athena Survivorship Incentive Life '02</i>	253	\$10.5	\$783.0	\$3.1
8	METLIFE <i>Zenith Survivorship Life 2002</i>	172	\$6.0	\$579.0	\$3.4
9	GUARDIAN LIFE INS.CO. OF AMERICA <i>EstateGuard</i>	125	\$3.6	\$225.3	\$1.8
10	LINCOLN BENEFIT LIFE <i>Legacy Secure SL</i>	112	\$7.5	\$336.5	\$3.0
11	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SWL</i>	103	\$3.6	\$305.9	\$3.0
12	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SUL 10</i>	82	\$0.5	\$328.2	\$4.0
13	PENN MUTUAL LIFE INS. CO. <i>Variable EstateMax III</i>	48	\$1.7	\$131.6	\$2.7
14	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>Survivorship UL+</i>	40	\$3.5	\$136.9	\$3.4
15	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SVUL Guard</i>	34	\$6.3	\$125.7	\$3.7
16	PRINCIPAL LIFE <i>Survivorship Universal Life Protector</i>	32	NA	\$1.3	NA
17	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SVUL II</i>	31	\$0.8	\$100.1	\$3.2
18	NATIONAL LIFE INS. CO. <i>NL Estate Provider</i>	29	\$0.9	\$30.3	\$1.0
19	METLIFE <i>Variable Survivorship Life II</i>	25	\$1.1	\$113.1	\$4.5
20	MASSACHUSETTS MUTUAL LIFE INS. CO. <i>SWL Protector</i>	20	\$0.6	\$70.4	\$3.5

\* Based on company supplied data; some companies declined to provide sales figures for individual policies

## FOR MORE INFORMATION . . .

### AIG AMERICAN GENERAL LIFE

713-522-1111 • www.americangeneral.com

**Ratings:** A.M. Best: A++; Fitch: AA+;

**Moody's:** Aa1; **S&P:** AA+; **TheStreet.com:** NR

**Policies:** *Platinum Protector Survivor G UL* (8/03)

*Elite Survivor 2004 UL* (1/03)

*Elite Survivor G UL* (11/02)

*Platinum Survivor Ultra G 2004 UL* (10/02)

*Platinum Investor Survivor Two VUL* (7/01)

*Platinum Survivor Ultra 2004 UL* (10/00)

### AXA EQUITABLE

212-554-1234 • www.axa-equitable.com

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa3; **S&P:** AA; **TheStreet.com:** B

**Policies:** *Athena SUL II*

*Athena Survivorship Incentive Life '02*

### BANNER LIFE INSURANCE CO.

800-638-8428 • www.lgamerica.com

**Ratings:** A.M. Best: A+; Fitch: NR;

**Moody's:** NR; **S&P:** AA; **TheStreet.com:** NR

**Policy:** *Survivor Life* (11/93)

### GENWORTH LIFE & ANNUITY LIFE INS. CO.

434-845-0911 • www.genworth.com

**Ratings:** A.M. Best: A+; Fitch: AA-;

**Moody's:** Aa3; **S&P:** AA-; **TheStreet.com:** B

**Policy:** *Lifetime Provider SUL* (2/05)

### GUARDIAN LIFE INS. CO. OF AMERICA

800-771-8870 • www.guardianlife.com

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa2; **S&P:** AA; **TheStreet.com:** A

**Policy:** *EstateGuard PWL* (7/03)

### THE HARTFORD

800-800-2738 • www.thehartford.com

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa3; **S&P:** AA-; **TheStreet.com:** NR

**Policy:** *Hartford VUL Last Survivor* (6/06)

### ING SECURITY LIFE OF DENVER

866-464-7355 • www.ing.com/us

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa3; **S&P:** AA; **TheStreet.com:** B

**Policies:** *Explorer SUL* (2/05)

*ING Estate Designer SVUL* (5/00)

*ING Variable SUL* (8/99)

### ING RELIASTAR LIFE

866-464-7355 • www.ing.com/us

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa3; **S&P:** AA; **TheStreet.com:** B

**Policies:** *ING Guaranteed Premium SUL* (9/03)

*ING Variable Accumulation Design VUL* (2/02)

