

A Special Publication for CENCO Related Agents

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Questions To Ask Your Clients

How to “Keep Calm and Coach On” During Uncertain Times

During times of global uncertainty, volatile markets, and lots of information flying around, **you** have the opportunity to step up and act like a financial life coach to your clients. This is a time for **empathy**, **reassurance**, and **being present**. Reaching out to your clients during the most difficult times will instantly raise your credibility, your clients’ trust in you, and their willingness to work with you when times are better.

Here are **Five Questions You Can Ask Your Clients TODAY** to help ease their financial fears and give them peace of mind:

1. How are you? Sometimes the simplest question is the best to ask. Many people are confused, stressed, and emotional. Asking someone, “How are you?” is a great way to let your client vent their frustrations and concerns, and for you to just listen.
2. What can I help you with immediately? Is it checking an account balance? Sending over information on a certain topic? This is not a time to sell, but to help clients solve for any immediate needs.
3. Would you like to review the benefits of your policy, and how it can help in times of uncertainty? The time to remind a client of the benefits of their policy is when they are taking advantage of those benefits! Remind them of any applicable guarantees, 0% floors, volatility-controlled indices, living benefits, loans and withdrawal capability, or anything else that will help ease their minds and remind them why they purchased their policy.
4. Do you know you can check your policy values on the mobile app? They may be terrified to check their 401(k), but they can check their life policies. This is a great time to encourage your clients NOT to stop making their premium payments, which may be tempting as people panic about their budgets. Remind them what they are paying for, and why it is so valuable for their overall plan.
5. When can I call again to check in? You may not need to, but your client will appreciate you reaching out, not trying to sell them anything, but simply doing your job of being their financial life coach.

And remember, the more proactive you are with your clients, the better during this unprecedented time.

Tips To Survive And Thrive Working From Home

Routines, we take them for granted. At times, we resent them. We take vacations to break our routine. Despite the love/hate relationship with routines, they organize our days and actually contribute to our overall sense of control as well as emotional and physical wellbeing.

Work is the most defining routine in an adult's daily life. The COVID-19 pandemic has introduced unprecedented disruption and uncertainty into our lives by forcing countless employees to telework from home.

Here are tips for working well at home.

- ♦ **Set a Daily Schedule.** Get up at your “regular” time, partition the day, beginning, and ending the day just as you might when going to work. Setting and keeping a schedule contributes to a sense of order, normalcy, and personal control while managing uncertainty.
- ♦ **Maintain Your Personal & Professional Self.** Maintaining a routine of personal care is not just about physical health, it is about creating a structure that gives you a sense of control in a time of uncertainty - get up, make your bed and get dressed and prepared as you normally would for work.
- ♦ **Define a Workspace.** Working at home does not mean that you should choose your favorite comfy chair or take up the kitchen table with your projects putting your work at the center of the lives of your family. Reach a consensus defining workspaces - your office at home. It may be a corner, a side table, or for some, a separate room. And when your workday is done, close the door.
- ♦ **Set Daily Work Objectives.** Flexible work is not just about working from home, for many, it means newfound freedom to set work objectives. Research suggests that our level of life satisfaction and reducing burnout is often correlated to what we can achieve daily, not in the long-term, but everyday.
- ♦ **Switch Off.** It is important that working from home does not mean 24/7 work. Switching off and ensuring adequate downtime is critical not just to your own mental and physical wellbeing but to maintaining healthy relationships with your partner, spouse, and children.
- ♦ **Eat, But Eat Healthy.** Working from home may reduce time in traffic on certain days, it also increases waistlines. Studies indicate that working at home promotes us to grazing - after all the refrigerator is always there. Eating well at home, combined with regular exercise is critical to physical health as well as reducing anxiety in the face of COVID-19.
- ♦ **Move, Move Often.** Social distancing and working from home can make it easier to be sedentary. Make a point of standing and moving when you can. For example, stand during phone calls, and walk around, if possible. And, try to do more than move - exercise. Vigorous exercise is not just good for you physically but vitally important to managing stress and anxiety.

