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Inside this issue:

Life Doesn't Stand Still - Time For A Policy Review	2
Stop Selling Insurance and Start Solving Problems	3

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 2019 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 2019.
- ♦ **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 2019 off to a good start.

Life Doesn't Stand Still - Time For A Policy Review

Some clients are puzzled when their financial professionals ask to schedule a review of their life insurance coverage. "I haven't had any problems with my policies," they often point out, "so why do I need a review?"

You can answer their question by asking how their life may have changed since they purchased their policies. Was there a marriage or divorce? Did they start a new business? Acquire new property? Perhaps they earned a promotion, changed jobs or have children entering college - or finishing college and settling out on their own?

Additionally, competitive forces over the past several years within the life insurance industry have provided unique designs in features, benefits and costs, which may need to be considered in their planning process.

Chances are, their life is quite different now from when they purchased their policy - and so are their insurance needs. A systematic policy review with their financial professional is the best way to ensure that their coverage continues to keep up with their needs. To illustrate this point even further, take a look at a hypothetical representation for illustrative purposes only case study.

Case Study: Greg's Family

As a partner in a prestigious law firm, Greg enjoys a comfortable lifestyle with his wife Sara and their two teenage sons, Justin and Kevin. Greg remains very actively involved in the management of his securities portfolio - but he hasn't thought about life insurance since just after the boys were born.

When Greg purchased his life insurance policy, he and Sara were living in a modest two-bedroom home, still paying off their student loans, and earning a combined total of \$100,000 a year. Their insurance agent at the time recommended \$500,000 in coverage. In the fourteen years that have elapsed since then, the family has:

- Moved twice, each time to a larger and more expensive home
- Enrolled the boys in private college-prep schools
- Purchased a lake house - and a boat to go with it - for summer vacations
- Gradually adopted a more upscale lifestyle as Greg's income grew
- Planned to send the boys to college at Princeton
- Begun taking care of Sara's mother

So if something were to happen to Greg with his current coverage, the family would find it difficult to maintain their way of life. Perhaps Sara would have to bring in more income by going back to work, or perhaps the boys would have to change their college choice.

Fortunately, Greg's current financial professional alerted him to the importance of a regular policy review. After taking this step, the advisor recommended that he augment his coverage to ensure the continued protection of his loved ones and their way of life. Greg has now established a means of protecting his family and transferring his wealth in a tax-efficient manner.

Stop Selling Insurance And Start Solving Problems!

The time has come to stop selling insurance - critical illness, income protection, life and long term care insurance. The insurance industry has to change its focus. We need to stop talking about product and start talking about what the product does. Selling is 98% understanding human nature and 2% product knowledge. As an industry, we have turned that around. We place 98% of our conversations on product and 2% on understanding human nature.



Prospects do not care about all the technical details of an insurance product. Too many details confuse them and take the focus away from the problem you are solving. Customers don't care how an air conditioner works. All they want to know is that it will keep them cool on hot days.

No one wants to buy insurance, but they have problems that only insurance can solve. Therefore, we need to stop talking about the product and emphasize what it does...it solves problems.

For example, when someone is diagnosed with cancer, they face emotional and financial stress. That's the problem we can address. Critical illness protection solves that problem. By providing a cash benefit upon diagnosis of a covered condition, critical illness protection reduces the financial stress and, as a result, reduces emotional stress.

Here's another example: Your clients want to have enough money to provide an adequate income when they retire. That's a problem. The solution is systematic accumulation of funds through cash value life insurance.

We need to help our prospects understand they have a problem and that insurance is the solution.

Years ago, an agent in the industry had been trying to sell life insurance to two partners to fund a buy/sell agreement. They kept putting him off, until he asked one partner these two questions:

First: How would you like to be in business with your partner's widow?

Second: If your partner died, how would you talk with his widow to determine the price for her share of the business?

After hearing those questions, both partners completed applications the next day. Until he asked those questions, he was selling life insurance. Those questions identified a problem that was solved with life insurance.

Remember, you don't need prospects, you just need to find someone with a problem that only insurance can solve.

