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## The Bucket

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By Editorial Staff    *Tue, Aug 9, 2011*

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*Brief or late-breaking items from Security Benefit, Allianz Life, Lincoln Financial, MassMutual and Prudential Retirement.*

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### **Security Benefit names Michael Kiley as new CEO**

Security Benefit Corporation, a Guggenheim Partners Company, has announced that Michael Kiley will become chief executive officer on September 30, 2011. Kiley succeeds Howard Fricke, the interim president and CEO since February 2010 and previously Security Benefit president and CEO from 1988 to 2000 and chairman from 1996 to 2006.

Kiley currently serves as a senior managing director for Guggenheim Partners. He originally joined Guggenheim in a consulting capacity to advise management on the acquisition of Security Benefit, which was completed on August 2, 2010. He will currently remain on the board of directors of Security Benefit Corp.

Prior to joining Guggenheim Partners, Kiley served as president and CEO of Van Kampen Investments, a division of Morgan Stanley. During his tenure at Morgan Stanley he also served as president and CEO of Morgan Stanley Funds Distributors, head of the U.S. Intermediary Group and as a principal in the institutional asset management group. Prior to that Kiley was president of the Travelers Portfolio Group, a division of Citigroup. He also held executive positions at AXA and Guardian Life.

### **Allianz Life reports 14% increase in year-to-date 2011 sales**

Minneapolis-based Allianz Life Insurance Company of North America posted premium of \$5.6 billion through the first half of 2011, an increase of 14% from \$4.9 billion in the first half of 2010.

Fixed index annuity premium increased 8% over the first half of last year to \$3.3 billion from \$3.05 billion. Variable annuity sales were up 27% from \$1.5 billion in 2010 to \$1.9 billion year-to-date.

“We continue to maintain our strong annuity market share and increase sales by strengthening relationships with distribution,” said Allianz Life President & CEO Gary C. Bhojwani.

Operating profit was \$315 million for the first half of the year, and reflects the strong profit margin on the company’s inforce portfolio. This is down slightly from prior year results of \$348 million, which were boosted by a positive one-off effect on the investment portfolio.

Total assets under management reached \$92 billion, an increase of 5% from December 31, 2010. Growing customer balances and positive sales drove this change.

## **Lincoln Financial adds Dimensional Funds and Vanguard ETFs to variable insurance products**

Lincoln Investment Advisors Corporation, a unit of Lincoln Financial Group, has added the introduction of Lincoln Variable Insurance Product (LVIP) Dimensional Funds and Vanguard® ETF Funds, new fund-of-funds investment options available through select Lincoln variable life, annuity and defined contribution products.

With input from Dimensional Fund Advisors about Dimensional's family of funds, the LVIP Dimensional Funds offer exposure to the Dimensional Institutional Funds used by advisors, and were developed to achieve long-term capital appreciation and provide access to a risk-managed asset allocation strategy.

Through a fund-of-funds structure, LVIP Dimensional Equity Funds provide a broad, cost-effective exposure to the market. By spreading the investment gradually across the entire market, the funds can hold stocks for maximum indexing expertise. The Funds are designed to help investors track indices and gain equity and fixed income exposure through a diversified approach.

The three new strategies available are the **LVIP Vanguard Domestic Equity ETF Fund** and **LVIP Vanguard International Equity ETF Fund** - both designed to achieve long-term capital appreciation - and the **LVIP Dimensional/Vanguard Total Bond Fund**, designed with a total return consistent with preservation of capital.

efficiency and minimize counterproductive trading.

The new fund options include the **LVIP Dimensional U.S. Equity Fund**, **LVIP Dimensional Non-U.S. Equity Fund** and the **LVIP Dimensional/Vanguard Total Bond Fund**.

The LVIP Vanguard® ETF Funds provide exposure to domestic and international exchange-traded funds (ETFs) and Vanguard's at-cost

## **MassMutual Retirement Services adds two sales directors**

Garrett Carlough and Andrew Hanlon have joined MassMutual as sales directors in its Retirement Services sales and client management organization led by Hugh O'Toole, increasing support for the under-\$5 million retirement plan business.

Carlough joined MassMutual on May 16 from Principal Financial Group. He will cover New York City, Long Island, Westchester County, Rockland County and northern New Jersey.

Hanlon was appointed sales director effective July 1. He covers eastern Massachusetts, Rhode Island, New Hampshire and Maine. He most recently served as a key account manager in MassMutual's distribution support organization. With MassMutual since 2006, he spent 10 years with Putnam Investments in operations, implementation and sales.

Both men will report to Jonathan Shuman, national sales leader, MassMutual's Retirement Services Division.

### **Prudential Retirement offers mobile communication apps**

Prudential Retirement, a unit of Prudential Financial, has launched its Experience Prudential Retirement custom website building solution, and introduced new mobile applications.

The apps let mobile participants review their savings portfolios and calculate retirement income, and help business partners provide customer service. Experience Prudential Retirement will allow financial advisors and plan consultants to create customized marketing websites for prospects and clients.

"Compared to 2010, our research indicates that respondents who are very interested in mobile media grew by 85% in 2011 and those very interested in social media grew by 57%. Our investments in mobile technology, customer experience upgrades and digital engagement will help our stakeholders transform how they engage retirement plans and ultimately achieve retirement security goals," said Eric Feige, Prudential Retirement's vice president of E-strategy since March.

Prudential Retirement has enabled mobile account access for its 2.5 million retirement plan participants and is making its Retirement Income Calculator available to all Americans through mobile devices.

Participants will be able to view account information including balances, personal rates of return, and year-to-date contributions, as well as link to Prudential's website on their mobile device.

The Retirement Income Calculator app is now available for download from the Apple Store, Google's Android Market and BlackBerry's App World free of charge. The app allows users to input information like their age, salary, current retirement savings, etc. calculate their estimated monthly retirement income and estimated monthly retirement income need.

The calculator also available through the business' participant website then provides specific guidance on steps users can take to achieve their financial goals including the impact of increasing contribution rates, taking early or delaying retirement.