A Special Publication for CENCO Related Agents

CENCO STREET JOURNAL

Volume 22, Issue 1 January 2022

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Inside this issue:

5 Tips To Start The New Year Right

Between planning for the holidays and tying up the year's loose ends, this time can be a busy one. While you may have a lot on your plate right now, you'll still want to get your 2022 off to a good start. Here are some tips to help your business ring in the New Year on the right note:

- **What's Your Resolution? -** Some people make many resolutions for the New Year, and others only have one. Be sure revisiting the prospective clients that have slipped off your radar is at the top of your list for next year.

- **Get Your Business to Underwriting -** Don't wait until the end of the month or next year to get your business submitted. Send as much as you can into underwriting as soon as possible prior to 2022.

- **Fill Your Schedule -** Who will you speak to after the holiday season has come and gone? Develop a list of clients to contact during the first quarter next year, so your focus can be on closing sales.

- **Get Your January Calendar Set -** Schedule your January meetings as soon as you can! Use this step-by-step to get started:

1) Make a list of prospects that weren't ready to commit during the previous years.
2) Mention that you heard a great idea that made you think of them.
3) Be sensitive about the time of year and be genuine. Keep the conversation light hearted.
4) Set the expectation to get together in January.

- **Review Term Cases -** Are there conversion opportunities within your existing business? Review your term cases to uncover new ways to help your clients and new avenues to enhance your book of business.

While the end of the year can be overwhelming, come this time next year you will be thankful you put in the extra work to get your 2022 off to a good start.

AIG's Top 10 Reasons To Sell Fixed Annuities

Offer your clients guaranteed income options they can't outlive.

Here are 10 reasons to consider a fixed annuity:

- **Competitive interest rates**. AIG offers the flexibility of several interest rate guarantee options. Your clients can lock in the initial interest rate guarantee that works best for them.
- **Tax-deferred growth. Accumulate savings faster with compounding interest.** While money remains in the annuity, the principal earns interest and the gains earn interest.
- **No up-front sales charges or administrative fees.** Once the contract is issued, 100% of your clients' money will begin earning interest.
- **Protection from market volatility.** Fixed annuities have no market participation.
- **Guaranteed death benefit.** Upon the death of the owner, the contract value is paid directly to the beneficiary, without any withdrawal charges or market value adjustment (if applicable), generally avoiding the probate process.
- **Access to funds.** AIG's fixed annuities allow for penalty-free withdrawals up to a specific amount and there are multiple withdrawal charge waivers that can be used under certain defined circumstances.
- **Systematic withdrawals of interest.** Clients can receive payments monthly, quarterly, semi-annually or annually.
- **Guaranteed income for lifetime payout option.** With annuitization, electing the lifetime payout option will convert the contract balance into a guaranteed income stream for life.
- **Diversification.** A tax-deferred fixed annuity can serve as a conservative addition to any retirement portfolio.
- **Extra help to grow your business - marketing and sales support.** AIG provides comprehensive sales training including materials for both agents and bank customers.

Help Make a Difference with Transamerica FFIUL

Transamerica is committed to helping customers identify and prepare for the potential challenges they may encounter in their financial futures.

People who have never needed to care for a loved one with a chronic illness may not understand the emotional, physical, and financial impacts on those who receive care as well as those who provide it. Helping them find a solution may make all the difference in preparing for the impacts and corresponding costs.

That's why Transamerica offers their industry-leading hybrid IUL policy, Transamerica Financial Foundation IUL (FFIUL). FFIUL offers an optional Long Term Care (LTC) Rider that allows clients to accelerate a portion of the policy's death benefit to help pay monthly expenses they may incur for qualified long term care services.

Understanding the benefits of the LTC rider is key to helping clients understand the value in this important coverage, they believe it makes FFIUL a more attractive life insurance option for you and your clients.

KEY LTC RIDER BENEFITS

- LTC Rider, Base Insured Rider and Critical Illness Accelerated Death Benefit Rider available on one policy
- Protection up to $2,000,000
- Policy guaranteed not to lapse while on claim
- Modified Indemnity Model
- Rider charges waived while on benefit
- LTC Rider benefit has the potential to grow over time
- Minimum No-Lapse Premiums waived while on claim
- Available Residual Death Benefit
- NEW - Informal Care (Currently not approved in CA)
- NEW - International Coverage Benefit (Currently not approved in CA)

By 2030, long term care costs are expected to more than double, reaching as high as $2.5 trillion.