**In this uncertain time, you can be certain that Cenco remains here to serve you.
Wishing you and your family good health!**

Review Individual Federal Tax Returns to Boost Sales

How many of you have studied federal income tax returns? If you're not asking for copies of tax returns to analyze, then one of your competitors probably is. But it won't do any good to start doing this if you don't know what to look for.

The first place to start in the examination of an individual tax return is the Form W-2 (wage and tax statement). First, see if there is a difference between line one (wages, tips, other compensation) and line three (Social Security wages). If so, this difference indicates that a person could be a participant in a 401(k) plan, a 403(b) plan or a Section 125 plan.

The same section of the W-2 indicates the taxable portion of group term life insurance in excess of \$50,000. The premium attributable to the first \$50,000 of group term insurance is tax-free. This information is important because it raises several questions:

- ◆ Is there a need for additional individual owned life insurance coverage?
- ◆ Is the client's employer a prospect for group and individual life insurance coverage?
- ◆ Could you position yourself to review the employer's existing employee benefit plans?

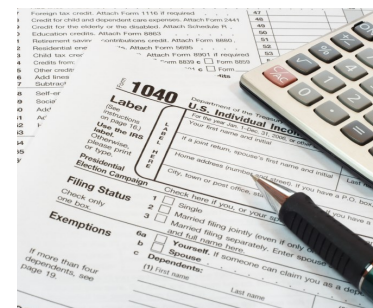
In addition to the W-2, the Form 1040 must also be assessed in order to provide clients with the highest level of service. When engaged in any type of financial planning you must always request that clients provide copies of tax returns from the last 2 to 3 years so that you can establish a thorough financial plan.

When reviewing the Form 1040 begin by evaluating the tax rate schedules for each filing status, which highlights the difference between marginal and real tax brackets. Remember that taxpayers do not pay taxes on their income at marginal tax rates. Instead, income taxes are paid based upon average tax rates.

Also, on the form 1040 is a section where dependent children of any age are listed. Addressing this section with your clients or prospects is sure to open up some important discussions and create a natural sales opportunity. Several questions should be asked at this point:

- ◆ Are you planning to set up a fund for your children's future education?
- ◆ What happens to your children if you should die or become disabled permanently?
- ◆ Are there dependents that do not live with you due to divorce or separation?
- ◆ If so, where do these dependents live and who is responsible for their care?

If you have never reviewed their tax returns, then you probably don't know everything about your clients from a financial standpoint. But if you will take the time and make the effort, you can uncover many sales opportunities, create the trust necessary for long-term relationships and become an expert at uncovering problems and needs that will make you all the more valuable.



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What do you do when the market drops 1,000 points?



Market volatility is a part of investing, but there are ways to make sure you have some protection in a downturn.

After steadily—and quietly, for the most part—heading upwards during 2017, the stock market rudely got investor’s attention in early February 2018. However, by the end of that week, the market recovered some ground to end down by slightly more than 5 percent.¹ March continued to be volatile, with the Dow having five major drops, the lowest being 742 points. Market analysts believed investors were spooked by the prospect of rising inflation.

How unusual is this most recent spurt of market volatility? Not very—market swings are common although each individual event may have a different cause. Fear of loss is a very common reaction, and that fear can manifest itself in a variety of ways. The worst reaction is panic-induced selling, while a more moderate reaction might involve seeking reassurance from a financial advisor.

For others, market volatility is a byproduct of investing and they don’t make rash decisions because of their emotions. While there is no right reaction to a market drop, pausing to consider what reaction is most appropriate and in your best interest is better than panicking and selling. Discussing risk tolerance, diversification, asset allocation and strategies to produce guaranteed income during retirement with a financial advisor can help reassure investors that their portfolios are on the most appropriate path to meet its/their objective.

