

CENCO STREET JOURNAL

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Check Out The Cenco Website:

www.cencoinsurance.com

You will have access to:

- Quotes
- Forms
- Introduction Kits for Our Core Carriers
- Archived and current issues of the **Cenco Street Journal** and the **Cenco eNews**

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Is Your Business Ready For The New Year?

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 2018 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 2018.
- ♦ **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 year.
 - 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 2018 off to a good start.

Non-Medical Underwriting on QoL Max Accumulator+

For policies that fall within guidelines, AIG Partners' QoL Max Accumulator+ has non-medical underwriting, resulting in a fast, convenient path from submission to approval!

This process shortens the underwriting cycle time for many of your healthy clients. For those who qualify, the application process will be less intrusive and the cycle time, from application receipt to the underwriting decision, will be reduced significantly.

Faster processing times can be expected for applications submitted electronically using iGo eApplication, leading to faster commissions for the agent.

Non-Medical Underwriting

- Ages 0-59.
- Face amounts \$50,000 - \$249,999.
- No lab tests, physical exam or APS required for proposed insured.
- Accept/reject underwriting.
- Four rate classes available (Standard Non-Tobacco, Substandard Non-Tobacco, Standard Tobacco and Substandard Tobacco).
- If amount applied for on this application plus any coverage issued within the last 12 months is equal to or greater than \$250,000, this new coverage applied for will be subject to age and face amount requirements for full underwriting.
- Total inforce coverage consideration includes QoL Advantage Program scenarios where a combination of QoL Flex Term and QoL UL policies are purchased.

To find out more information, check out the AIG Partners Introduction Kit on the Cenco website - www.cencoinsurance.com.

Sales Idea of the Month

Tax Time Opportunities:

Tax refunds create opportunities to reach out to clients. With about 3 out of 4 people who file Federal Income Tax returns receiving a refund around \$3K or more, tax season can be a good time to reach out to potential new clients and to build on relationships with current clients.



Avoiding “Sticker Shock” With Disability Income Sales

Ever present disability income insurance to a client, and found that with one look at the price tag they are reluctant to purchase? While it is true that a DI plan could be costly for some - it really doesn't have to be.



Avoid the “sticker shock” with your clients:

The general rule for the amount a client should spend on their Income Protection Plan is 3% or less of their annual income.

If the premium is higher than the 3% amount, the client is more likely to experience “sticker shock” and, even if you are able to place the policy, the likelihood of it lapsing is much higher. The client will then have no protection and you will not have a renewal commission.

How to keep premiums under 3% of a client's income:

By adjusting the Benefit Amount, Elimination Period, and Benefit Period you are able to make the policy more cost effective.

- ◆ Adjust the Benefit Amount to cover just the basic monthly expenses such as rent/mortgage, utilities, groceries, etc.
- ◆ Approximately 75% of fully underwritten policies have a 90-day Elimination Period - if your client has enough savings, offer a 180-day Elimination Period.
- ◆ Over 80% of disability income claims are settled within 5 years because the client recovered and returned to work, or they passed away. A 5 year Benefit Period can be more affordable than a To Age 65 Benefit Period.

Creating a mixture of Base Benefit and Social Insurance Supplement (SIS) coverage is another solution to keep a client's premiums low.

- ◆ The idea is to get the most coverage for the lowest premium. Since the SIS coverage can be offset by Social Security, State DI or Workers Compensation, the premium is less expensive than that of the Base Benefit.
- ◆ A good mixture of SIS and Base coverage can generally keep the premium within a client's budget, yet provide them with the coverage to ensure their financial stability in the event they are disabled and unable to work.

Not every client needs all the available costly riders the carrier offers - choose only the riders that will actually benefit a client.

And if in doubt call Cenco to discuss the best options. We are here to help!

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**January
2012**

**Asset Protector -
Life Insurance You
Don't Have To Die
To Use
Look Inside For
Details!**

**Non-Medical Underwriting On
QoL Max Accumulator+**

- Ages 0-59
- Face amounts \$50K to \$249,999
- No lab tests, physical exam or APS required for proposed insured
- Accept/reject underwriting
- 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...