What sets this rider apart is how it calculates the available benefit, which your clients are sure to appreciate.

With FFIUL, the LTC Rider's specified amount is always equal to the policy's face amount. This means if the policy death benefit increases, so does the LTC Rider benefit. It combines the protection of a death benefit with an LTC benefit. The advantage of choosing an increasing death benefit option is it can potentially increase the LTC Rider benefit base, in turn increasing the amount available for qualified long term care expenses in the future.

Call Cenco for information.

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January 2022

The Cost of Waiting - Can Your Client Afford to Wait?
Details Inside!

Non-Medical Underwriting On QoL Max Accumulator+ II And QoL Value+ Protector II

- Ages 0-59
- Face amounts $50K to $2 Million
- No lab tests, exams or APS required
- All rate classes are available
- Part B AIG-ordered tele-interview
- Faster processing times using the iGO eApplication, leads to faster commissions for the agent

The Definitive Marketing Publication For Life & Disability Insurance

For Your Information...

Visit **aig.com/qol** for your Marketing Resources and Selling Tools.

It is now easier to find everything you need to succeed. From life insurance product know-how to valuable tools like Generation Station, Life to the Max and the new improved Campaign in a Box, it's all here and within reach.

ForeCare

Fixed Annuity with Long-Term Care Benefits

Issued by Forethought Life Insurance Company

Global Atlantic FINANCIAL GROUP

Do your clients need more care for their long-term care needs?

In 2010, the Pension Protection Act's (PPA) long-term care benefits took effect. Before the PPA, people had to pay taxes on the tax-deferred growth inside of their traditional annuities when withdrawing money for their long-term care (LTC) expenses.[1] Unfortunately, this condition still applies today if anyone owns a traditional annuity that's not designed to work under the PPA.

How ForeCare helps maximize your clients' fixed annuity dollars for LTC needs

However, with the PPA now in force, things have improved: if a fixed annuity has a long-term care rider that's designed to work within the PPA, the tax-deferred dollars used to pay for qualified long-term care expenses are typically federal income tax-free.[2] **Let's compare two hypothetical scenarios:**

Example one

Your client uses a traditional annuity and is in a 24% tax bracket.

Your client invests $150,000 in a traditional annuity.

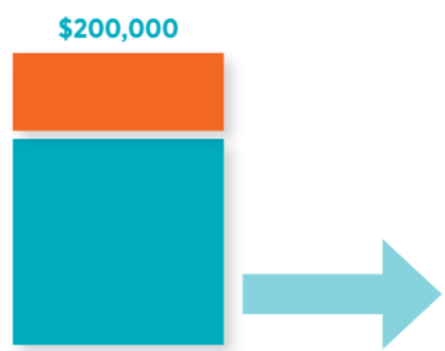
The annuity grows tax-deferred by $50,000 to $200,000.

If your client withdraws from the annuity for LTC expenses, the first $50,000 will be taxed by **$12,000, which reduces the $200,000 to $188,000.**

AND IT COULD BE MORE!
For 32% tax bracket, the tax bite would be $16,000 in this scenario.

Example two

Your client transfers her assets to an annuity designed to work under the PPA: the ForeCare fixed annuity with LTC benefits.



Your client transfers her traditional annuity to the ForeCare Fixed Annuity with LTC benefits.

With ForeCare's premier approval, she gets 3x the amount of her annuity premium for qualified LTC expenses.[4]

With the ForeCare Multiplier,[4] your client now has $600,000 for her qualified LTC needs.

And because ForeCare is designed to work under the PPA, growth is typically federal income tax-free when used for qualified LTC expenses.[2]

Repositioning of assets from an existing product into a ForeCare fixed annuity contract may not be suitable for all clients. Clients should carefully consider factors such as remaining surrender charge schedule, possible market value adjustments and any other charges before determining if repositioning and/or exchanging of an existing annuity contract is right for their particular situation. State insurance replacement regulations may also apply.

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Help your clients start planning today for **more care** tomorrow.

Visit globalatlantic.com to run a product illustration or to access the ForeCare calculator, or call us at **(855) 447-2537, option 1** for more information.

[1] Ignores potential deductibility of Long-Term Care expenses from taxable income in year of withdrawal.

