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AARP Services is pleased to report on our 2013 accomplishments, which helped to position AARP to meet its social mission goals for the future.

Meeting the needs of an increasingly diverse population is a key strategic priority. After careful research, we oversaw the launch of new lifestyle discounts, including auto repairs and more budget-friendly travel options. We also focused on making existing products more accessible. As validation, sales of personal insurance products from New York Life increased following the certification of thousands of the company’s authorized-to-offer agents who spoke to consumers in their own languages.

Through the leadership of John Wider, our president and CEO, AARP extended agreements with UnitedHealth Group, The Hartford, New York Life and JP Morgan Chase. As a result, increased royalty revenues from these providers will provide crucial support to AARP’s social mission for at least seven years.
Of particular note are further enhancements in our long-standing relationship with UnitedHealth Group. Since joining the AARP family of providers, United has increasingly focused on helping people to get healthy and stay active. Through the new contract, AARP became the Founding Consumer Advocate Organization of a UnitedHealth Group affiliate called Optum Labs—which leverages data and behavioral science to make the U.S. health system more responsive to patients while also controlling health costs.

Along with other members of the AARP Services Board, I am gratified to see our organization provide value to members, revenues to support AARP’s initiatives and a positive impact in the marketplace.

Meeting the needs of an increasingly diverse population is a key strategic priority.
During 2013, we made continued progress in making the marketplace more responsive to the needs and interests of people 50-plus.

For example, most people think of health insurance as a sterile transaction. Our view is that such coverage can and should be a pathway to better health. At the midway point of a 10-year joint effort with UnitedHealthcare involving selected seniors in its AARP Supplemental Health Insurance Plans, meticulous research found that a team approach was the best way to meet the health and social needs of seniors suffering from multiple chronic conditions, like diabetes, heart disease and cancer. Family caregiving support, meals, transportation and social engagements are all part of treating the whole person—while also holding down health costs.

As Charlotte Yeh, our chief medical officer, put it, “Health care is everyday decisions that happen at home.” Moving forward, we at AARP Services will name this cluster of efforts “AARP Avenues to Better Health.” United will call its pro-
grams “My Care Path.”

More of our providers helped members achieve real possibilities by supporting AARP’s Life Reimagined, community outreach and multicultural initiatives. Once again, hunger among older adults was alleviated and public awareness of the problem was raised through the ongoing financial support of AARP Foundation’s Drive to End Hunger by UnitedHealth Group and Chase Card Services.

Everyone at AARP Services is dedicated to creating a marketplace that is even more responsive to the needs and interests of America’s diverse, dynamic 50-plus population.

During 2013, we made continued progress in making the marketplace more responsive to the needs and interests of people 50-plus.
A wholly owned taxable subsidiary of AARP, AARP Services, Inc. supports positive social change through market innovation and leadership. Researching the goods and services that individuals at 50-plus want and need most is part of our work. Our primary role is to provide quality control on AARP's behalf for AARP-branded offerings made available by third-party providers. These products and services cover a wide range of members' health, financial and lifestyle needs. The royalty income that AARP receives from licensing its brand to these offerings is used to support the Association’s social change mission.

AARP Services leads the way in the marketplace by influencing companies to make available new and better choices for Americans 50-plus.

**Our vision:** Helping people 50-plus live healthier, more secure and happier lives.

**Our mission:** To inspire new and innovative business practices, guide consumers to make informed choices, and deliver products and services that better fulfill life-stage needs.

AARP Services fulfills this mission in five key ways, by:

1. Researching what people 50-plus want and need, and working with leading
companies to develop new products and services that meet the needs of AARP members and others 50-plus.

(2) Negotiating special product and offer features uniquely suited for individuals 50-plus as well as differentiated value (not just the lowest price) with market leaders.

(3) Setting high standards for customer service and product quality by encouraging providers to provide easy processes, monitoring provider performance and continually improving customers’ experiences. This entails oversight of providers’ marketing materials and customer service efforts and engaging independent actuaries to annually review premium rates of insurance products for appropriateness, among other quality measures.