Check out the new **QoL Master Playbook** on the website aig.com/QoLMasterPlaybook.
Everything you need is here!

- ◆ QoL Producer Website
- ◆ QoL Training Playbook
- ◆ QoL IUL Playbook
- ◆ QoL Term Conversion Playbook
- ◆ And more.....



Asset Protector

Life Insurance You Don't Have to Die to Use

Policies issued by American General Life Insurance Company, a member of American International Group, Inc. (AIG).



Which will happen to you?

Die too soon

Americans may face several financial risks before and during retirement. Earlier in life there are 3 major risks, but these risks tend to get smaller over time:

- Income replacement due to the loss of a primary breadwinner
- The cost of college savings for children
- Paying off the mortgage

Live too long

As we get older, a few other risks emerge, and they tend to become more daunting over time:

- Financial risks...the possibility of outliving retirement income, interest rates, stock market, rising tax rates, home repairs, etc.
- Rising costs of health care
- Potential reduction of social security income due to the loss of a spouse

Get sick along the way

The three pre-retirement risks can usually be alleviated with term insurance. The three post-retirement risks often cannot be adequately taken care of with term insurance. Permanent insurance, such as guaranteed universal or index universal life, may be a better fit. Whether you are pre-retirement, transitioning into retirement, or solidly in your retirement years, any of these three could happen.

Solutions for all 3

QoL Guarantee Plus GUL II

Die too soon

CustomerChoice® Lifestyle Income Solution

Live too long

Accelerated Access Solution (AAS) & QoL SelectChoice II Chronic Illness ABR

Get sick along the way

In recognition of these occurrences, we created **Asset Protector** which consists of: **Lifestyle Income Solution (LIS)** to address living too long, and **Accelerated Access Solution (AAS)**, and a the **QoL SelectChoice II Chronic Illness Accelerated Benefit Rider** for getting sick along the way.¹ These riders are available on **QoL Guarantee Plus GUL II**. This combination of riders helps to provide the financial safety net to help get through all three scenarios.

¹ There may be a charge for each rider selected. See the rider for details regarding the benefit descriptions, limitations and exclusions.

For this flyer to be complete for California residents, they must be provided the "California Resident Supplemental Information" flyer on the Accelerated Access Solution (AGLC110145 REV0517)



How can you protect against risk in pre and post retirement?

The graphic below summarizes some potential risks Americans face before and during retirement. At the core of your asset protection, you have life insurance, but life insurance is capable of protecting much more than your mortality... By adding longevity and chronic illness riders to your life insurance, it can provide protection if you out live your assets or get sick along the way.

Life Insurance Policies can provide protection for:

- Pre-retirement income replacement
- Paying off any outstanding mortgage balance
- Providing college funding for your children
- And, during retirement, the life insurance benefit can provide funding to replace reduced Social Security income due to the loss of a spouse.

Longevity Riders (LIS) can help provide protection against a multitude of financial risks over an extended lifetime:

- Market corrections and poor investment performance
- Living longer than expected
- Didn't save enough
- Tax rate increases
- Low interest rates
- Reduced Social Security income if 1 spouse dies (life insurance benefit protects 1 spouse, LIS protects other spouse)
- Health care costs (unrelated to chronic illnesses)
- Unexpected home repairs
- Financial help for children and grandchildren

Chronic Illness Riders (AAS & QoL SelectChoice II

Chronic Illness ABR can help offset the high costs of any expenses* which may include the following:

- Long term care
- Rehabilitative therapy
- Prescription drugs
- Nursing homes
- Assisted living
- Specialized care

*This is not a restricted list.

For this flyer to be complete for California residents, they must be provided the "California Resident Supplemental Information" flyer on the Accelerated Access Solution (AGLC110145 REV0517)

FINANCIAL LIFE SPECTRUM



Together these 3 coverages provide an attractive package of protection against a broad array of financial risks that are prevalent during retirement.