[2] Pay no taxes on initial premium growth assuming all funds are used to pay for qualified long-term care services, no non-qualified withdrawals are taken and no death benefit is paid.

[3] Total Coverage amount reflects the tax-deferred growth of the Original Annuity Investment which was not subject to federal taxation when transferred into the ForeCare Fixed Annuity. The Total Coverage amount also reflects the multiplier as the value available for your total LTC qualified expenses on a federal income tax-free basis.

[4] The ForeCare Multiplier provides two or three times (depending on underwriting eligibility) the amount of contract value in long-term care coverage to spend on qualified long-term care expenses. Benefit payments are subject to a maximum monthly benefit. The additional coverage in excess of the contract value is only available to use for a qualified long-term care benefit and will not become part of the contract value or the death benefit. Withdrawals, other than for qualified long-term care expenses, will adversely affect the amount of coverage in the future.

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Guarantees are based on the claims-paying ability of Forethought Life Insurance Company and assume compliance with the product's benefit rules, as applicable.

ForeCare fixed annuity is issued by Forethought Life Insurance Company, 10 West Market Street, Suite 2300, Indianapolis, Indiana. Available in most states with contract FA1101SPDA-01 (certificate series GA1101SPDA-01, as applicable) with Rider for Long-Term Care Benefits Form LTC2000-01, Optional Inflation Protection Benefit Rider Form LTC2001-01 and Optional Nonforfeiture Benefit Rider Form LTC2002-01 (certificate series LTCG2000-01, LTCG2001-01 and LTCG2002-01, as applicable). This is a solicitation of Long-Term Care insurance.

Products and features are subject to state variations and availability. Read the Contract for complete details.

Global Atlantic Financial Group (Global Atlantic) is the marketing name for Global Atlantic Financial Group Limited and its subsidiaries, including Forethought Life Insurance Company and Accordia Life and Annuity Company. Each subsidiary is responsible for its own financial and contractual obligations.

Not a bank deposit	Not FDIC/NCUA insured	Not insured by any federal government agency	No bank guarantee	May lose value	Not a condition of any banking activity

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Retirement Traps

Sales Primer

The value of cash value in retirement

As your clients save for retirement, offer them ways to help avoid retirement traps. These traps, such as taxes, penalties and market risks, may impact their retirement income in ways they never expected. Cash value life insurance may help.

Advantages of using life insurance to supplement retirement income

No other financial vehicle can offer all the benefits that life insurance can provide:

- Income tax-free death benefit
- Ready access to cash value
- Tax-deferred growth
- No distribution requirements or penalties
- No contribution limits
- No effect on Social Security unless policy is surrendered

Consider permanent life insurance

Life insurance has no contribution limits or income eligibility limits.

Qualified plans, such as 401(k) plans and IRAs, are a good place to start saving for retirement. However, these types of plans alone will likely not be sufficient for your clients to reach their retirement objectives. Additionally, many retirement savings tools enjoy tax-deferred growth, but may pose limitations on the amount that can be saved or, if income is too high, limit the use of them.

Policy owners are generally not restricted on the amount they can allocate towards a life insurance policy, allowing the potential to build even more cash value.[1]

Life insurance has no penalties on withdrawals.

If your client experiences a financial emergency or plans on an early retirement, they will discover that accessing account values from qualified accounts like a 401(k) can create adverse tax penalties, particularly before age 59½.

Part of a retirement savings strategy should keep some assets available that won't incur these penalties. Money from a policy's cash value can be taken at any age without tax penalty, although contract surrender charges may apply in the early years of the policy.[2]

Life insurance can help reduce the impact of a bear market during retirement.

As clients save for retirement, they know they're going to have to ride out a few down markets. But once they retire, those same market declines could possibly jeopardize the amount of money they have to live on.

Life insurance is generally not affected by short-term volatility and may help your clients get through changing economic conditions. Additionally, it can help reduce the impact of a down market during retirement by providing an alternate source of funds in a year when the market has a decline.

Life insurance can help in the event of a serious illness.

Life insurance with an accelerated death benefit rider can help ease the financial strain of a serious medical condition by providing an advance on the policy's death benefit while the policy owner is still living.

Life insurance may guarantee lifetime income.