### JOHN HANCOCK USA

617-572-6000 • www.johnhancock.com

**Ratings:** A.M. Best: A++; Fitch: AA+;

**Moody's:** Aa2; **S&P:** AAA; **TheStreet.com:** NR

**Policy:** *Protection SVUL* (7/07)

*Accumulation SVUL* (7/07)

*Protection SUL-G* (5/07)

*Performance SUL* (9/06)

### LINCOLN BENEFIT LIFE

800-525-9287 • www.accessallstate.com

**Ratings:** A.M. Best: A+; Fitch: NR;

**Moody's:** Aa2; **S&P:** AA2; **TheStreet.com:** NR

**Policy:** *Legacy Secure SL* (3/06)

### LINCOLN NATIONAL CORP.

800-444-2363 • www.lfg.com

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa3; **S&P:** AA; **TheStreet.com:** B-

**Policy:** *Lincoln Life Guarantee SUL* (4/07)

*Lincoln Life Current SUL* (4/07)

*Lincoln SVUL One* (4/06)

*Lincoln SVUL-IV* (7/04)

*Lincoln Ensemble SL* (9/00)

### MASSACHUSETTS MUTUAL LIFE INS. CO.

800-272-2216 • www.massmutual.com

**Ratings:** A.M. Best: A++; Fitch: AAA;

**Moody's:** Aa1; **S&P:** AAA; **TheStreet.com:** A

**Policies:** *SUL Guard* 12/05

*SVUL Guard* 8/04

*SUL+* 8/04

*Prestige SUL* 9/03

*SVUL Protector* 1/01

*SUL 10* 11/01

*SVUL II* 5/00

*SVL* 5/82

### METLIFE

800-638-5433 • www.metlife.com

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa2; **S&P:** AA; **TheStreet.com:** NR

**Policies:** *Legacy Advantage SUL* (11/05)

**Policies continued:** *Zenith Survivorship Life 2002 Variable Survivorship Life II*

### NATIONAL LIFE INSURANCE CO.

800-536-5934 • www.nationallife.com

**Ratings:** A.M. Best: A; Fitch: NR;

**Moody's:** A3; **S&P:** A+; **TheStreet.com:** NR

**Policies:** *NL Estate Provider* (7/98)

*Sentinel Estate Provider* (5/98)

### NATIONWIDE FINANCIAL

800-536-5934 • www.nationwidefinancial.com

**Ratings:** A.M. Best: A+; Fitch: AA-;

**Moody's:** Aa3; **S&P:** AA-; **TheStreet.com:** B+

**Policies:** *Nationwide YourLife SUL* (11/07)

*Best of America Protection SVUL* (5/02)

*Best of America Next Generation SVUL* (8/00)

### PACIFIC LIFE INSURANCE CO.

800-800-7681 • www.pacificlife.com

**Ratings:** A.M. Best: A++; Fitch: AA;

**Moody's:** Aa3; **S&P:** AA; **TheStreet.com:** A

**Policy:** *Pacific Estate Preserver III* (5/07)

### PENN MUTUAL LIFE INSURANCE CO.

800-523-0650 • www.pennmutual.com

**Ratings:** A.M. Best: A+; Fitch: NR;

**Moody's:** Aa3; **S&P:** AA-; **TheStreet.com:** B+

**Policy:** *Variable EstateMax III* (9/01)

### PRINCIPAL LIFE

800-986-3343 • www.principal.com

**Ratings:** A.M. Best: A+; Fitch: AA;

**Moody's:** Aa2; **S&P:** AA; **TheStreet.com:** NR

**Policy:** *SUL Protector* (12/06)

### PROTECTIVE LIFE INSURANCE CO.

800-866-3555 • www.protectivelife.com

**Ratings:** A.M. Best: A+; Fitch: AA-;

**Moody's:** Aa3; **S&P:** AA; **TheStreet.com:** NR

**Policies:** *Survivor Select III* (6/03)

*Protective Survivor* (7/97)

### UNION CENTRAL LIFE — A UNIFI CO.

800-825-1551 • www.unioncentral.com

**Ratings:** A.M. Best: A; Fitch: NR;

**Moody's:** NR; **S&P:** AA-; **TheStreet.com:** NR

**Policy:** *Excel Survivor UL* (10/99)