There are lots of people with problems that only you can solve with critical illness, disability income protection, life and long term care insurance. Now is the time for you to solve their problems!

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*January
2019*

**An IUL With
Competitive
Guarantees and
Cash Value Growth!
Look Inside For
Details!**

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

- Ages 0-50
- Face amounts \$50K to \$499,999
- No lab tests, physical exam or APS required for proposed insured
- All rate classes are available
- 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.....



Guarantee Rising Income for 10 Years

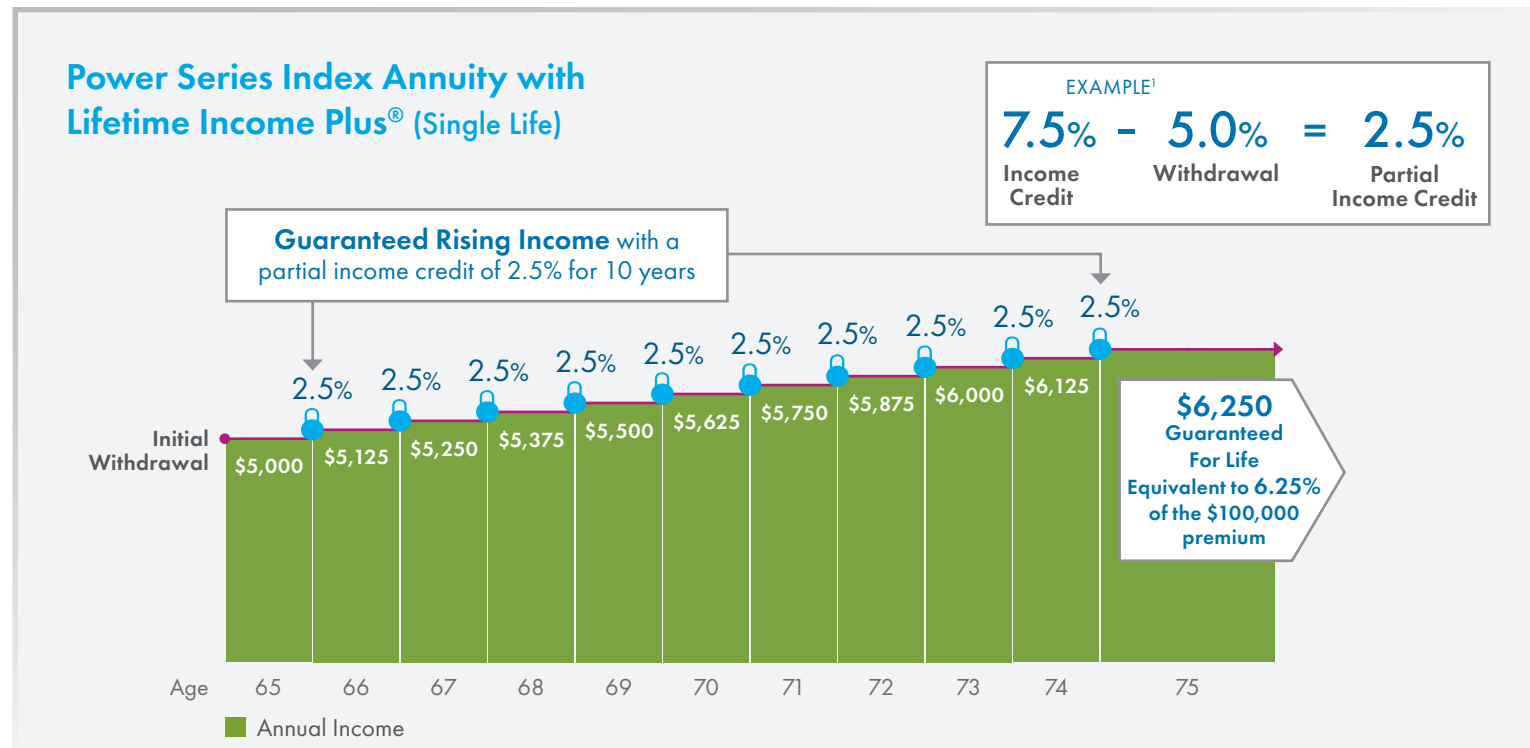
Even While Taking Withdrawals

THE POWER SERIES
of Index Annuities®

Provide clients with more income for retirement with the **Power Series of Index Annuities®** issued with the **Lifetime Income Plus®** guaranteed living benefit rider. Clients can secure up to 6% withdrawals for life,¹ plus guaranteed rising income for the first 10 contract years with partial income credits as long as withdrawals are taken subject to the terms of the rider.