Life Insurance You Don't Have to Die to Use
Learn more at QualityOfLifeInsurance.com

Quality of Life...Insurance®
Your Money. Your Insurance. Your Choice.

NOT A DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | MAY LOSE VALUE | NO BANK OR CREDIT UNION GUARANTEE | NOT FDIC/NCUA/NCUSIF INSURED

Policies issued by American General Life Insurance Company (AGL). Policy Form Numbers 15442, 15442-5, ICC15-15442, 15442-10A; Rider Form Numbers 15602, ICC15-15602, 15603, ICC15-15603, 15604, ICC15-15604, 15600, ICC15-15600, 15972, 15972-5, 82012, 82012-CA, 82410, 88390, 14002, 14002-5, ICC14-14002, 15990, 13600-5, AGLA 04CHIR-CA (0514), AGLA 04CRIR, and AGLA 04TIR. Issuing company AGL is responsible for financial obligations of insurance products and is a member of American International Group, Inc. (AIG). AGL does not solicit business in the state of New York. Guarantees are subject to the claims paying ability of the issuing insurance company. Products may not be available in all states and product features may vary by state.

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Customer Choice Lifestyle Income Solution

PRODUCT HIGHLIGHTS



Summary	The Customer Choice Lifestyle Income Solution provides the policy owner the option to elect to receive guaranteed withdrawal benefits under the rider beginning on the first date that eligibility requirements under the rider are met. There is a cost associated with this rider and that cost will be deducted from the accumulation value of the policy.				
Key Benefits	<ul style="list-style-type: none"> Provides guaranteed withdrawal benefits (regardless of the cash surrender value under the policy) beginning on the initial election date for withdrawal benefits and on each month thereafter as long as the Withdrawal Benefit Balance under the rider is greater than zero and benefit eligibility conditions under the rider are met. The total amount of withdrawal benefits available (Initial Withdrawal Benefit Balance) is calculated on the initial election date and will depend on a number of factors: <ol style="list-style-type: none"> The Withdrawal Benefit Basis specified by the applicant at the time of application. The amount selected is subject to minimum and maximum limits; A Withdrawal Benefit Factor that will depend on insured's risk class, gender, and the duration since the effective date of rider coverage. The amount of withdrawal benefit that will be available each month (Guaranteed Withdrawal Benefit) will be set to equal the Initial Withdrawal Benefit Balance, multiplied by 0.83333333%. Each withdrawal benefit paid will result in a reduction in the Specified Amount, the Cash Surrender Value, Cash Value, and Continuation Guarantee Account Value of the policy. The rider includes a waiver provision which will waive the amount necessary to prevent the policy from going into grace beginning on the initial election date for withdrawal benefits and while eligibility requirements under the rider continue to be met. 				
Availability	The Customer Choice Lifestyle Income Solution can be sold as a package with Accelerated Access Solution ^{®*} and is available on QoL Value+ Protector and QoL Guarantee Plus GUL II <ul style="list-style-type: none"> Base policy must have an Option 1 (Level) death benefit. 				
Issue Ages	18-70				
Underwriting Classes	<ul style="list-style-type: none"> Preferred Plus Non-tobacco Standard Non-tobacco Standard Tobacco Special Non-tobacco Preferred Non-tobacco Preferred Tobacco Special Tobacco 				
Min. Specified Amount	\$60,241				
Max. Specified Amount	Not available on an insured with specified amounts in excess of the reinsurance retention limit. Retention limits for QoL Value+ Protector and QoL Guarantee Plus GUL II are as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Issue Age</th> <th>Retention Limit</th> </tr> </thead> <tbody> <tr> <td>0-70</td> <td>10,000,000</td> </tr> </tbody> </table>	Issue Age	Retention Limit	0-70	10,000,000
Issue Age	Retention Limit				
0-70	10,000,000				
Benefit Conditions	<p>Withdrawal benefits are payable under the rider as long as these eligibility requirements are met:</p> <ul style="list-style-type: none"> The policy has been in force for at least the Minimum Eligibility Period shown on the rider schedule. This period is 15 policy years for all policies; Policy must be paid up and guaranteed to age 100 before the withdrawal benefits can begin. The policy Continuation Guarantee Account Value immediately prior to the initial election date is sufficient to provide for all the Continuation Guarantee Account Monthly Deductions due from the initial election date for withdrawal benefits through the Continuation Guarantee Target Date shown on the rider schedule. The Death Benefit Option is level death benefit (Death Benefit Option 1); Based on the company's determination, payment of the guaranteed minimum withdrawal benefit beginning on the initial election date and each month thereafter until the withdrawal benefit balance is reduced to zero does not cause the policy to fail to meet the definition of life insurance under IRC 7702; On the initial election date, the policy is not within a 7-pay period following a material change; There is no indebtedness under the policy; The policy is not a Modified Endowment Contract; No benefits under any accelerated death benefit rider are owed to the policy owner or are being processed by the company on such date. 				



