

# PRESS RELEASE



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## **PREPARING FOR RETIREMENT: IT'S NOT JUST ABOUT SAVING** *Trade groups emphasize need for protection, sound public policy at 2006 Saver Summit*

**WASHINGTON, D.C.—March 1, 2006**—At the 2006 National Summit on Retirement Savings, trade groups representing life insurance and employee benefits held a press conference to make one point abundantly clear: preparing for retirement isn't just about accumulating savings. It's also about lifetime financial protection.

The press event was cosponsored by the American Council of Life Insurers (ACLI), the American Society of Pension Professionals and Actuaries (ASPPA), the Association for Advanced Life Underwriting (AALU), and the National Association of Insurance and Financial Advisors (NAIFA).

Created by the *Savings Are Vital to Everyone's Retirement (SAVER) Act of 1997* and directed by the U.S. Department of Labor, the Saver Summit is held every four years to focus attention on the need for appropriate retirement planning and policies to advance the future well-being of workers and their families.

"The Saver Summit serves an important function—to raise the public's knowledge and understanding of retirement savings. We're here today to stress to working Americans, the Bush Administration and Congress the importance to not only save for the future, but also to secure and protect that future," said Gov. Frank Keating, ACLI's president and CEO.

"The employment-based retirement system represents a crucial component of America's long-term savings and retirement security. Many of the answers to the nation's retirement security riddle can be found through the current system," said Brian Graff, ASPPA's executive director.

At the press briefing trade groups released *The Importance of Personal Financial Protection: It's More than Savings, It's Security*. This new brochure describes the wide array of protection and security products, and data supporting their important role in retirement planning and the need for public policy to encourage their use. The brochure is available on the organizations' websites.

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The trade groups also expressed concern with the proposed changes to the tax code put forth respectively by the President's Advisory Panel on Federal Tax Reform and the Administration's 2007 budget proposal. A number of proposed changes would remove or diminish incentives for the protection and long-term savings provided by 401(k) and other retirement plans, life insurance and annuities.

"The important tax treatment of life insurance and retirement products under current law provides incentives for both individuals and employers to protect and save for their futures. Any changes contemplated in the tax system related to savings should not threaten the existing tax treatment of products with a proven track record of success," said AALU CEO David Stertzer.

"If anything, policymakers should be looking at ways to strengthen life insurance and retirement products, not disadvantage them," added NAIFA CEO David Woods. "With declining personal savings and the shrinking of defined benefit pension plans, today's workers face an increasing number of risks. Whether it's dying with inadequate resources, becoming disabled, having insufficient or outliving savings in retirement, most individuals do not have the resources to manage risk on their own."

**About the sponsoring organizations:**

**The Association for Advanced Life Underwriting (AALU) is a nationwide organization of life insurance agents, many of whom are engaged in complex areas of life insurance such as business continuation planning, estate planning, charitable planning, retirement planning, deferred compensation and employee benefit planning. AALU represents approximately 2,000 life and health insurance agents and financial advisors nationwide. 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](http://www.aalu.org).**

**The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association whose 377 member companies account for 91 percent of the life insurance industry's total assets in the United States, 90 percent of life insurance premiums and 95 percent of annuity considerations. In addition to life insurance and annuities, ACLI member companies offer pensions, including 401(k)s, long-term care insurance, disability income insurance and other retirement and financial protection products, as well as reinsurance. ACLI's public Web site can be accessed at [www.acli.com](http://www.acli.com).**

**The American Society of Pension Professionals and Actuaries, a national organization made up of more than 5,500 retirement plan professionals, is dedicated to preserving and enhancing the employer-sponsored retirement plan system in the United States. ASPPA is the only organization comprised exclusively of pension professionals who actively advocate for legislative and regulatory changes to expand and improve the employer-sponsored retirement plan system.**

**The National Association of Insurance and Financial Advisors, founded in 1890 as the National Association of Life Underwriters, comprises 800 state and local associations representing the business interests of 225,000 members and their employees nationwide. 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. NAIFA'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. Go to [www.naifa.org](http://www.naifa.org) to learn more.**