Hypothetical Example

- Eligible premium: \$100,000
 - Initial Income Base: \$100,000 (equals eligible premium)
 - Initial withdrawal amount: \$5,000 (5% of Initial Income Base)
 - 5% annual withdrawals during the first 10 contract years automatically increase as the 2.5% partial income credit is added to the Income Base.
 - In this example, annual income increases to \$6,250 (5% of the \$125,000 Income Base) after 10 years. That's the equivalent of 6.25% of the \$100,000 premium—guaranteed for life.
 - Issue age 65, 0% interest earned.
- Illustration not to scale.**

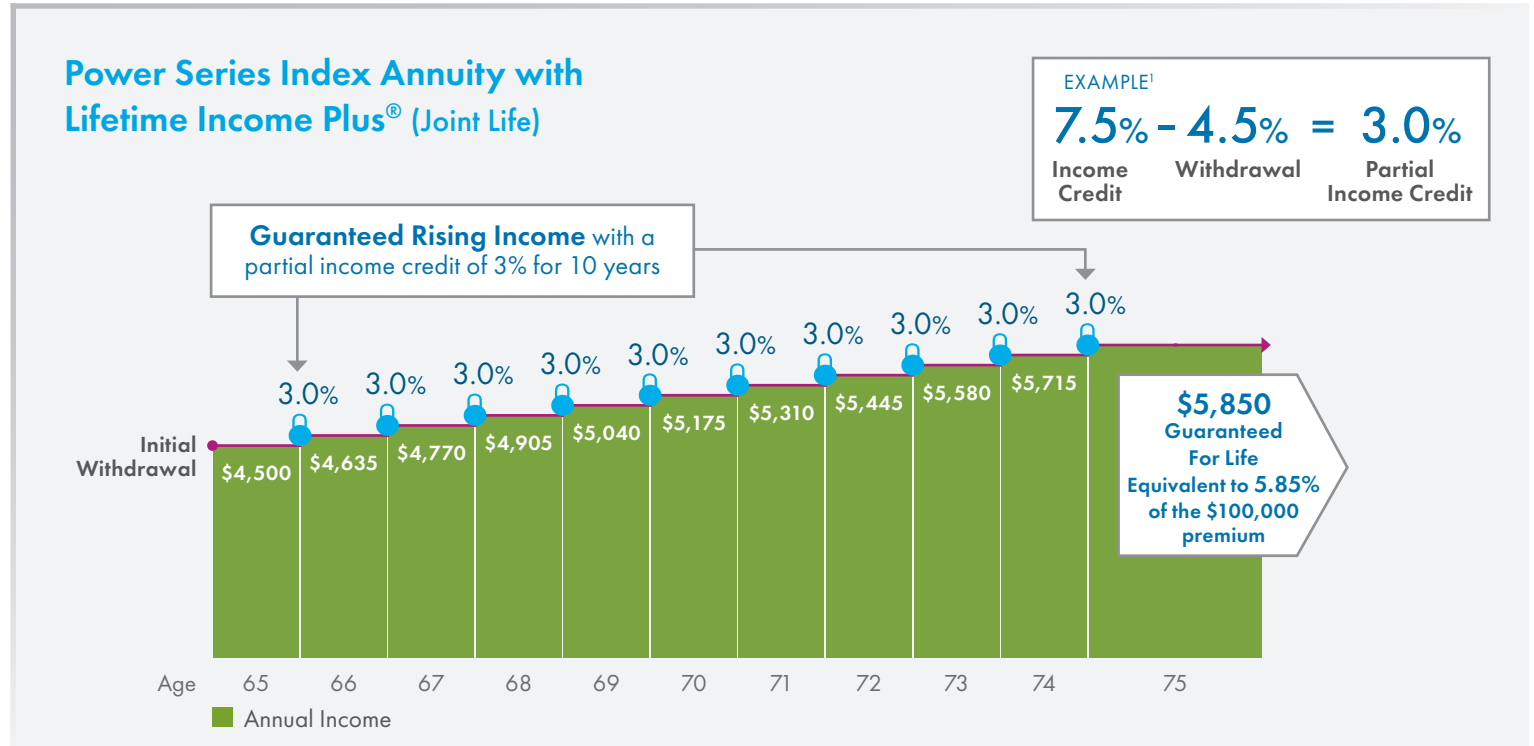


Guarantees are backed by the claims-paying ability of the issuing insurance company. The hypothetical examples shown above and on the reverse side are for illustrative purposes only, are not actual cases and assume annual withdrawals beginning in year 1. They are intended only to show how the Lifetime Income Plus guaranteed living benefit rider might work in certain situations. Lifetime Income Plus is available in select Power Series Index Annuity contracts for an annual fee of 0.95% of the Income Base. The Income Base is the value on which guaranteed withdrawals are based; it is not used in the calculation of the contract value or any other benefits under the contract, and cannot be withdrawn partially or in a lump sum. Eligible premiums are all premiums made in the first 30 days of the contract. To receive guaranteed benefits, clients must take withdrawals according to the terms of the rider. Please see reverse side for more information.

¹ The amount of guaranteed income clients can withdraw each year is a percentage of the Income Base and varies from 3.00% to 6.00%, depending on whether one or two people are covered and their age at the time of the first withdrawal. Please note that for select Power Series Index Annuities the amount of guaranteed income clients can withdraw each year depends on their age at the time of the first withdrawal taken on or after age 60. Please see the Owner Acknowledgment and Disclosure Statement for more information.

Hypothetical Example

- Eligible premium: \$100,000
 - Initial Income Base: \$100,000 (equals eligible premium)
 - Initial withdrawal amount: \$4,500 (4.50% of Initial Income Base)