(4) Helping people make more informed decisions, by ensuring that providers use plain language, clear offer descriptions and multiple channels to deliver that information.

(5) Working continually with providers to improve offerings through listening to and learning from the “Voice of the Member” direct feedback, member satisfaction surveys, hundreds of mystery shopping efforts and other quality-control tools. These efforts include monitoring reports on millions of member contacts and tracking hundreds of performance indicators across all major providers. From this, action plans are developed that strive for continuous improvements, helping ensure that providers are responsive to members’ needs and requests.

OUR VISION:
Helping people 50-plus live healthier, more secure and happier lives.
PEACE OF MIND FOR MEMBERS THROUGH

HEALTH & FINANCIAL SECURITY
Maintaining good health and having enough money to last a lifetime are often intertwined. That’s why AARP Services embraces efforts to hold down health costs by fostering more patient-centered care, while also making available products and services that help people save, invest and manage their money.

Through these important health and financial security efforts, AARP Services helps make the marketplace more responsive to people 50-plus.

**HEALTH PRODUCTS AND SERVICES**

To meet members’ health needs, AARP Services:

> Leverages relationships with providers to help consumers get trustworthy
information, tools and guidance about health care;
> Makes available offerings that meet broad needs; and
> Fosters a health care system that is more patient-friendly.

**AARP-Branded Medicare Products**

AARP-branded Medicare products—Medicare Supplement, Medicare Advantage and Medicare Part D (prescription drugs)—are critical in providing a vital, differentiated offering for AARP members.

The AARP Medicare Supplement Health Insurance Plans insured by UnitedHealthcare remain the most popular “Medigap” plans in the United States, due in part to outstanding service, rate stability and customer loyalty. In 2013, the plans continued providing value to 3.5 million policyholders.

AARP Services continued to provide quality oversight for UnitedHealthcare’s AARP-branded MedicareComplete Medicare Advantage and Medicare Rx Part D programs. Their benefit plan designs and product execution are governed by an agreement between UnitedHealthcare and the U.S. Centers for Medicare and Medicaid Services.

For the first time, the MedicareRx Part D “Saver Plus” plan was available to members in 45 states. This low-premium plan included features such as prescription co-pays as low as $1 at more than 65,000 participating retail pharmacies.

Annual savings of $13.8 million—mostly for Medicare—have been
achieved in recent years through UnitedHealthcare’s Nurse HealthLine, which evolved from a pilot program to a permanent offering. Members enrolled in the AARP Medicare SHIP can call toll-free any time to speak with a registered nurse, who then recommends where to get the most appropriate care. Health costs were reduced even though nurses were three times as likely to recommend that callers seek a higher rather than lower intensity of care, according to a study published in the *Journal of Nursing Management* in 2013 as part of our ongoing research.

These positive results reflect a growing body of research initiated through health care transformation efforts undertaken since 2008 by UnitedHealthcare with AARP Services’ support. The goal is to improve the coordination of health services, promote high-quality care and control health costs more effectively.

In 2013, for example, holistic case management that involves a patient,

The AARP Medicare Supplement Health Insurance Plans insured by UnitedHealthcare remain the most popular “Medigap” plans in the United States.
As part of its commitment to help people live healthier lives, UnitedHealthcare helped lead the way to a world where older Americans do not have to make the impossible choice between eating or paying a bill. The company continued to be a proud sponsor of AARP Foundation’s Drive to End Hunger. In addition, nearly 80 percent of United’s employees volunteered in service to others.
family members and caregivers emerged as the most promising approach for improving patients’ health and quality of life—while also reducing health costs for patients and Medicare. UnitedHealthcare plans to offer the holistic case-management program through its “My Care Path” program in two large states, New York and Ohio, in 2014.

Separately, improving members’ lives by helping them to prevent and deal with diabetes was a focus of UnitedHealthcare as part of its overall agreement with AARP and AARP Services. Nine approaches for raising consumer awareness and knowledge of diabetes were explored in 2013. In 2014, further efforts will focus on ways to help people make better decisions about their diabetes and overall health.

