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## Fixed annuities from three small insurers make Barron's "smart" list

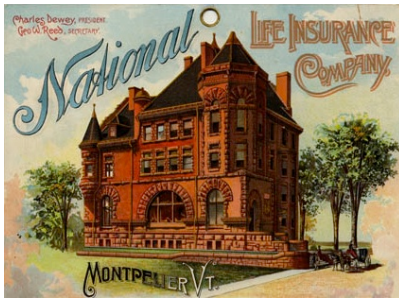
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By Editor Test    Tue, Jun 21, 2011

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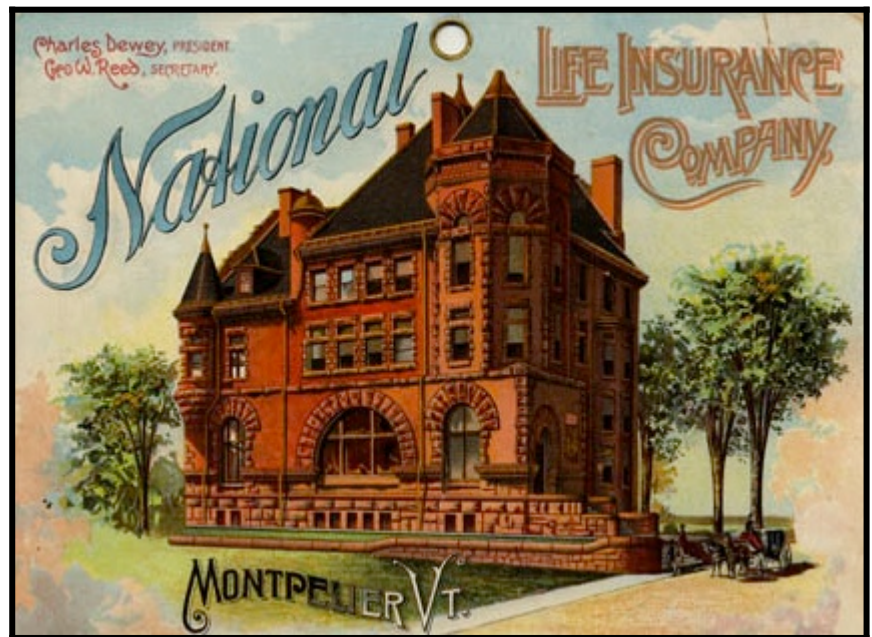
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Three annuity issuers companies that don't make headlines very often—The Standard, the Life Insurance Company of the Southwest (LICS), and Royal Neighbors of America—appeared on Barron's list of "25 smart annuities" last Saturday.

While smaller than most of the other 15 companies on the list (see today's Data Connection at right), these companies nonetheless have top-tier strength ratings from A.M. Best. Judging by their addresses and/or histories, they also have a whiff of counter-culture about them, relatively speaking.



Rather than being located in an insurance stronghold like Massachusetts, Connecticut, Iowa or Minnesota, two of the firms are headquartered in a pair of "blue" states that bookend the country like copies of Helen and Scott Nearing's classic *Living the Good Life* (in the East) and the collected beat poetry of Gary Snyder (out West).

The Standard (A, A.M. Best) is based in Portland, Ore., while LICS's parent, National Life Group (A, A.M. Best), is based in Montpelier, Vt., a region where Volvo 240s and cork-soled Birkenstock sandals never go out of fashion and a high proportion of mature women wear their steely locks defiantly undyed.

The Standard's Focused Growth five-year guaranteed rate fixed deferred annuity and its Index Growth fixed indexed annuity made the *Barron's* list. The Standard is a unit of publicly held Stancorp Financial Group (2010 revenues of \$2.77 billion).

Two of LISC's fixed indexed annuities, the SecurePlus Platinum and the SP Flex, were among the five S&P 500 FIAs on the Barron's list. Its parent, founded 160 years ago, is a mutual company with assets of about \$20 billion. Earlier this year, National Life introduced a Lifetime Income Benefit Rider on a universal life insurance policy, with the income deducted from the policy's account value through partial withdrawals and loans.

Smaller and even more focused in its mission is Royal Neighbors of America, an Illinois non-profit with \$766 million in assets that was founded in 1895 to "support women and those they care about." Its Choice 5 multi-year guarantee fixed deferred annuity was among the five five-year contracts recommended by *Barron's*.

Royal Neighbors has a national network of 220,000 "members" who belong to chapters of 10 or more people each. The members not only own Royal Neighbors products, but also volunteer to sponsor or support a variety of local causes.

Through the Nation of Neighbors program, begun in 2007, the company and its members have given over \$1 million to 800 women to help them achieve their dreams, such as starting a day care center or, in one case, writing a book about the experiences of women entrepreneurs in the Dakotas.