

Newsletter



9 January 2001

Skandia Insurance Company Ltd.
S-103 50 Stockholm, Sweden
Telephone +46-8-788 10 00
Telefax +46-8-788 23 80
www.skandia.se

Office:
Sveavägen 44

News from American Skandia

Skandia has received a number of inquiries about two press releases from American Skandia. One describes the launch of a new fund product, and the other describes a new co-operation with the American internet bank, everbank. We are therefore sending out these press releases from Stockholm as well.

For further information, please contact:

Harry Vos, Head of Investor Relations, Skandia, tel +46 8 788 36 43

AMERICAN SKANDIA INTRODUCES MUTUAL FUND WRAP PRODUCTS TO SUPPORT FINANCIAL PROFESSIONALS

¾ Suite of Products Designed to Facilitate Move to Fee-Based Compensation ¾

SHELTON, Connecticut, Jan. 8, 2001 – American Skandia has introduced an innovative suite of mutual fund wrap products designed to help financial professionals move from commission-based compensation to fee-based compensation.

The American Skandia Asset Management Portfolios (ASAMP) allow financial professionals to seamlessly convert to a fee-based business while providing value-added services with a wide array of choice to their clients. ASAMP offers three programs that vary in their degree of customization, level of investment guidance and fee structure.

To date, mutual fund wrap programs throughout the industry have been limited to packaged mutual funds where investor profiling has determined asset allocation, usually fulfilled with a limited selection of “in-house” mutual funds. ASAMP, in contrast, gives the investor a choice of three product solutions with a wide range of mutual fund choices that are among the top 200 mutual funds. With ASAMP, American Skandia has used its investment selection process to determine which mutual funds to be included.

In addition, ASAMP provides the tools and process to easily convert assets that previously may not have been available to financial professionals. These include advanced Web-based record-keeping and monitoring systems as well as the support of American Skandia’s wholesaling team.

“The financial services landscape is littered with firms that have been unsuccessful in entering the mutual fund wrap business,” said Patricia Abram, Director of Markets: Variable Life and Wrap Products. “These companies packaged the products and then went to market without providing any real product support. We’re providing our financial professionals with the product innovation, distribution and wholesaling support and most advanced technology they need to succeed in a fee-based environment.”

WRAP LAUNCH

The specifics of each packaged product are as follows:

ASAF + Solutions:

- No need for the financial professional to be registered as an Investment Advisor
- American Skandia Advisory Services, Inc. will assume the role of Investment Advisor
- The fund offerings will be the ASAF Mutual Funds (C-Shares)
- Asset allocation models by Morningstar
- Default funds determined by American Skandia
- Dynamic Re-balancing
- Portfolio Evaluation Statement
- Cost- \$200 per year administrative fee for accounts less than \$250,000 – prorated quarterly and charged in arrears

Strategist Solutions:

- Financial professional or firm affiliate must be Investment Advisor
- As many as 200 pre-screened mutual funds
- Asset allocation model designed by Wall Street strategists
- Funds selected by Investment Advisor
- Dynamic Re-balancing
- Portfolio Evaluation Statement
- Cost: Client - \$200 per year administrative fee for accounts less than \$250,000 – prorated quarterly and charged in arrears
Investment advisory fee established by Investment Advisor

Advisor Solutions:

- Financial professional or firm affiliate must be Investment Advisor
- As many as 200 pre-screened mutual funds
- Financial professional determines asset allocation model
- Funds selected by Investment Advisor
- Re-balancing by Investment Advisor
- Portfolio Evaluation Statement
- Cost: Client - \$200 per year administrative fee for accounts less than \$250,000 – prorated quarterly and charged in arrears
Investment advisory fee established by Investment Advisor

WRAP LAUNCH

“These three products provide the value proposition and the credibility financial advisors have been seeking to guide them into the fee-based business,” said Abram. “American Skandia has structured ASAMP to be broker/dealer friendly with a dedicated service team and a Web-centric support system, making it a truly ‘turnkey’ solution.”

Variable annuities, variable life insurance and qualified plans are issued by American Skandia Life Assurance Corporation and distributed by American Skandia Marketing, Inc. Both companies are located at One Corporate Drive, Shelton, Connecticut 06484. American Skandia Advisory Services, Inc. (“ASASI”) sponsors the ASAF+ Solutions program through which Class C shares of American Skandia Advisor Funds (“ASAF”) are purchased. ASASI’s affiliate, American Skandia Investment Services, Inc. (ASISI), serves as investment manager for ASAF. American Skandia Advisor Funds are distributed by American Skandia Marketing, Inc., located at One Corporate Drive, Shelton, Connecticut 06484. American Skandia Advisory Services, Inc. (“ASASI”) sponsors American Skandia Asset Management Portfolios Strategists Solutions and American Skandia Asset Management Portfolios Advisor Solutions. ASASI is not the Investment Advisor for American Skandia Asset Management Portfolios Strategists Solutions or American Skandia Asset Management Portfolios Advisor Solutions. Your Financial Advisor acts as the Investment Advisor.