UnitedHealthcare also led the way in engaging multicultural communities with programs such as community-based seminars about Medicare that featured cooking demonstrations, educational events for Chinese and Korean consumers and “Plena Vida,” a Spanish-language newsletter about health and wellness.

Improving members’ lives by helping them to prevent and deal with diabetes was a focus.
New Health Costs Calculator
Health care costs are an increasingly large and often unplanned expense in retirement. A new online AARP Health Care Costs Calculator—which relies on Optum’s database of $136 billion in actual health insurance claims—was launched to help consumers assess how much money to budget for health costs in retirement. To ensure privacy, no registration is required and no personal data is collected. The idea for this helpful tool was proposed by UnitedHealthcare as part of its health innovation efforts.

Retail Drugstore Program
Walgreens continued to offer a retail drugstore program that featured savings on everyday items and distribution of educational materials about health and wellness. AARP members saved more than $13.6 million in 2013, the first full year of AARP’s integration with Walgreens’ national loyalty program.

Health Coverage for 50- to 64-Year-Olds
For decades, people too young for Medicare’s guaranteed coverage found it difficult to afford or obtain health insurance coverage. AARP Essential Premier Health Insurance insured by Aetna featured a wide range of options for people age 50 to 64. Because a broad array of health coverage and policies became available in 2014 under the Affordable Care Act, the AARP-branded Aetna plans were no longer sold to new applicants in early September. AARP Services continues to oversee the “grandfathered” blocks of AARP-branded policies sold by
GIVING BACK—WALGREENS HEALTH TOUR

The Walgreens Way to Well Health Tour with AARP brought free health testing to more than 76,000 people in 2013, with a focus on reaching people in multicultural and underserved communities with a high incidence of diabetes and heart disease. Visitors boarded specially equipped buses and visited qualified retail locations in the U.S. and Puerto Rico to access complimentary health tests, such as blood pressure and total cholesterol, and receive health education resources written in English or Spanish. The total value of the health tests—all provided free of charge—was $7.7 million.

**Long-Term Care Insurance**

In early 2013, Genworth announced its decision to cease new sales of the AARP-branded long-term care insurance products in response to changing market conditions. AARP Long-Term Care Insurance plans from Genworth were no longer available for sale after June 1. AARP Services continues to oversee the plans to ensure that policyholders receive good service. Since long-term care and caregiving continue to be important areas of focus, AARP Services will continue working with AARP to help consumers navigate their options.

**Pharmacy Discount**

A new mobile app made receiving a pharmacy discount and managing prescription drug needs even easier. Participants began showing an electronic ID card on their

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**MEMBER FEEDBACK**

“The prescription (discount) benefit plan is da bomb! Try it—the discount is better than any other!”

—Mel S., AARP Member (2013)
smartphones to access AARP Prescription Discounts provided by Catamaran. More than 64,000 participating pharmacies and mail order services accepted AARP Prescription Discounts, which average a 30 percent saving on all FDA-approved prescription drugs not covered by primary prescription insurance plans.

**Dental, Vision and Hearing Care**

Dental care can be critical to overall health, because dental disease is linked to heart disease, diabetes and other conditions. To expand the reach of the AARP Dental Insurance Program insured by Delta Dental, Delta Dental launched a pilot program for dental health maintenance organizations (DHMOs) in California, Florida and Texas. In line with AARP’s commitment to multicultural engagement, approximately three-fourths of the dental HMO’s providers speak both Spanish and English. The program will likely expand to other states by early 2015.

AARP Vision Discounts Provided by EyeMed Vision Care helped make eyewear products, comprehensive eye examinations and sun protection with Transitions lenses more affordable. Online advertising by EyeMed in a popular Spanish-language website boosted interest in eye health issues.

The AARP Hearing Program from HearUSA expanded its geographic footprint with the launch of the program in California. Nationwide, more than 1,000 people used the convenient online hearing screening tool offered free of charge by HearUSA.
FINANCIAL PRODUCTS AND SERVICES

Our strategic objectives for helping AARP members achieve their goals and dreams included:

> Expanding and enhancing value-oriented products;
> Developing retirement planning solutions;
> Helping to personalize interactions through expansion of face-to-face agents; and
> Helping people make sound decisions about their futures through financial education and financial literacy efforts.