Initial Election Date	The initial election date is the policy anniversary date on which the owner elects to start receiving guaranteed withdrawal benefits under the rider. Such date must occur on or after the first anniversary after the policy Minimum Eligibility Period has been met.
Rider Withdrawal Benefit Basis	<p>The Withdrawal Benefit Basis is used as a starting point for determining the withdrawal benefits available under the rider. The Withdrawal Benefit Basis on the date of issue is calculated as:</p> <p><i>Withdrawal Benefit Basis on issue date = Initial Specified Amount, multiplied by the Withdrawal Benefit Basis percentage specified by the applicant at the time of application for the rider.</i></p> <ul style="list-style-type: none"> • Minimum Withdrawal Basis amount is \$60,241 • The Withdrawal Benefit Basis may not exceed the policy Specified Amount. • The Withdrawal Benefit Basis should not exceed the reinsurance retention limit. • The Withdrawal Benefit Basis will be further restricted based on guideline premium test validations in the illustration software.
Rider Withdrawal Benefit Balance	<p>The Withdrawal Benefit Balance is the total amount of future withdrawal benefits available under the rider. The Initial Withdrawal Benefit Balance is the total amount of future withdrawal benefits available under the rider on the initial election date. This amount is determined on the initial election date as:</p> <p><i>Initial Withdrawal Benefit Balance = Withdrawal Benefit Basis on the initial election date, multiplied by the applicable Withdrawal Benefit Factor shown on the rider schedule.</i></p> <ul style="list-style-type: none"> • The Withdrawal Benefit Factor varies by risk class, gender and duration since date of issue.
Rider Withdrawal Benefit Amount	<p>The Guaranteed Withdrawal Benefit is the amount of each withdrawal that is guaranteed to be available under this rider beginning on the initial election date and on each month thereafter as long as the Withdrawal Benefit Balance has not been exhausted.</p> <p>The Guaranteed Withdrawal Benefit is determined on the initial elected date as:</p> <p><i>Guaranteed Withdrawal Benefit = 0.8333333% x Initial Withdrawal Benefit Balance</i></p> <ul style="list-style-type: none"> • The actual benefit paid can never be less than the reduction in cash surrender value, if any, that results from payment of a withdrawal benefit under this rider. • The Withdrawal Benefit Balance will be reduced by the same dollar amount as the amount of withdrawal benefit paid. • The Withdrawal Benefit Basis will be reduced in the same proportion as the reduction in the Withdrawal Benefit Balance. • The policy Specified Amount will be reduced by the same dollar amount as the reduction in the Withdrawal Benefit Basis. The Accumulation Value, Cash Surrender Value, Cash Value, and CG account value of the policy will be reduced in the same proportion as the reduction in the Specified Amount of the policy. • Withdrawal benefit amounts will be available as long as benefit eligibility requirements are being met and the Withdrawal Benefit Balance is greater than \$0. • The policy owner may request to withdraw less than the guaranteed withdrawal benefit, but not less than \$500. A lesser withdrawal amount could extend the period for which monthly withdrawals can be taken under the rider. • The policy owner may request a suspension of monthly withdrawal benefits by sending the company a written request. Withdrawal benefits may be resumed as long as the benefit eligibility requirements are being met and the Withdrawal Benefit Balance is greater than \$0. • The policy owner may not request a withdrawal amount that exceeds the Guaranteed Withdrawal Benefit. Doing so will result in the termination of the rider. • Payment of any withdrawal benefit is not subject to a surrender charge or a partial surrender charge.