Reducing Risk

Risk tolerance involves assessing an investor’s ability to handle loss in an investment portfolio. Think about it as the “sleep at night” factor—if investment loss has the potential to keep an individual up at night, it is probably too risky. Risk tolerance depends on many factors, including an individual’s age, occupation, and portfolio balance.

An investor’s perception of risk changes throughout their life. For those who are younger and still working, risk can mean opportunity. That’s because they are actively contributing to their investments. A market downturn may represent an opportunity for this group because they can buy more securities at a lower price when the market is down. In fact, by regularly investing a fixed amount and buying more

or less depending on market conditions, these individuals may be able to reduce the average price per share of their investments, giving them an opportunity to save more over time. This is known as dollar-cost averaging.² When investing for the long term, patience works because an investor has time to ride out the ups and downs of the market.

Near-retirees and retirees, however, generally perceive risk from a very different viewpoint. Retirees have a relatively shorter time horizon. They have more to lose if the market drops and less time to recover from it. Their risk tolerance also changes to become more risk adverse. They don’t know how long they are going to live, and many fear running out of money.

One way to guarantee income for life is through an annuity. Annuities can help protect retirement savings from market uncertainty and provide ongoing income, relieving anxiety about the direction of the market and performance of investments.

Creating Diversification

One of the best ways to lessen market risk is to diversify. Diversification, which involves putting money into a variety of different investments, is an important component of risk reduction. Through diversification, invested funds may be placed into stocks, bonds, cash and other investments, such as annuities.

Many investors work with an experienced financial advisor to create a diversified portfolio that is in line with their goals and risk tolerance. Advisors use a specific asset allocation strategy to build a diversified investment portfolio.³

Protection During Downturns

For those who are nearing retirement or who are retired, market volatility and large market declines can lead to concern, if not actual worry. After all, you’ve been saving your entire career, and a down market could be devastating to your retirement investment portfolio.

Annuities help protect pre-retirees and retirees when the market falls, ensuring that they will have guaranteed monthly income to enjoy a secure retirement. There are many different types of annuities: Index Annuities, Variable Annuities, Fixed Annuities and more. Investors should consult with a financial advisor to determine the most appropriate type for their situation. For example, during the Great Recession, when

Global Atlantic's Additional Insurance Program

Do you have clients who recently obtained permanent life insurance, but now have a need for extra coverage? With Global Atlantic's Additional Insurance Program, your clients may be eligible for additional coverage with limited or no additional underwriting.

Who is eligible?

Clients who have been fully underwritten at Standard or better (Tobacco or Non-Tobacco) rates from an approved carrier within the last 3 years. Accordia Life policies are also eligible.

Which products qualify?

All individual, permanent products:

- Lifetime Builder ELITE
- Lifetime Foundation ELITE

Eligibility

Maximum issue age: 65

Minimum policy size: \$100,000

Maximum face amount: \$1,000,000

Total face amount considered will be the lesser of the amount of the other policy, \$1 million or our remaining retention.

Rate Class

- Standard Non Tobacco, Preferred Non Tobacco, Premier Non Tobacco
- Standard Tobacco, Preferred Tobacco (Accordia Life's tobacco guidelines will apply)
- Substandard classes not available

Foreign national applicants are excluded

Riders available: Terminal Illness, Chronic & Critical Illness, Wellness for Life®

Requirements

- Use of program to be clearly identified on cover letter or agent report
- Accordia Life application with all sections completed

Required application support forms:

- o Terminal illness disclosure
- o HIPAA (Authorization & Acknowledgement)
- o Agent/Producer report

Other forms if applicable:

- o Chronic & Critical Illness Disclosure
- o Replacement Form
- o EFT authorization
- o Strategy Allocation
- o Conditional Receipt

- Disclosure Notice to Proposed Insured to be given to the proposed insured by the agent or through the e-application process
- Illustration requirements will apply
- Face page of prior policy showing the insured's name, the face amount, issue date and approved class

Additional Program Details

- Please note that this is not intended to encourage replacement transactions.
- Underwriter will review for inclusion in program and may waive exam requirements
- Underwriting financial guidelines will apply
- If eligible, Accordia application will be approved at a class that closely matches prior policy
- If there has been a change of health identified through review of the evidence collected as part of the program, the underwriter may request additional requirements as needed
- Allow normal backdating

NEED HELP?

globalatlanticlife.com

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salesupport@gafg.com

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Accelerated Access Rider is not available in California.