Personal Insurance Products

Safety on the road was the focus of two research studies released by the The Hartford’s Center for Mature Market Excellence and the MIT AgeLab. “Exercises for Mature Drivers” and “Top Technologies for Mature Drivers” were made available to everyone via the online AARP Driving Resource Center.

Approximately 20,000 policyholders of AARP Automobile Insurance from The Hartford helped test a vehicle-maintenance program called MyHartfordGarage. A virtual online “garage” kept track of individuals’ vehicle maintenance and made available more than 500 videos and stories on car ownership. The program proved so successful that MyHartfordGarage will be made available to all AARP customers in 2014.

At year end, over two million AARP members were enrolled in New York Life insurance plans, due in part to competi-
tive rates, solid customer service and special product features such as guaranteed acceptance (subject to program coverage limits). New York Life’s AARP Customer Contact Center became the first call center to be honored by BenchmarkPortal as a Center of Excellence for 10 consecutive years.

**Identity Theft Protection**
After an AARP Member Opinion Survey revealed that three-fourths of members were interested in protecting themselves from fraud and identity theft, AARP Services developed a new offering designed to educate, empower and protect AARP members. Launched in 2013, AARP Credit and Identity Theft Protection from TrustedID offered access to enhanced identity and credit protection for individuals and their families.

**Financial Services**
Based on members’ input, the AARP Credit Card Program from Chase launched a new credit card to make life more rewarding for AARP members. The new product, with no annual fee, offered 3 percent cash back on restaurant and gasoline-station purchases and 1 percent in 2013, AARP Credit Cards program card holders earned more than $35 million in rewards.
back on all other purchases. In 2013, AARP Credit Cards Program card holders earned more than $35 million in rewards.

Access to the first prepaid debit card tailored to older Americans broadened in October, when Walmart began sales of the AARP Foundation Prepaid MasterCard from Green Dot. Developed with market insights from AARP Services, the card provided an affordable option for financially struggling adults for receiving federal benefits electronically and setting up a savings account.

Many consider a college education critical to achieving future success. Following successful tests in Florida and Michigan, AARP College Savings Solutions from TIAA-CREF launched nationwide in 2013. Members and non-members learned about saving for a college education for themselves, their children or grandchildren through state-sponsored college savings plans under Section 529 of the Internal Revenue Service.

AARP-branded college savings solutions made it easier to learn about and give the gift of education to loved ones.
For the third year, the AARP Credit Cards Program from Chase helped alleviate hunger among adults as a proud sponsor of AARP Foundation’s Drive to End Hunger. At AARP’s Life@50+ event in Atlanta, for example, Chase presented a $25,000 check to a local food bank and engaged 620 event attendees in packing 100,000 nutritious meals to alleviate hunger locally. Separately, Chase matched individual member donations to AARP Foundation for a total of $1 million.
SAVING PEOPLE MONEY AND
HELPING THEM
ACHIEVE REAL POSSIBILITIES
People often say they join AARP to enjoy access to special savings offered on a wide range of products and services.

More than 39 million times in 2013, people used their membership in AARP to stretch their dollars through an impressive array of automotive, travel, retail, dining, entertainment and technology offerings.

**DINING AND ENTERTAINMENT**

Restaurant options grew, reflecting the popularity of dining out among people 50-plus. Three casual dining restaurants from Bloomin’ Brands Inc. joined as providers: Bonefish Grill, Carrabba’s Italian Grill and Outback Steakhouse. Additionally, Landry’s made available an AARP discount at McCormick and Schmick’s. Dunkin’ Donuts made its free donut offer available with purchase of all large drinks, not just coffee, and Denny’s provided an all-day discount of 15 percent off members’ entire bills.

Entertainment options expanded through Premiere Live Events, which produces or manages 300 to 500 shows per year. Its 2013 roster included *One Night with Janis Joplin* and *Through My Eyes*, a new musical developed with...
Grammy Award-winning gospel artist BeBe Winans.

