

A Special Publication for CENCO Related Agents

# CENCO STREET JOURNAL

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## Check Out The Cenco Website:

[www.cencoinsurance.com](http://www.cencoinsurance.com)

You will have access to:

- Quotes
- Forms
- e-Apply
- Xrae
- Introduction Kits for Our Core Carriers
- Archived and current issues of the **Cenco Street Journal**, **Cenco eNews** and the **Cenco DI News**

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## Discover The Power Of A Robust IUL

QoL Max Accumulator+ III benefits clients who are seeking permanent life insurance protection AND cash value accumulation they can easily and quickly access to help meet financial goals and supplement their retirement.

QoL Max Accumulator+ III may serve the financial needs of several types of clients preparing for the future they expect and the surprises they don't.

Help clients build a brighter future with flexible permanent life insurance that provides protection and cash value accumulation.

- ◆ **Accumulate cash value with managed volatility** - This policy provides three crediting strategies linked to proprietary indices designed to help control volatility. Premiums can be allocated to one, two or all three strategies, as well as the fixed rate crediting strategy.
- ◆ **Secure living benefits that you can use in your lifetime** - Optional chronic illness rider available with an additional charge that offers benefits to help cover qualifying chronic illnesses and care expenses - no receipts needed.
- ◆ **Access your cash value with flexible choices** - You can access available cash value via loans or withdrawals to help meet financial needs of any kind.
- ◆ **Get coverage that may not require a medical exam** - Can be approved and issued without traditional underwriting or medical exams through our Agile Underwriting+ program. Applicants must be ages 18-59 and applying for \$2 million or less in coverage.

**Ready to discover the power of a robust IUL?**

**Your clients are.**

## Assurity's 3-in-1 Term Insurance Coverage - SmartStart

Make more term life sales this year with **3-in-1 coverage** using Assurity's StartSmart. With a one-of-a-kind combination of term, critical illness and disability income coverage, it's a policy that does more for your clients and creates more business for you.

### Term Life Insurance

Term Periods	10, 15, 20 and 30 years, depending on issue age
Benefit Amounts	\$25,000 to \$10 million
Underwriting	Accelerated underwriting and instant decision available for qualified applicants: <ul style="list-style-type: none"> <li>• up to \$1 million for ages 18-50</li> </ul>
Underwriting Classes	Non-Tobacco - Preferred Plus, Preferred, Standard
Convertibility	Conversion option to permanent coverage.

### Critical Illness Benefit Rider

Provides a lump-sum benefit if the insured receives a first-ever diagnosis for one of the specified critical illnesses, including heart attack, invasive cancer and stroke.

Issue Ages	18 to 65, depending on term period
Benefit Amount	\$20,000 - \$100,000 (not to exceed base policy benefit amount)

### Monthly Disability Income Rider

Provides a monthly benefit while the insured is totally disabled, up to a maximum of two years. Benefits are payable only for total disabilities beginning before the insured's 65th birthday and are not payable until after the insured has been continuously totally disabled for 90 days.

Issue Ages	18 to 60, depending on term period
Elimination/Benefit Period	90 days/2 years
Benefit Amounts	\$300 through the lesser of \$3,000 or 1.5% of base policy benefit amount; issue amounts rounded to the lowest \$100 increment. Also limited to a maximum of 60% of the applicant's gross earned monthly income (40% in California) and based on the total of all in-force and applied-for individual and group disability income benefits.

**Call Cenco for more information.**

## 7 Things You Need To Know About Underwriting DI Cases

Everyone knows how hard insurance professionals work to prospect, set appointments, complete the fact-finding process, run quotes, close the deal, fill out and send in forms all just to submit a single **Disability Case**.

It's important to remember that the information required by underwriters helps the insurance company manage risk, which in turn helps to keep prices and products competitive across the market.

