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## The Bucket

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By Editorial Staff      Wed, Apr 20, 2011

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*Brief and late-breaking items from AXA Equitable Life, Prudential, MassMutual, Northwestern Mutual and The Derivative Project.*

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### **AXA Equitable launches “Virtual Consultation Calculators”**

AXA Equitable Life now offers “video calculators” featuring licensed and experienced financial consultants who help guide individuals through the process of determining how long their retirement savings may last or how much life insurance coverage they may need to protect their families’ future, the company said in a release.

The video calculators, unique to AXA Equitable, provide users with an interactive experience where they receive virtual consultations. Financial consultant David Tornetto offers individuals guidance on estimating how savings may grow until retirement and how withdrawals may impact savings during retirement.

Financial consultant Char Gransta navigates users through a process to assess how much life insurance they may need to replace their income. Combined, these two financial professionals have more than 40 years of experience helping people define and work toward their financial goals.

“Our video calculators provide people with more than just a figure of how much money they might need for a particular life event,” said Andrew McMahon, president of AXA Equitable Life Insurance Company. “These calculators, featuring real financial professionals, simulate what they can expect in an initial conversation with a financial consultant.

“Planning for your retirement, assessing your family’s readiness in the event of death, even just meeting with a financial consultant for the first time – these can all be daunting tasks,” McMahon said. “The virtual consultation can help people get more comfortable, be better prepared when actually meeting with a financial professional for the first time, and hopefully get more out of the meeting in terms of deciding next steps.”

If a user has a question or needs more information about a particular term or topic, he or she simply clicks on a button and the financial consultant explains the topic and provides guidance in greater detail.

“Studies have shown that people spend more time planning for a one-week vacation than they do planning for retirement,” said Connie O’Brien, senior vice president of Internet Strategy and Design for AXA Equitable. “We recently tested this in one of our [Retirement Reality Series](#) person-on-the-street interviews and found solid evidence to support the theory. We created the video calculators to make it easier for people to take the first step toward planning for the future. With the Web technology available today, we can provide customers with a new level of resources to help them make more informed decisions at their pace and in a way that is comfortable and convenient for them.”

The [video calculators](#) and virtual consultations are available at [www.axa-equitable.com](http://www.axa-equitable.com).

### **Prudential Retirement Hits \$20 billion in New Third-Party Stable Value Sales**

After less than two years after entering the third-party stable value business, Prudential Retirement has surpassed \$20 billion in sales, the unit of Prudential Financial said in a release.

Account values have jumped 60% since January, when the business reached more than \$12.5 billion in third-party stable value assets for a variety of institutional investment-only clients.

Prudential said its entry into the third-party stable value business in the second quarter of 2009 was fueled in large part to help provide plan sponsors with new options to give plan participants the potential to protect their assets against volatility following the financial crisis of 2008-2009.

### **Jeffrey Keller joins MassMutual's retirement plan sales team**

MassMutual's Retirement Services Division, which set a division sales record in 2010, has hired Jeffrey Keller as a new managing director in its southeast region and will add three new sales support roles in the New York, New England and Michigan territories. MassMutual plans to add further to its sales team later this year, the company said in a release.

Jeffrey Keller has been appointed a managing director for MassMutual effective March 28, covering Georgia, Florida, Alabama and Puerto Rico. He joined MassMutual from New York Life where he spent 13 years in a variety of key sales and marketing leadership roles. Keller most recently served as managing director and head of New York Life's defined contribution investment only business.

Stan Label, national sales manager for First Mercantile Trust Company (First Mercantile), has announced his plans to retire at the end of April after more than 40 years in the retirement plan business. Label also served on the MassMutual Retirement Services sales management team for 11 years.

Upon Label's retirement at the end of this month, members of his sales team will report to the regional managers in their respective territories in alignment with the company's local team philosophy.

### **Americans are taking the longer view: Northwestern Mutual**

Americans prefer choices that deliver higher quality, long-term growth and guarantees versus options that are cheaper and faster in the short term, but may be higher risk or deliver less return over the long term, according to a poll conducted by Harris Interactive for Northwestern Mutual.

The survey of more than 2,000 Americans asked respondents to choose their preference in a series of tradeoffs, including:

- **Trade-off for growth:** When asked if an immediate one-time bonus would be preferable to a smaller raise in salary, eighty-seven percent (87%) of those polled indicated they would forgo the bonus and

prefer the smaller raise that would end up being more than the bonus in the long term. Only 13% indicated they would choose a one-time bonus.

- **Trade-off for guarantees:** When comparing the potential for a large reward with low odds to a smaller guaranteed reward, 83% of people would take the smaller yet guaranteed reward. Only 17% will risk the lower odds of a larger reward.
- **Trade-off for quality:** According to the poll, people are prepared to pay a premium for products that hold up over the long-term (82%) versus spending less now for products that are lower quality and need to be replaced sooner (18%).

The survey was conducted online from March 30-April 11, 2011 among 2,159 American adults ages 18 and older.

### **Investigation of AIG bailout urged by advocacy group**

The Derivative Project, a Minnesota-based non-partisan, taxpayer advocacy organization, has asked Rep. Michelle Bachmann (R, MN) for an immediate House Oversight Committee investigation of all U.S. taxpayer payments to AIG commencing in fiscal year 2008.

The organization is requesting this investigation be completed in conjunction with Bachmann's legislation, sponsored in January 2011, to repeal the Dodd-Frank financial reform bill.

The Derivative Project requested of Congresswoman Bachmann in this memorandum, the following investigation:

- What legislation does The Tea Party Caucus and House Republicans propose to prevent taxpayer dollars from being used in the future to fund speculative positions by an end user, like AIG, or other financial institutions if Dodd-Frank is repealed?
- Are there substantive issues for House Oversight Committee investigation of unequal enforcement of U.S. financial contract law, where U.S. individuals are imprisoned for breach of a financial contract and U.S. corporations and its representatives are allowed a "stupidity" defense, when there is a preponderance of evidence the corporate financial contracts are fraudulent?
- The Tea Party Caucus and the House Republicans launch a complete House Oversight Investigation of the use of taxpayer dollars to fund collateral call payments to Goldman Sachs and other AIG counterparties during the most recent financial crisis, specifically why these financial contracts were not deemed fraudulent between AIG and Goldman Sachs and unwound in an orderly fashion.
- The Tea Party Caucus and the House Republicans request a ruling from Attorney General Eric Holder on why the financial contracts between AIG and Goldman Sachs were not deemed fraudulent and a constitutional misuse of taxpayer dollars by the U.S. Department of Treasury headed by then Treasury Secretary Henry Paulson, who had a material conflict of interest in proposing this use of \$180 billion of U.S. taxpayer dollars since he had been a partner of Goldman Sachs. Should the U.S. Treasury Secretary have recused himself from the recommendation that U.S. taxpayers fund collateral call payments from AIG to Goldman Sachs?
- The Tea Party Caucus and the House Republicans investigate if the \$50 billion in taxpayer funds funneled to several banks for AIG collateral payments on derivative financial contract positions should be refunded by the banks to the U.S. taxpayer.

The Derivative Project is a non-partisan, Minnesota – based taxpayer advocacy organization that seeks to ensure the long-term stability of the U.S. economy through equitable enforcement, for both individuals and corporations, of financial laws and regulations.

The full text of the group’s letter to Bachmann will be made available at The Derivative Project’s website, [www.thederivativeproject.com](http://www.thederivativeproject.com) and Blog, [blog.thederivativeproject.com](http://blog.thederivativeproject.com).