**AUTOMOTIVE**

Lost? Stranded? A new mobile app offered by AARP Roadside Assistance from Allstate made it easier and safer for members to assess automotive problems and to get appropriate help more quickly. Depending on the member’s service plan, the app provided information about the towing company (often with the service technician’s name, picture and estimated time of arrival), and GPS locator technology helped servicers find drivers stranded in unfamiliar areas.

Auto-related discounts were added in 2013 after research revealed interest among AARP members.

Hendrick Automotive Group began offering an exclusive AARP-member discount of 10 percent off certain parts and services, its pre-paid oil-change program and its Manufacturer Flexible Maintenance care prepaid agreement. The company currently has 87 dealerships in 13 states. Its sister company, Hendrick Motorsports, is a sponsor of AARP Foundation’s Drive to End Hunger.

Repair Pal offered market estimates.
for car repair services so that consumers are educated on fair-market pricing when seeking service on their cars. In addition to this valuable resource, Repair Pal launched an offer through which AARP members also receive a 10 percent discount on service repairs when they use a shop in Repair Pal’s certified dealer network.

TECHNOLOGY
People age 50 and up comprise the fastest growing segment of technology buyers and users. Tech-related products and services that AARP makes available to its members help people strengthen personal connections, conduct business and enjoy shared interests.

Consumer Cellular, the wireless provider for AARP members, enhanced its offerings, in part through more minutes for all voice plans and the introduction of iPhone models. New financing options enabled budget-minded customers to obtain high-end smartphones without the full up-front cost offered by traditional carriers. For the fourth consecutive year, Consumer Reports named Consumer Cellular as its top-rated cellular provider.

ADT continued to enhance its offer for AARP members on installation or upgrades of existing home security systems, installation or purchase of personal emergency response systems and business security and camera systems.

Amazon expanded its 10 percent AARP-member discount on select Kindle tablets.
TRAVEL
Travel is the activity that people 50-plus say they look forward to most—for discovery, personal growth or gathering with family and friends. Throughout 2013, members turned to AARP for discounts on lodging, airfare, rental cars, cruises and travel packages.

Getting There
Avis Budget Group became AARP’s exclusive provider for car and truck rentals in July. Increased value for members included discounts of up to 25 percent on rentals, free vehicle upgrades, free second drivers and discounts on GPS navigating systems.

Through the AARP Travel Center Powered by Expedia, members’ travel dollars went a little further through hotels and cars from AARP-preferred providers and onboard cruise credits and activities.

Vacations By Rail began offering members a 5 percent discount on independent and escorted trips from a variety of railroad operators to some of the world’s most popular destinations. These savings could be combined with Amtrak’s senior discount on many domestic routes, making traveling by rail even more affordable.

Lodging
Motel 6 joined the AARP family of travel providers after replacing its existing senior discount offer with exclusive benefits for AARP members. Dedicated toll-free reservation lines in English and Spanish support AARP’s multicultural goals.

The charm and history of Williamsburg, Virginia, became more affordable through a new discount at Kingsmill Resort.
GIVING BACK—UPS STORES FIGHT HUNGER

After learning about the extent of senior hunger during AARP’s Life@50+ event in Las Vegas in May, more than 60 locally owned outlets of The UPS Store teamed up with AARP and a local food pantry to organize a summer food drive. Las Vegas-area residents dropped off more than 1,900 pounds of food at local UPS Stores. “We are just thrilled that the local team from The UPS Store is taking up the cause. With the community’s support, their efforts will help make a tremendous difference for seniors, many of whom are simply too proud to ask for help,” said Carla Sloan, AARP’s Nevada state director.
Xanterra Parks and Resorts expanded its offerings through the addition of a 10 percent discount for AARP members at select National Parks gift shops, as well as discounts at select Ohio State Park Lodges and at the Furnace Creek Resort in Death Valley National Park.

Hilton Worldwide, Best Western, Wyndham Group, Choice Hotels, Starwood and Hyatt hotels all continued to be popular choices for AARP members’ lodging needs.

**Retail**

Building family trees and unearthing family stories took a new turn in November, when Ancestry.com launched an AARP member discount of 30 percent off the first year of online family history research.