In addition to loans and withdrawals, life insurance with a lifetime income rider guarantees the policy owner income for life – that's money they cannot outlive. There is no charge for this rider until it's activated.

Ameritas® fulfilling life®

Life insurance can help increase your client's legacy.

Tax-deferred retirement plans such as traditional IRAs and 401(k)s have what is called a Required Minimum Distribution (RMD), money that is required to be withdrawn whether it's needed or not. If the RMD isn't taken, there may be an excess accumulation penalty of 50% on the amount not distributed. In addition, qualified plan balances may be subject to double taxation – both income and transfer taxes upon death, which often reach 30% or more.

If you have clients who don't need their RMD withdrawals, they can use them to purchase a life insurance policy. Properly designed and funded, this will provide an income tax-free benefit to their loved ones.

Using the fact finder

The Retirement Traps Fact Finder will help identify the types of savings vehicles your client is using and provide a framework for some of the challenges they may face in retirement. The fact finder outlines the three general types of savings vehicles:

Tax-Exempt or Tax-Free

Withdrawals from tax-exempt or tax-free sources don't incur income taxes. Examples include:

- Municipal Bonds
- Roth IRAs
- Permanent Life Insurance[2]

Tax-Deferred

Tax-deferred accounts shelter investments from taxes as long as they remain in the account. Examples include:

- 401(k) Plans
- 403(b)Plans
- Traditional IRAs
- Pensions
- Annuities

Taxable

For taxable accounts, investors must pay taxes on their investment income in the year it was received. Examples include:

- CDs
- Money Market Accounts
- Bank Accounts
- Mutual Funds
- Stock Dividends
- Corporate & Treasury Bonds
- Real Estate

Life insurance and retirement savings

In addition to providing a valuable death benefit, a life insurance policy may provide funds during retirement. The cash value in a permanent life insurance policy accumulates on a tax-deferred basis. At retirement, your client can get money they need by taking a loan from their policy's cash value. They won't have to pay taxes on the loan amount unless the policy lapses. This potentially reduces the amount of taxes they'll need to pay in retirement.[2]

Ameritas® *fulfilling life®*

1 Contributions in excess of certain guidelines will disqualify the policy as life insurance for federal income tax purposes or may classify the policy as a modified endowment contract, thereby eliminating certain tax benefits.

2 Tax law permits a policy owner to withdraw life insurance policy cash values up to the policy owner's basis or investment in the contract without income tax consequences. Withdrawals and loans will reduce the available death benefit. Withdrawals beyond basis may be taxable income. Excess and unpaid loans will reduce policy value and may cause the policy to lapse. If a policy lapses, unpaid loans are treated as distributions for tax purposes. For more information about the tax results of life insurance, consult your attorney or tax advisor.

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The cost of waiting

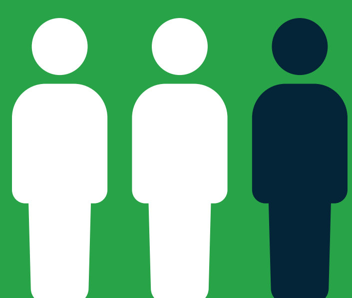
Can your client afford to wait?

When you postpone purchasing life insurance, you extend the period of time that your death could leave your loved ones in financial jeopardy. But there's another downside to waiting: the significant impact on your pocketbook.

Is your client prepared for the higher costs of life insurance that go along with waiting?

According to a recent study commissioned by Global Atlantic and ICR and conducted by Artemis Strategy Group, the goal of protecting one's family has emerged as a dominant motivating force as a result of the COVID pandemic.

In the study:



2/3 reported that the pandemic has made them think about their own mortality[1]

4 out of 10 Have no life insurance[1]

