



## Frequently Asked Questions

### **Q: How Long Has ASL Been In Business?**

**A:** Over 55 years. ASL was founded on April 6, 1954 in Phoenix, AZ and has been a licensed life insurer since April 22, 1954.

### **Q: What is ASL's Rating?**

**A:** ASL is not rated by any of the rating agencies because we believe the rating agencies add little value and do not justify the excessive fees charged by the rating agencies. We choose to not "pay to play" and instead refer people to our company's proven history of profitability and exceptional solvency as hard evidence of our financial strength and solvency.

### **Q: How Can Someone Independently Verify ASL's Solvency?**

**A:** There are three ways one can independently verify ASL's financial strength and solvency:

1. The **National Association of Insurance Commissioners (NAIC)** performs a solvency analysis every year on every licensed life insurer, which is called "Risk Based Capital" (RBC) testing. As of 12/31/2009, ASL's Total Adjusted RBC was \$14,004,652, which is over 20 times the NAIC calculated insolvency threshold for ASL of \$673,850. A copy of the 12-31-09 RBC Statement is available upon request.
2. Also available upon request is a "**2009 Independent Comparative Report**" prepared by Standard Analytical Services, Inc. This report compares ASL's key financial ratios with the 25 largest life insurance companies. A couple key ratios included in this report are:
  - a. **SOLVENCY RATIO** (Assets for each \$100 of liabilities):
    - Average of 25 largest life co's = \$105.60
    - **American Savings Life = \$225.35**
  - b. **SURPLUS FUNDS** (Amount of stockholder surplus per \$100 of policy reserves):
    - Average of 25 largest life co's = \$11.76
    - **American Savings Life = \$230.12**
3. The Company's **audited financial statements**. A copy of ASL's 12-31-2009 audited statutory financial statements is available upon request.

### **Q: How Can ASL Afford to Pay Above-Market Interest on its Annuities?**

**A:** ASL has a very different business model than the typical life insurance company. We operate with a LOW overhead. We do not have high executive salaries and bonuses and extensive layers of management. We also have LOW marketing and sales expenses. We have directly appointed agents and we pay modest commissions. We also have a proven history of profitability that is significantly better than industry averages.

### **Q: How Does ASL Invest Its Assets?**

**A:** For over 50 years ASL has maintained the same investment model of investing the majority of its assets in a very conservative yet profitable niche real estate loan product we call *Not So Hard Money*.<sup>TM</sup> These secured loans are unique because we only loan around 50% of the property's value while earning an average of 11.5% interest. Even in the 2007-2010 real estate market correction and economic meltdown, ASL's loan portfolio has been performing well and the Company has continued to be profitable.

We invite you to learn more about American Savings Life online at [www.AmericanSavingsLife.com](http://www.AmericanSavingsLife.com) or call us at our home office (480-835-5000 or toll-free 1-800-880-2112) and we will be happy to answer all of your questions.