Through 1-800Flowers.com and its subsidiaries, AARP members received

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**MEMBER FEEDBACK**

“I use AARP discounts and use them all the time, all the hotels. And you can save more than your membership fee in minutes.”

—Ruth D., AARP Member (2013)
GIVING BACK—HELPING TORNADO VICTIMS

After homes and cars in Moore, Oklahoma, were shredded into unrecognizable debris by a deadly tornado on May 20, many providers of AARP-branded products and services stepped in to help. From mobile command centers to donations to relief organizations such as the American Red Cross, they helped ease customers’ suffering and made it easier to file claims.
new savings on a broader set of gifts, including fresh-cut flowers, fruit bouquets, Fannie May chocolates, The Popcorn Factory and more. Member offers were available online, over the phone and through 1-800-FLOWERS retail locations.

For the fifth year, the AARP Everyday Savings Center offered online shopping discounts from leading retail brands for home and furnishings, apparel, electronics and food and wine. Similarly, the AARP Grocery Coupon Center enabled members to download and print savings coupons on dozens of leading consumer brands.

**MEMBER FEEDBACK**

“AARP discounts really come in handy when things get tight.”

—Gwen K., AARP Member (2013)
WHAT’S YOUR FAVORITE BENEFIT?

Here’s what several members told us when asked during AARP’s Life@50+ events in Las Vegas and Atlanta.

“My favorite is the one from the Regal Cinemas because you get a popcorn and a soda, and you pay less than what you’d have to pay for just the soda itself.”
—Michelle L., AARP Member (2013)

“My favorite AARP benefit is Reebok Stores. Although I don’t have a pair on today, I have three at home.”
—Charles P., AARP Member (2013)

“My favorite, favorite benefit is Dunkin’ Donuts. You buy a large coffee and get a free donut. Then I have to walk the rest of the day.”
—Norma AARP Member (2013)

“Mine and my family’s is the travel—hotels and actually, as I said before, we don’t leave home without it! We love AARP. Everything about it. The advantages are just fabulous. Discounts, whatever they have to offer, we’re there.”
—Alice D., AARP Member (2013)

Watch what members had to say about their AARP benefits in these videos.
EXPANDED ACCESS TO MEMBER BENEFITS
In 2013, it became even easier for members to learn about and access the wide range of discounts, products and services that merit-ed AARP’s endorsement.

Branding all of them as “AARP Member Advantages” helped members identify what’s available.

Customized digital features made online and mobile options even more robust, while an expanded number of authorized-to-offer agents provided personalized service. This combination of online and in-person guidance—combined with a strong emphasis on multicultural outreach — helped more people achieve real possibilities.

The launch of AARPDescuentos.com, the Spanish-language version of the online discounts platform funded by providers, provided Hispanic/Latino members with in-language opportunities to make their dollars stretch a little further.

**DIGITAL AND MOBILE**

Increasingly, people 50-plus use smartphones and tablet technology to support their on-the-go lifestyles. A discount loca-tor app launched in 2013 put discounts at
members’ fingertips. When travelling, for example, the app found lodging, restaurants and entertainment made more affordable by AARP discounts.

Similarly, AARPDiscounts.com—a dynamic platform funded by providers—continued offering a Zip code-based feature to help members find ongoing and limited-time lifestyle and travel offerings more easily.

**FACE-TO-FACE**

Many consumers still prefer personal contact with a professional agent when reviewing and purchasing personal insurance products. To ensure high-quality service, agents authorized to offer AARP-branded products must meet the high standards established by AARP Services and by the providers. Training gives each agent a better understanding of AARP’s history and social mission, its membership processes and the unique needs of people 50-plus.

For the first time, New York Life began offering its AARP Life Insurance Program through career agents. The company reported overall “exceptional growth in various cultural markets,” through agents serving African American, Chinese, Hispanic, Korean, South Asian and Vietnamese clients. This experience highlights the social and market value of serving multicultural members.

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**MEMBER FEEDBACK**

"Love the travel discounts and easy-to-use website. Very helpful when I call."