### **HERE ARE 7 WAYS YOU CAN HELP YOUR CASES MOVE THROUGH UNDERWRITING FASTER AND MORE EFFICIENTLY:**

- ◆ Before moving forward with an application, know your client. Take the time to ask about their medical history, health concerns, and current medications. If there are red flags, run a prescreen with the carrier's Underwriting Department.
- ◆ Answer all questions on the application and provide full details such as occupation and job duties as well as physician name, address and phone number. Make sure all required fields are completed. Incomplete apps may delay your case.
- ◆ Send a copy of the most recent illustration reflecting the correct occupation class, benefits, discounts and premiums.
- ◆ Attach all necessary financial documentation.
- ◆ When possible, submit the case for simplified underwriting with no blood, urine, EKG's, or APS required. Typically, if the client is between the ages of 18-50 and looking for a monthly benefit amount up to \$10,000 this is the way to go. This program averages a 48-hour turnaround time once the application and TeleApp interviews are completed and received.
- ◆ While not required, it's always helpful to attach a cover letter that discusses the details of the particular case. This helps to give the Underwriting Department a clear picture of the case, particularly if there are any unusual medical concerns or job occupation descriptions.
- ◆ You can complete the telephone health interview at any time. The application does not have to be in-house for the phone interview to be conducted and typically takes less than 20 minutes.

**The tips on this list will save you valuable time and help you grow your business.**

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

- 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

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## When do your clients want to pay taxes?



The primary purpose of life insurance is to provide death benefits to create financial security. But the cash value component of many life insurance policies can provide additional advantages and opportunities.

Essentially, every dollar that goes towards your client's retirement goes through three phases:

1. The client puts money in
2. The money grows and
3. The client takes the money out

With regard to those three phases, there's good news and bad news to consider.

- The bad news is that the IRS will require the client to pay taxes during at least one of these three phases.
- The good news is that the CLIENT gets to decide which one.

With that in mind, in a successful retirement strategy, consistent long-term growth means that your client(s) assets continue to grow through each phase. Therefore, what your client puts in should be the smallest. As it grows it should be worth more at the end of the accumulation phase. And with continued potential growth the amount the client is able to take out should be even more.

Now that the client knows the choice is theirs – that they can choose to pay taxes on the money they put in, the growth or the money they take out – which would they prefer?

*[Most people will answer: "I choose to pay tax on the smallest number, the money I put in."]*

**For more information, contact your financial professional.**

**Name**

**Email**

**Address**

**License No. (if required)**

## Life Insurance has tax benefits and other advantages

- ✓ Income-tax-free death benefit for beneficiaries<sup>1</sup>
  - In addition to everything you withdraw and borrow from the policy income-tax-free<sup>2,3</sup>, the residual net death benefits are generally paid to your clients' beneficiaries income-tax-free.
- ✓ No limit on gross income affecting your ability to contribute premiums
  - There's no such thing as "making too much money to contribute."
- ✓ Tax-deferred accumulation<sup>3</sup>
  - The policy's account value potentially grows income-tax-deferred, so no taxes are paid as it grows each year.
- ✓ The policy's account value potentially grows income-tax-deferred, so no taxes are paid as it grows each year.
- ✓ Distributions using loans and withdrawals are income-tax-free when structured properly<sup>2</sup>
- ✓ No 10% penalty tax for accessing policy cash values prior to age 59½ when structured properly<sup>3</sup>
- ✓ No required minimum distributions (RMDs) for owners
- ✓ Self-completing upon death (Death benefit exceeds account value)

<sup>1</sup> Life insurance death benefits are generally tax-free for beneficiaries under IRC 101(a), but may under certain situations be taxable in part or whole.

<sup>2</sup> Withdrawals during the first 15 years of the contract may be treated as income first and includible in policyholder's income. Distributions will reduce policy values and may reduce benefits. Availability of policy loans and withdrawals depend on multiple factors including but not limited to policy terms and conditions, performance, and fees or expenses.

<sup>3</sup> If the policy is classified as a modified endowment contract (see IRC 7702A), withdrawals or loans are subject to regular income tax and an additional 10% tax penalty may apply if taken prior to age 59 ½.



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