Call 1-800-SKANDIA for a prospectus containing more complete information on charges, expenses and tax consequences. It should be read carefully before you invest or send money. Information about the company and its products can also be found on the company Web site at www.americanskandia.com.

WRAP LAUNCH

CONTACT:

David Norman or Max Heineman
Kitchen Public Relations
(212) 687-8999
dnorman@kitchenpr.com
mheineman@kitchenpr.com

Marianne V. Stochmal
American Skandia, Inc.
(203) 402-1248
mstochmal@skandia.com

NEWS RELEASE

AMERICAN SKANDIA, EVERBANK TEAM UP *WITH GOAL TO BECOME TOP ONLINE BANKING PROVIDER TO INDEPENDENT FINANCIAL PLANNER MARKET*

SHELTON, Conn., Jan. 5, 2001 — American Skandia, Incorporated, one of the nation's leading financial services providers, and CustomerOne Financial Network Inc, operators of everbank, the highly rated Internet banking division of *Wilmington Savings Fund Society, FSB*, have announced a strategic marketing partnership and an equity investment.

The marketing partnership calls for American Skandia, Inc., through its subsidiaries, to be the exclusive distributor of everbank's FDIC-insured Internet banking services to the Independent Financial Planner marketplace. Since its launch in January 2000, everbank has attracted more than 13,500 clients located in all 50 states, and more than \$185 million in deposits. It has been named to Gomez Advisors' top ten list of Internet banks for four consecutive quarters, the only bank under two years old to make the top ten.

Said Gordon Boronow, Deputy CEO of American Skandia, Inc.: "Many of the 1,500 financial planner firms and 50,000 independent financial planners that we support are demanding high-value, FDIC-insured online banking and loan services for their customers. With a synergy between our two companies, the strategic investment is a logical way to maximize a great marketing opportunity. We have a shared mission to become the leading online banking provider serving the Independent Financial Planner Market."

Joe Pucci, Jr., Director of Internet Banking for American Skandia, said everbank emerged as the appropriate candidate after an extensive review of the universe of strategic partners.

"When we searched the marketplace to find the best-in-class provider of online banking, we found everbank. This new partnership reflects our commitment to increase the scope of world-class products we distribute, and to be as close as possible to the financial professionals we serve," Pucci said.

EVERBANK

Frank Trotter, President and CEO of everbank, said: “The independent financial planner channel is quite possibly the most powerful financial product distribution channel in the United States today, and American Skandia is clearly one of the preeminent players in this marketplace. I believe American Skandia and everbank’s partnership will illustrate the power of combining a ‘feet on the street’ national distribution force, and a world-class online banking experience.”

In concert with the announced marketing agreement, on Dec. 29, 2000, American Skandia, Inc. invested \$5 million in CustomerOne Financial Network, Inc. and, under certain circumstances, plans to contribute additional capital.

The American Skandia-everbank program will begin in the first quarter of 2001.

#

American Skandia, Inc. is parent company of American Skandia Marketing, Inc., a leading distributor of variable annuities, mutual funds, qualified plans and variable life insurance products. Variable annuities, variable life insurance and qualified plans are issued by American Skandia Life Assurance Corporation. Mutual funds are issued by American Skandia Advisor Funds, Inc. All products are distributed by American Skandia Marketing, Inc. Both offices are located at One Corporate Drive, Shelton, Connecticut 06484. Products are not available in every state and features may vary by state. More information on American Skandia is available through www.americanskandia.com.

everbank operates as the Internet division of *Wilmington Savings Fund Society, FSB*, the primary thrift subsidiary of WSFS Financial Corporation, (NASDAQ/NMS:WSFS), a \$1.7 billion financial services company.

everbank has been named “Best of the Web 2000” by *Online Banking Report*, and “Best of the Web” by *Forbes* magazine. everbank has also been named to Gomez Advisors top-10 list for the fourth consecutive quarter since the firm’s launch in January 2000, and is the only bank less than two years old to earn the honor. Gomez currently ranks everbank number 2 in the nation for “Customer Confidence.”

CONTACT:

Marianne V. Stochmal
American Skandia
(203) 402-1248

Elizabeth England
everbank
(609) 397-

7894

mstochmal@skandia.com
elizabeth@bhhinesgroup.com