—Enid W., AARP Member (2013)
GIVING BACK—AGENTS OF CHANGE

Every year, AARP Services encourages the agents authorized to offer AARP-branded products to volunteer in service to nonprofit organizations. Impressively, 33 of the most community-minded agents volunteered an average of 328 hours in 2013—tapping 10,500 hours of service among them.

In appreciation, AARP Services treated them to an all-expenses-paid trip to Life@50+ | AARP’s National Event & Expo in October.

While in Atlanta, these select agents from Aetna, Genworth Financial, The Hartford and United Healthcare continued to give back. After participating in an awards ceremony, they prepared and delivered 800 bag lunches to a homeless shelter, 80 trays of lasagna to a kitchen serving homeless women and children and 250 weekend food backpacks for children at Mt. Olive Elementary School.
Darlene DeRemer (Board Chair). Darlene DeRemer joined Donald H. Putnam in 2005 in founding Grail Partners LLC, an advisory merchant bank serving the investment management industry. Ms. DeRemer has led or participated in a score of advisory transactions. Her current clients include sale and purchase mandates for mutual fund managers in the U.S., as well as restructuring assignments for alternative investment firms that seek to tap public markets in the U.S. and abroad. Prior to becoming an investment banker at Putnam Lovell NBF in 2003, Ms. DeRemer was a leading advisor to the financial services industry for 25 years, specializing in strategic marketing, planning, product design and the implementation of innovative service strategies. She also served as a vice president at State Street Bank and Trust Company and T. Rowe Price and Associates.

Timothy Armour. Tim Armour is now retired after 10 years with Morningstar, Inc. He served as its managing director from 2000 to 2008, president from 1999 to 2000 and chief operating officer from 1998 to 1999. From 1992 to 1998, Mr. Armour served as president of Stein Roe & Farnham’s mutual fund division. Prior to that, he was senior vice president and director of marketing in Citibank’s retail bank division. He began his career in 1975 with General Foods Corporation, where he spent 12 years in product management and planning.

Martha Dally. Martha Dally retired as senior vice president of customer development from Sara Lee Corporation in 2006. During her 30 years at this consumer packaged goods company, she held various titles of increasing responsibility, including chief customer officer, senior vice president of business development and executive vice president of personal products. Ms. Dally focused on the largest retailers (including WalMart) in both the U.S. and in Europe, developing strong relationships with their senior management staff. Her board experience includes American Woodmark Corporation, Prism Capital (in an advisory role), the Lookingglass Theatre in Chicago, Illinois and the American Red Cross of Winston-Salem, North Carolina.

John C. Penn. Jack Penn, MBA, is chairman and CEO of Intek Plastics, Inc. He divides his time between Scottsdale, Arizona, and Spring Green, Wisconsin. He is a member of the AARP Board of Directors. Previously, Mr. Penn was vice chairman and CEO of Satellite Companies; CEO and president, Centers for Diagnostic Imaging; CEO and president, Benson Optical Co.; president, Arctic Enterprises; and a consultant with Arthur Andersen and Co. His volunteer work includes service as chairman of the Evangelical Lutheran Good Samaritan Society. Previously, Mr. Penn was director of the Good Samaritan Society Foundation and president of Cross View Lutheran Church.
Jim Phillips. Jim Phillips is a teaching professor of organizational behavior at the Stanford Graduate School of Business. He has also served as the Claude N. Rosenberg Jr. Director of the Center for Social Innovation, and co-founded and served as academic editor for the award-winning Stanford Social Innovation Review. Dr. Phillips is also a faculty member at Apple University, which is Apple’s in-house business school. Previously, he was a faculty member at the Yale School of Management, where he received the 1995 Alumni Association Award for Excellence in teaching. Dr. Phillips is also a member of the New Foundry Ventures and Defy Ventures boards.

Carol Raphael. Carol Raphael, MPA, of New York, New York, is an Advanced Leadership Fellow at Harvard University. She also serves as vice chair of the AARP Board of Directors. Before retiring in 2011 as president and CEO of the Visiting Nurse Service of New York, she served as director at Mount Sinai Medical Center and executive deputy commissioner in charge of New York City’s Medicaid and public assistance programs. She chairs the New York eHealth Collaborative, the Long Term Quality Alliance and the National Quality Forum Workgroup on Post-Acute and Long Term Care.