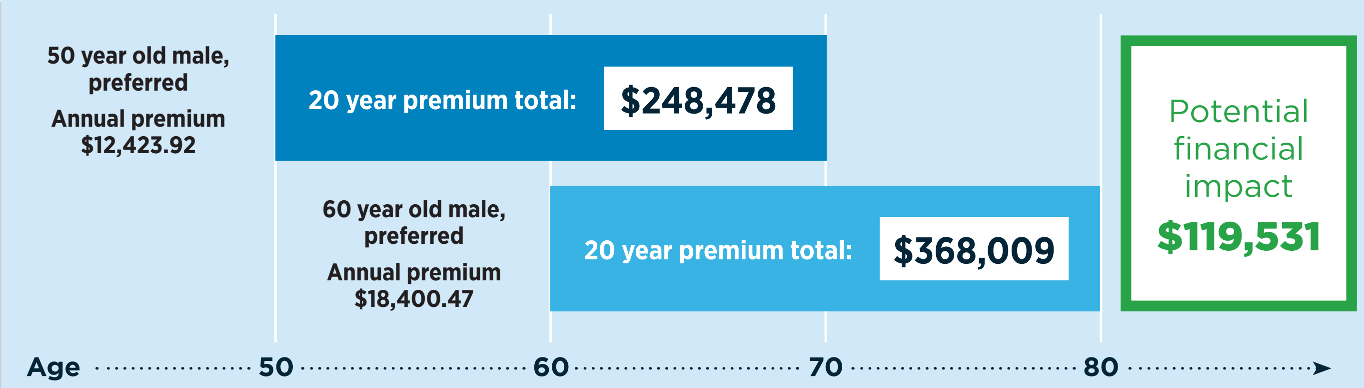
Given the fact that many are not familiar with the benefits that life insurance provides, it's highly unlikely that they are aware that the longer they wait, the more their life insurance could cost.

Continued on back

[1] Global Atlantic Thought Leadership Study, Prepared for Global Atlantic by Artemis Strategy Group, August 2020

Consider this scenario in which a male preferred non-tobacco client waits just ten years to purchase life insurance…

Lifetime Foundation ELITE, $1,000,000 death benefit, 20 pay*

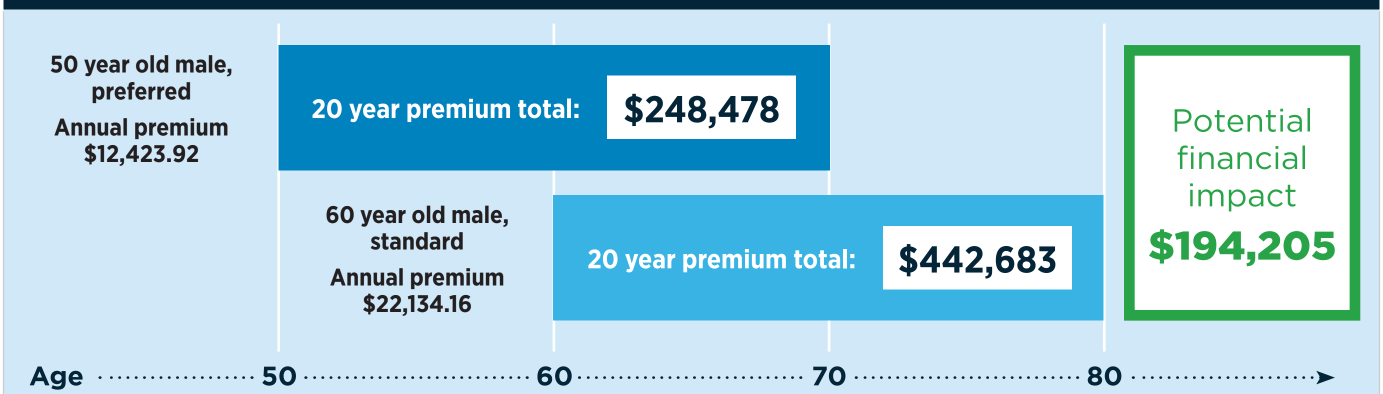


* Premium solve to provide the death benefit guarantee to age 90 and have $5000 of cash value remaining, based on a projected rate of 4.5%.

Waiting 10 years cost the second individual nearly $120,000 in premiums paid!

Now, let's take a look at a client whose health may have declined over the years in which he delayed and is now at a Standard non-tobacco rating.

Lifetime Foundation ELITE, $1,000,000 death benefit, 20 pay*



* Premium solve to provide the death benefit guarantee to age 90 and have $5000 of cash value remaining, based on a projected rate of 4.5%.

Waiting 10 years cost this second individual nearly $200,000 in premiums paid!

Clearly, delay can be costly. Given the increased interest in life insurance, now might be a good time to talk to your clients about purchasing life insurance — sooner rather than later.

CONTACT US | *globalatlanticlife.com* | (855) 887-4487, option 3 | salessupport@gafg.com

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Lifetime Foundation ELITE is not available in all states.

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