

# LIMRA: U.S. Individual Life Premium Up Eight Percent in 2007

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**WINDSOR, Conn., February 27, 2008** — U.S. individual life insurance sales rose eight percent in new annualized premium in 2007, according to the quarterly survey by **LIMRA International**. "2007 was a strong year for life insurance with all product lines showing positive growth," said **Ashley Durham**, LIMRA analyst for product research. "We attribute the majority of the fourth quarter sales increases to new products, product enhancements, such as stronger guarantees and re-pricing and enhanced service to and entrance into new channels."

LIMRA also reported that total face amount sold in 2007 rose by five percent over 2006, while the total number of new policies sold remained flat. Growth was widespread — 65 percent of companies who participated (78 companies in total, representing 80 percent of the market) were up and nearly 40 percent experienced double digit increases. Only 14 percent of companies suffered double digit declines.

Universal life (UL) led the growth with a 17 percent increase for the fourth quarter and 11 percent for the year. Variable UL sales continued to rebound from the first half of the year— up twelve percent in the fourth quarter and seven percent year-to-date. Term life grew five percent for the year, and whole life grew three percent after two straight quarters of flat sales.

Estimated industry premium market share of each product shows 41 percent for UL, 15 percent for VUL, less than one percent for variable, 22 percent for term, and 22 percent for whole life. Despite the uncertainty about the ultimate fate of the estate tax, survivorship sales ended the year 15 percent higher than in 2006.

4Q 2007 Growth Rates by Product				
		Percent Change 2006-2007		
		Annualized premiums	Face amount	Number of policies
Universal life	Fourth Quarter	17%	10%	8%
	Year to date	11	8	1
Variable life	Fourth Quarter	3	-3	-11
	Year to date	2	-1	-9
Variable universal life	Fourth Quarter	12	12	0
	Year to date	7	4	-3
Term	Fourth Quarter	0	2	-3
	Year to date	5	6	0
Whole life	Fourth Quarter	0	2	4
	Year to date	3	1	-2
Totals	Fourth Quarter	9%	3%	1%
	Year to date	8%	5%	0%

Source: LIMRA's U.S. Individual Life Insurance Sales Summary Report, Fourth Quarter 2007.

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## About LIMRA International

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