 - 4.50% annual withdrawals automatically increase during the first 10 contract years as the 3% partial income credit is added to the Income Base.
 - In this example, annual income increases to \$5,850 (4.50% of the \$130,000 Income Base) after 10 years. That's the equivalent of 5.85% of the \$100,000 premium—guaranteed for life.
 - Issue age 65 (of the younger covered person), 0% interest earned.
- Illustration not to scale and subject to rounding.**



Additional Information

Index annuities are not a direct investment in the stock market. They are long-term insurance products with guarantees backed by the claims-paying ability of the issuing insurance company. They provide the potential for interest to be credited based in part on the performance of the specified index, without the risk of loss of premium due to market downturns or fluctuations. Index annuities may not be suitable or appropriate for all clients. Withdrawals may be subject to federal and/or state income taxes. An additional 10% federal tax may apply if clients make withdrawals or surrender their annuity before age 59½.

The Income Base is initially equal to the first eligible premium. On each contract anniversary, the Income Base can increase to the greater of 1) the anniversary value, when higher than all previous anniversary values; or 2) the Income Base plus any available income credit. On the 10th contract anniversary, the Income Base may be increased to the Minimum Income Base (200% of eligible premiums) if no withdrawals have been taken from the contract. The Income Base is adjusted for excess withdrawals and is increased each time an eligible premium is made.

The Power Series of Index Annuities are issued by American General Life Insurance Company (AGL), and the Power Index Elite Index Annuity is issued by The Variable Annuity Life Insurance Company (VALIC), 2727-A Allen Parkway, Houston, Texas 77019. AGL and VALIC are members of the American International Group, Inc. (AIG) family of financial services companies. The underwriting risks, financial and contractual obligations and support functions associated with the annuities issued by AGL or VALIC are its responsibility. AGL does not solicit business in the state of New York. Annuities and riders may vary by state and are not available in all states.