Addison Barry Rand (ex officio). Mr. Rand is a dynamic leader and change agent who brings to AARP a proven track record of leading both multibillion-dollar businesses and smaller, private equity-driven businesses. Prior to joining AARP as CEO, Mr. Rand distinguished himself as a leader of social change in some of the nation’s largest corporate and educational institutions. He serves as chairman of the board of Howard University and has served as chairman and chief executive officer of Avis Group Holdings, CEO of Equitant Ltd., and executive vice president for Worldwide Operations at Xerox Corporation. Mr. Rand continues to serve on a number of boards and advisory committees.

Melvin Stith. Melvin T. Stith retired in May 2013 as dean of the Martin J. Whitman School of Management at Syracuse University. Prior to taking this position in 2005, Dr. Stith served for 13 years as the Dean and Jim Moran Professor of Business Administration at Florida State University. He became a professor of marketing and business in 1977 after serving in the U.S. Army Military Intelligence Command, achieving the rank of Captain. Dr. Stith currently serves on the boards of Synovus Financial, a financial services and bank holding company, and Flowers Foods, a baked foods company. He is also a current or past director of Beta Gamma Sigma, the national honorary society for business schools, the Jim Moran Foundation and the Graduate Management Admissions Council.

Edward A. Watson. Ed Watson is a retired corporate executive from Reno, Nevada. He was with Minneapolis-based International Dairy Queen from 1971 to 2007, rising from district manager to chief operating officer and service on its board of directors. Before his food-service career, Mr. Watson served in the U.S. Army. He currently serves on the board of Best Bath Systems of Coldwell, Idaho. Previous governance experience includes service on the boards of the Children’s Miracle Network and Big Brothers Big Sisters of the Greater Twin Cities. His volunteer service includes raising scholarship funds for Nevadans attending the University of Nebraska.
THE 2013 AARP SERVICES, INC.

EXECUTIVE TEAM

JOHN WIDER  
President & CEO  
AARP Services, Inc.

FRANK LoPICCOLO  
Senior Vice President,  
Operations

JEAN ALEXANDER  
Chief Operating Officer

DAVID MATHIS  
Senior Vice President,  
Health Products and Services

LINDA CALIRI  
Senior Vice President,  
Marketing

SARAH MIKA  
Senior Vice President & General  
Counsel

SCOTT FRISCH  
Chief Financial Officer

AL PRATICO  
Senior Vice President,  
Distribution

ANGELA JONES  
Senior Vice President, Business  
Development and Lifestyle

MITCH STEVENS  
Senior Vice President,  
Financial Products and Services
AARP Services oversees and manages the relationships with the providers of AARP member benefits. These companies often offer specially designed services and price-points for the members of AARP. They develop unique offers, expand into under-served markets and create messages that educate consumers.

AARP receives royalty income from these providers that is crucial to supporting the short- and long-term goals of the Association.

Financial resources are used to further its social mission. At AARP Services we know our ultimate goal is to enhance the quality of life for people over 50 and support positive social change through market innovation and leadership.

The products and services offered by AARP-selected branded providers paid $763.2 million of royalty revenue to AARP in 2013, a year-over-year growth of $39.4 million, or 5.4 percent.
ABOUT US

Established in 1999, AARP Services, Inc. is a wholly owned taxable subsidiary of AARP. AARP Services, Inc. manages relationships with independent providers in the marketplace, selects products and services of high quality and value to carry the AARP name and helps more than 37 million AARP members obtain discounts on a wide range of products, travel, and services. Specific products include Medicare supplemental insurance; credit cards, auto and home, mobile home and motorcycle insurance, life insurance and annuities; member discounts on rental cars, cruises, vacation packages and lodging; special offers on technology and gifts; pharmacy services; and legal services. AARP Services, Inc. also engages in new product development activities for AARP and provides certain consulting services to outside companies.