Rider benefits may be taxable. Policy owners should consult a qualified tax advisor prior to electing benefits under the rider.

* In states where both Customer Choice Lifestyle Income Solution and Accelerated Access Solution are approved for sale.



Policies issued by American General Life Insurance Company (AGL), Policy Form Numbers 13460, ICC13-13460, 16760, ICC16-16760, 15442, ICC15-15442; Rider Form Numbers 15972. Issuing company AGL is responsible for financial obligations of insurance products and is a member of American International Group, Inc. (AIG). AGL does not solicit business in the state of New York. Products may not be available in all states and product features may vary by state. Guarantees are backed by the claims-paying ability of the issuing insurance company.

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Top 10 Reasons to Sell QoL Value+ Protector

QoL Value+ Protector is a flexible, death benefit protection focused IUL product

QoL Value+ Protector is an index universal life insurance product designed to help serve your clients' long-term needs for personal and business financial security. It combines many of the advantages of guaranteed universal life insurance with special features and crediting strategies that help reduce costs and strive to deliver maximum value.

- 1. An attractive bridge product** between GUL and Cash Accumulation IUL that offers strong alternative options with additional value not offered by GUL products, flexibility and meaningful cash accumulation that is found in Indexed Universal Life products.
- 2. Built in, no-cost living benefit riders**—Accelerate 100% of death benefit, up to \$2 million for qualifying chronic, critical, and terminal illness or condition.
- 3. Competitive Index Performance Feature**—Automatically included, feature allows the policy owner the option to use cash value (above the benchmark cash value) to purchase additional, paid-up life insurance without underwriting and without decreasing the initial death benefit.¹ Cash value can also be used for any other purpose.
- 4. Excess Funding Feature**—Automatically included in policy, withdrawals of excess premiums can be made in policy year 20 without decreasing death benefit.²
- 5. Protected Premium Rider**—For policies funded early, client may withdraw funds above the target premium in years 2 to 5 with no surrender charge penalties.
- 6. ML Strategic Balanced Index**—This index is proprietary to AIG and is designed to provide stability with upside growth potential.
- 7. Favorable loan provisions**—using our participating loan to access cash values allows the client's loaned money to continue to participate in index account earnings, if there is any, potentially creating greater policy cash values.
- 8. Select Income Rider**—Use this rider to spread the death benefit out in installment payments to the beneficiary. Spreading out the death benefit may reduce the cost of insurance, thereby decreasing the required premiums.³
- 9. Accelerated Access Solution Rider**—Additional paid chronic illness benefit that provides a \$3 million maximum and a dollar-for-dollar acceleration for a qualifying chronic illness.⁴
- 10. Customer Choice Lifestyle Income Solution**—Provides supplemental tax-free⁴ income stream at age 85—money can be used for any purpose.

¹ Option election dates are at end of 20th policy year (for ages 0-64) and the later of age 85 or end of 5th policy year (for all issue ages).

² Option election date is at end of 20th policy year for issue ages 0-64 or the later of age 85 or end of 5th policy year for issue ages 65-85.

³ Rider availability varies by state

⁴ Payments are tax-free up to the amount of basis in the contract.



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California residents must be provided with the "California Resident Supplemental Information" flyer on the Accelerated Access Solution (AGLC110145).

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