Products issued by and all policy benefits are the responsibility of Accordia Life and Annuity Company, 215 10th Street, Des Moines, Iowa. Policy forms ICC17-IULA-L19, IULA-L19, ICC17-IULC-C18, IULC-C18. Rider Form ICC13-LTABR-E14, LTABR-E14, ICC16-LCCABR2-I16, LCCABR2-I16, ULWFL-E14

An Important Underwriting Update for AIG Life US

As the COVID-19 pandemic continues to evolve, AIG remains focused on protecting the health and safety of our colleagues and those around us, as well as continuing to serve clients, policyholders, business partners and other stakeholders.

AIG has activated its Business Continuity Plans and colleagues across our business remain available to help meet the needs of clients and other business partners with both in-force and new business. Our call centers also remain accessible to provide support and information.

Below please find updates on our business:

- **Underwriting Standards:** As the impact of COVID-19 is felt across the globe, we are monitoring advisories by federal and international agencies to determine how they may affect underwriting. We will require a statement of health for all life insurance policy approvals moving forward, however, the vast majority of our underwriting requirements remain unchanged. This situation remains fluid and we may adjust accordingly as new information becomes available. If you have a specific case needing special attention or review, please reach out to your Underwriting Team Manager directly.
- **Vendors:** We are in touch with our key vendors, who have provided us with updates on their own business continuity plans.
 - **Processing Lab Results:** Our labs have confirmed that they are fully operational and have business continuity plans in place. At this time, we are not anticipating delays with lab companies processing lab results.
 - **Paramedical Exams:** We have been in contact with our exam vendors to verify that they have plans in place to ensure examiner safety and continue to provide paramedical services. We will continue monitoring this environment.

We understand your clients may have concerns about being in close contact with other people at this time, and this may extend to paramedical examiners. If paramedical exams are unavailable in your client's area, or if you have a client who is uncomfortable completing an exam, we're here to help. Please contact your Underwriting Team Manager so we can determine if other requirements may be substituted.

An Important Underwriting Update for AIG Life US

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- **Medical Records (APS):** Our APS vendors are operational, but they have advised us that some doctors' offices and medical facilities are closed or operating on limited staff, so there may be delays in receiving records. Should records be unavailable, we will determine if other requirements may be substituted.

Helping individuals, businesses and communities prepare for times of uncertainty is at the heart of what we do at AIG. We are closely monitoring this evolving situation and will continue to provide updates.

You can be confident that no one will work harder to help you serve your clients. Thank you for your continued loyalty and partnership. Our hope is that you and your families are healthy and safe.