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Why settle for one or the other when you can have both?

If you are considering Guaranteed Universal Life insurance (GUL), you may also consider what your dollars can buy in combination with a protection-focused Index Universal Life insurance (IUL) policy. In many cases, you can receive competitive guarantees plus cash value growth potential, both are valuable features.



You can have both valuable cash accumulation plus guaranteed death benefit protection.

Background

GUL offers many benefits including guaranteed death benefit, cash value and available guaranteed return of premium options. However, it does have some limitations:

- Limited liquidity or flexibility
- Limited (if any) cash accumulation
- Designed primarily for death benefits

A combination of a guaranteed death benefit like traditional GUL product WITH the potential of valuable cash accumulation in a protection-focused IUL¹ is an attractive option. Many families know they need life insurance, but also know they need more money saved for retirement.

Is one better for you? Maybe some of both!

Scenario

Let's look at a hypothetical example:

- Meet Jason; 50-years old; married with children; needs \$500K of permanent life insurance coverage;
- Likes the security of a GUL policy, but not the limited cash value;
- Likes the growth opportunity within an IUL, but wants more guarantees than found in some IUL products



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

¹ Please note limitations of the IUL. Permanent Life Insurance can be a complex product, monthly expenses and costs of insurance reduce cash value, risk of lapse if excess loans or withdrawals are made.

GUL & IUL Solutions

Jason's financial professional shows him two options for the same monthly premium of \$467²:

Solution 1 GUL only

\$500K QoL Guarantee Plus GUL II

- Guaranteed coverage until age 105
- Cash value of \$8K in year 20
- Death benefit at age 105 of \$500K
- Death benefit at age 121 of \$0.²

Solution 2 50/50 GUL & IUL combo

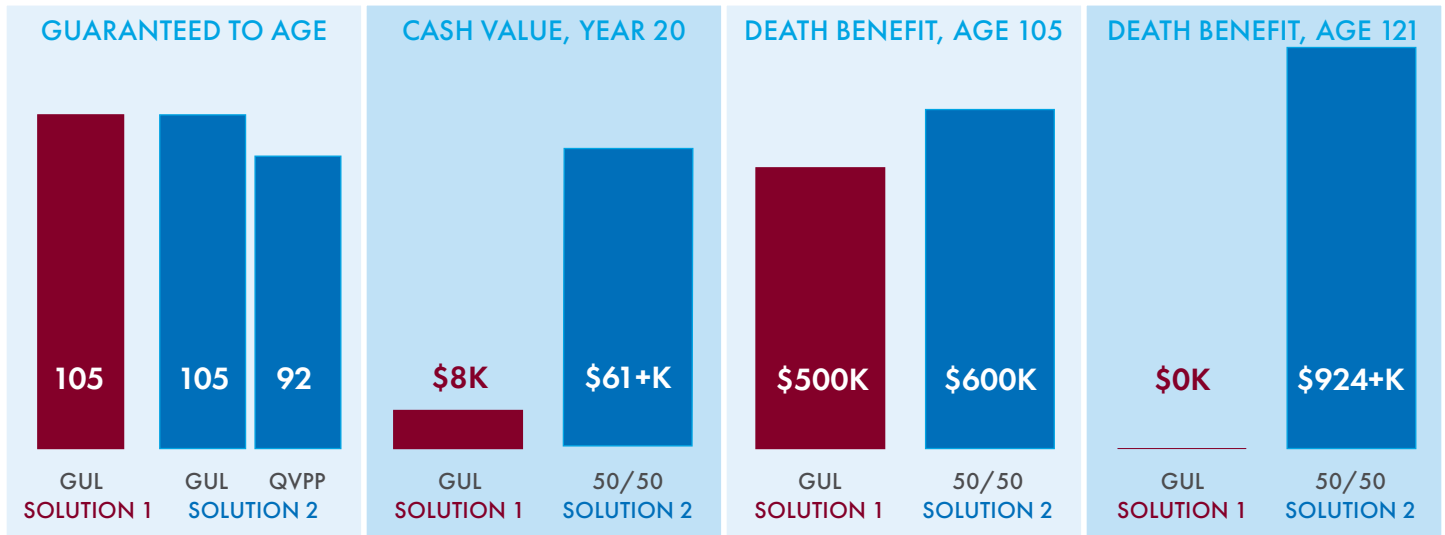
\$250K QoL Value+ Protector IUL (QVPP) and \$250K QoL Guarantee Plus GUL II

