

November 27, 2009

NAAFA
PO Box 578
Circle Pines, MN 55014

Re: Variable Product Discontinuation

Dear NAAFA:

When I became an agent in March 2003 I was told that if I didn't become a Registered Representative I could not represent American Family. Wow, has their tuned changed!

There were threats by my district manager that if a prospective agent didn't pass the Series 6 and Series 63 examinations in three tries they could not become an agent. This after an exhaustive divulgence into my personal and professional history in completing the half-inch thick paperwork to begin the registration process.

After attending a two day class and locking myself in the house and studying for three days, I was successful in passing the Series 6 and 63 examinations; I was now able to sell American Family's security products. This was the start of the badgering to write at least three variable applications per month. The stress of passing the exams and now being able to sell variables accompanied learning agency and trying to figure out how to market and sell American Family's array of products. Also, don't forget about the production requirements (30 apps per month), added to being a scratch agent!

In addition to the exhaustive amount of correspondence sent the client by the company following a sale (prospectus, statements, etc.), the district manager would come to the office once a quarter to audit the files you've written, and as always ask you write more. There were also regular 'compliance meetings' to meet the company's requirements set by the SEC. You could never get away from American Family's likeability to variable products.

Times have changed, now they have revoked the Registered Representative appointments and decided to discontinue the sale of variable products! Apparently, there is too much administrative expense in variable products. Them getting out of variables is no different than other lines of product American Family thought they could make money; i.e. long term care and health insurance.

This is typical of a company that has management that a follows instead of leads, and gives threats instead of support and positive reinforcement.

Sincerely,

Anonymous