Approved Additional Insurance Program Carriers

Accordia Life and Annuity Company	Lincoln National Life Insurance Company
AIG Life Insurance Company	Lutheran Brotherhood
Allianz Life Insurance Company of North America	Massachusetts Mutual Life Insurance Company
Allstate Life Insurance Company	Metropolitan Life Insurance Company
American National	Merrill Lynch Life Insurance Company
American United Life	Midland National Life
Americo	Minnesota Life
Ameritas Life Insurance Company	Monumental Life Insurance Company
Assurity Life	National Life of Vermont
Axa Financial	National Life Insurance Company
Banner Life Insurance Company	New England Life Insurance Company
Berkshire Life	New York Life Insurance Company
Canada Life Insurance Company	No. American Co. for Life and Health Insurance
Clarica	Northwestern Mutual Life Insurance Company
Cincinnati Life	Ohio National
Connecticut General Life Insurance Company	Pacific Life Insurance Company
Farmers New World Life Insurance Company	Penn Mutual Life Insurance Company
Fidelity and Guaranty Life Insurance Company	Phoenix Life Insurance Company
First Great-West Life & Annuity Insurance Company	Principal Life Insurance Company
First Penn Pacific Life Insurance Company	Protective Life Insurance Company
Franklin Life Insurance Company	Prudential Insurance Company of America
GE Capital Life Insurance Company	Reliastar
General American Life Insurance Company	State Farm Life Insurance Company
Genworth Life Insurance Company	Savings Bank Life Insurance - MA
Great West Life & Annuity Insurance Company	Transamerica Life Insurance Company
Guardian Life Insurance Company	USAA Life Insurance Company
John Hancock Life Insurance Company	Voya Financial
Kansas City Life	West Coast Life Insurance Company
Lafayette Life Insurance Company	Woodmen of the World
Lincoln Benefit Life Insurance Company	Zurich Kemper Life Insurance Company

the S&P 500 fell 38 percent in 2008,⁴ an investor who solely invested in the market lost a great deal, whereas retirees with index annuities would have had less to worry about, since their principal and monthly income would not have declined due to market downturns;⁵ instead, no interest would have been earned during this volatile time.

In contrast, the individual who was 100% invested in the market may have had to cut back on his or her lifestyle. The investor might have also jumped out of the market at just the wrong moment because of fear and missed out on the subsequent gains as the market rebounded. In fact, the S&P roared back with a 26.46 percent gain in 2009 and didn't have a down year until 2018.⁶ Please note that past performance is not a guarantee of future results.

Building Long-term Retirement Security

Consulting with an experienced financial advisor can help avoid the pitfalls created by emotions. An advisor who has worked with clients through several bull and bear market cycles understands how to position portfolios for appropriate risk and return. With retirements lasting 30 or more years, mixing opportunities for growth with investments carrying guaranteed income can help ensure security into and through retirement.

Don't leave your retirement security to chance. Consider the steps you need to take to help create enough ongoing, secure income to enjoy your retirement, cover your expenses and ensure that you don't run out of money.

¹ "U.S. Stocks Rebound as Wild Week Ends," The Wall Street Journal, Feb. 9, 2018, <https://www.wsj.com/articles/global-stock-slump-continues-1518138066>

² Dollar cost averaging does not guarantee profits or prevent losses in a declining market. This strategy requires regular investment regardless of fluctuating prices. Potential investors should consider their financial ability to continue purchases through periods of low price levels.

³ Diversification and asset allocation do not guarantee a profit, nor do they insure against market loss.

⁴ S&P 500 Annual Total Return, YCharts.com, https://ycharts.com/indicators/sandp_500_total_return_annual

⁵ Principal may decline due to withdrawals and/or fees associated with optional features.

⁶ S&P 500 Annual Total Return, YCharts.com https://ycharts.com/indicators/sandp_500_total_return_annual

Variable annuities are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges, expenses and other information regarding the variable contract and its underlying funds, which should be considered carefully before investing. Individuals may contact their financial advisor or call 1-800-445-7862 to request a variable annuity prospectus. Please read the prospectus carefully before investing.

Annuities are designed for long-term retirement saving. In the Accumulation phase, annuities can help you build assets on a tax-deferred basis. In the Income phase, they can provide you with guaranteed income through standard or optional features. Variable annuities are subject to costs that include a separate account fee, a contract maintenance fee, expenses related to the operation of the variable portfolios and the costs associated with any optional features elected.

Early withdrawals may be subject to withdrawal charges. Partial withdrawals may reduce benefits available under the contract, as well as the amount available upon a full surrender. Withdrawals of taxable amounts are subject to ordinary income tax and, if taken prior to age 59½, an additional 10% federal tax may apply.

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 individuals.

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The purchase of an annuity is not required for, and is not a term of, the provision of any banking service or activity.

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