
American Council of Life Insurers

The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association backed by an industry with more than 200 years of experience protecting American families, workers, and businesses. ACLI represents 340 life insurance companies operating in the United States before federal and state legislators, regulators, and courts.

In these uncertain economic times, achieving financial and retirement security has never been more important. Life insurers help American families save for retirement and provide financial protection to guard against the loss of a loved one, an unexpected disability, or long-term ailment.

Leading a Strong Industry

ACLI members are the leading providers of financial and retirement security products covering individual and group markets. They provide life insurance; annuities; pensions, including 401(k) plans; long-term care insurance; disability income insurance; reinsurance; and other retirement and financial security products. In the United States, ACLI members account for:

- 93 percent of the industry's total assets
- 94 percent of life insurance premiums
- 94 percent of annuity considerations

Protecting Families, Workers, and Businesses

Life insurers help families, workers, and businesses protect their assets, accumulate long-term savings, and guarantee a secure retirement.

- The financial plans of 65 percent of American families include life insurance.
- In 2007, life insurers paid \$58 billion in life insurance death benefits and \$72 billion in annuity benefits.
- Life insurers manage 22 percent of the assets in employer-based retirement plans in America.
- In 2007, insurers paid \$7.2 billion in long-term care benefits.
- 30 percent of U.S. workers were covered by long-term disability income insurance.

Fueling the Economy

Despite the current credit crisis and diminishing returns on investments, life insurers remain a key source of long-term investment in the economy, providing businesses and governments capital to invest in roads, schools, homes, and in plants and equipment that create jobs.

- With \$4.7 trillion invested in the U.S. economy—including \$1.2 trillion in new net investments between 2003 and 2007—life insurers are one of the largest sources of investment capital in the nation.
- Life insurers are the largest source of bond financing for corporate America and have been since the 1930s, investing \$1.6 trillion in 2007.
- They also held over \$561 billion in government bonds at the end of 2007.
- The life insurance industry held \$313 billion in commercial mortgages and \$545 billion in mortgage-backed securities in 2007 which gives people of all income levels a better chance of owning their own home.

Distribution of Life Insurance Industry Assets, 2007

Life insurers manage their assets to reflect the long-term nature of their obligations. Premiums collected from policyholders are primarily invested in high-grade corporate and government bonds.

- Corporate bonds: 38%
- Stocks: 33%
- Mortgages: 7%
- Government bonds: 11%
- Other assets: 11%

January 2009