Jason prefers to be more conservative, so a 5% illustrated rate on the IUL provides all of these great benefits:

- Guaranteed coverage until age 105 for GUL and until age 92 for the IUL
- Cash value of \$61,502 in year 20, combined
- Death benefit at age 105 of \$600K, combined
- Death benefit at age 121 of \$924,006 in IUL

Compare the solutions

An illustrated example of a \$500,000 death benefit for a 50-year old male, paying premiums to age 105.²



Summary

Side-by-side Jason sees that the GUL-only solution provides valuable guarantees, while the 50/50 solution offers the potential for beneficial cash value, and long-term death benefit protection, along with attractive guarantees. Which one do you think Jason will choose? Maybe some of both!

To learn more about QoL Value+ Protector visit [AIG.com/QoL](https://www.aig.com/QoL) or, see your AIG representative.

² All policies in this example were illustrated for a 50-year-old male, preferred non-tobacco and paying to age 105. The QoL Guarantee Plus GUL II policies are guaranteed to age 105. The QoL Value+ Protector IUL was illustrated at a 5% index crediting rate. Both solutions were illustrated using an monthly premium of \$447. The cash value and death benefit amounts may have been rounded for ease of explanation.



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Top 10 reasons to sell fixed annuities

Annuities issued by
American General Life Insurance Company (AGL) and
The United States Life Insurance Company in the City of New York (US Life)



All guarantees are backed by the claims-paying ability of the issuing insurance company.

Get SET for opportunities ahead.

The first baby boomers turned 65 in 2011. Be ready to help them solve financial challenges with guaranteed interest earnings and principal protection.

Here are 10 reasons to consider a fixed annuity:

An annuity is the only financial product available that can guarantee income payments the contract owner won't outlive.

1. **Competitive interest rates.** We offer the flexibility of several interest rate guarantee options. Your clients can lock in the initial interest rate guarantee that works best for them.
2. **Tax-deferred growth.** While money remains in the annuity, the principal earns interest and the earnings earn interest.
3. **No up-front sales charges or administrative fees.** Once the contract is issued, 100% of your clients' money will begin earning interest.
4. **Protection from market volatility.** Fixed annuities have no market participation.
5. **Guaranteed death benefit.** Upon the death of the owner, the annuity value is paid directly to the beneficiary, without any withdrawal charges or market value adjustment (if applicable), generally avoiding the probate process.
6. **Access to funds.** Our 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.*
7. **Systematic withdrawals of interest.** Clients can receive payments monthly, quarterly, semiannually or annually.*
8. **Guaranteed income for life payout option.** With the annuitization option, electing the lifetime payout option will transform the contract balance into a guaranteed income stream for life.
9. **Diversification.** A tax-deferred fixed annuity can serve as a conservative addition to any retirement portfolio.
10. **Extra help to grow your business—marketing and sales support.** We provide comprehensive sales training including materials to both agents and bank customers.

* Taxable withdrawals are subject to ordinary income tax. Withdrawals taken prior to age 59½ may be subject to a 10% federal early withdrawal tax penalty. Contractual withdrawal charges may also apply.

Not a deposit | Not insured by any federal government agency | May lose value | No bank or credit union guarantee | Not FDIC/NCUA/NCUSIF insured

SALES IDEA

Top 10 reasons to sell fixed annuities

Choose a company with an outstanding track record.

As retirement planning continues to become increasingly complex, more people will likely look to financial professionals for solutions to help protect their money from taxes, market risk and longevity risk. Distinguish yourself through our fixed annuity products.

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