



.....15 Years and still rolling.....

Open MIC is open for anyone.

9:00: AM Pacific Thursday 800 504-8071 Code is 5556463

IF YOU WOULD LIKE TO FIND OUT MORE ABOUT US

CALL OR EMAIL

ANTHONY OWEN

888-74AGENT (24368)

tony@annuityagentsalliance.com

OR VISIT OUR WEBSITE



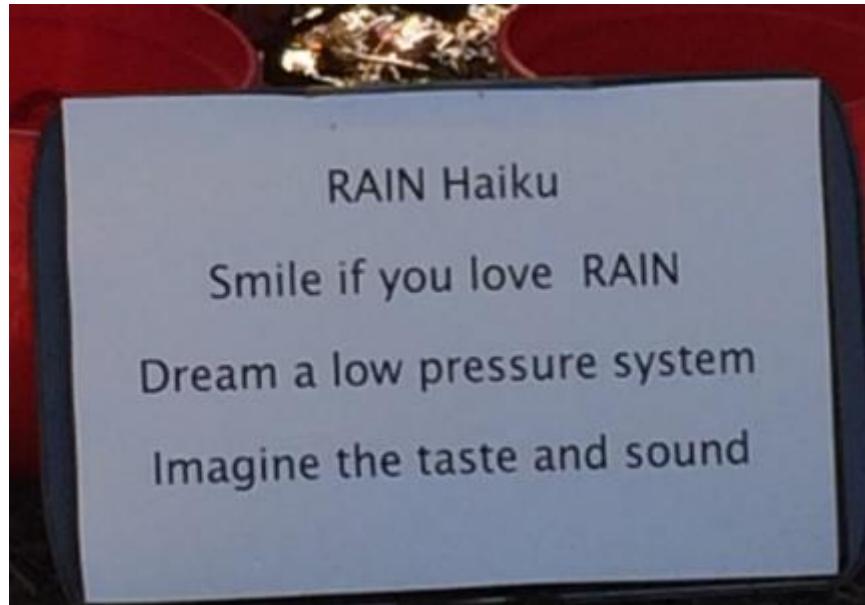


**On behalf of Anthony, Chad, Joe, Dave and
all our families, we wish you a happy and
blessed Easter.**

Bill and Phyllis

“Our brand can be your brand”





While much of the country has too much snow, here in Northern California it is now a “severe” drought. In our small community (Calistoga) the city fathers announced that there is only enough water in the reservoir for 1 year. Our normal rain fall is about 35 inches, last year we had 15 and this year only 14 this year, generally after March there is no rain until Thanksgiving. In our community are a lot of creative people and many have started building “rain” **Haiku** to help it rain. This is my favorite so far...BB

Open MIC is sharing; Welcome!

ABM: Always Be Marketing

Thank you for joining us on Open MIC

9:00: AM Pacific Thursday 800 504-8071 Code is 2554567#.

Editorial:

We live in a 55 and over community in California, ages range from 55 to some in their 90's. It is an active community as well as a very friendly place. Many walk the "loop" or ride bikes for exercise or just to be outside. On a recent walk I passed a home and heard loud noises, noises that were not normal. I listened from the road, turned and went back to the house. Once again noises that were not normal. I walked another 100 yards and decided to turn around and listen again, more noises and more yelling.

I called 911, the city police were there in a couple minutes. Three police officers entered the house and discovered an elderly women in distress, she had fallen and had an injury. In her confusion, she had been yelling and talking about being hit. Fortunately she hadn't been hit but had been abused, abused by neglect.

An ambulance was called and now she is under the care of an elder care state agency. She is now back in her house with people checking on her on a regular basis.

It occurred to me that we might be able to help in this area from the simple action of moving from house to house as we see clients and prospects. Below is an article about Elder Abuse, an article (marketing library) you might find interesting, who knows maybe there is another out there that we can help.

BB

Signs of Elder Abuse

Physical, mental & financial warning signals.

Is someone taking advantage of someone you love? June 15 is **World Elder Abuse Prevention Day**, a day to call attention to a crisis that may become even more common as baby boomers enter the "third acts" of their lives.

Every year, more than half a million American elders are abused or neglected. That estimate comes from the Centers for Disease Control, and the frequency of elder abuse may be greater as so many elders are afraid or simply unable to

speak out about what is happening to them. In some cases, the abuse is limited to financial exploitation. In other cases, it may encompass neglect and physical or emotional cruelty.

What should you watch out for? Different varieties of elder abuse have different signals, some less obvious than others.

Neglect. This is commonly defined as withholding or failing to supply necessities of daily living to an elder, from food, water and appropriate clothing to necessary hygiene and medicines. Signals are easily detectable and include physical signs such as bedsores, malnutrition and dehydration and flawed living conditions (i.e., faulty electrical wiring, fleas or cockroaches, inadequate heat or air conditioning).

Self-neglect also surfaces, stemming from the declining physical or mental capacity of an elder. If he or she foregoes proper hygiene, disdains needed medications or medical aids, or persists in living in an insect-ridden, filthy or fire-hazardous dwelling, intervene to try and change their environment for the better, for their health and safety.

Finally, neglect may also take financial form. If someone who has assumed a fiduciary duty to pay for assisted living, nursing home care or at-home health care fails to do so, that is a form of neglect which may be defined as elder abuse. The same goes for an in-home eldercare service provider that fails to provide an adequate degree or frequency of care.

Abandonment. This occurs when a caregiver or responsible party flat-out deserts an elder – dropping him or her off at a nursing home, a hospital, or even a bus or train station with no plans to return. Hopefully, the elder has the presence of mind to call for help, but if not, a tragic situation will quickly worsen. When an elderly person seems to stay in one place for hours and appears confused or deserted, it is time to get to the bottom of what just happened for his or her safety.

Physical abuse. Bruises and lacerations are evident signals, but other indicators are less evident: sprains and dislocations, cracked eyeglass lenses, impressions on the arms or legs from restraints, too much or too little medication, or a strange reticence, silence or fearfulness or other behavioral changes in the individual.

Emotional or psychological abuse. How do you know if an elder has been verbally degraded, tormented, or threatened in your absence, or left in isolation? If the elder is not willing or able to let you know about such wrongdoing, watch for signals such as withdrawal from conversation or communication, agitation or distress, and repetitive or obsessive-compulsive actions linked to dementia such as rocking, biting or sucking.

Financial abuse. When an unscrupulous relative, friend or other party uses an elder's funds, property, or assets illegally or dishonestly, this is financial exploitation of the elderly. This runs all the way from withdrawing an elder's savings with his or her ATM card to forgery to improperly assuming conservatorship or power of attorney.

How do you spot it? Delve into the elder's financial life and see if you detect things like strange ATM withdrawals or account activity, additional names on a bank signature card, changes to beneficiary forms, or the sudden absence of collectibles or valuables.

Examine signatures on financial transactions – on closer examination, do they appear to be authentic, or studied forgeries? Have assets been inexplicably transferred to long-uninvolved heirs or relatives, or worse yet apparent strangers? Have eldercare bills gone unpaid recently? Is the level of eldercare being provided oddly slipshod given the financial resources being devoted to it?

Respect your elders; protect your elders. Some people aim to exploit senior citizens. Others simply don't recognize or respect the responsibilities that come with eldercare. Whether the abuse is intentional or not, the emotional, physical or financial harm done can be reprehensible. Talk to or check in on your parents, grandparents, siblings or other elders you know and care for to see that they are free from such abuse.

Of Interest

I thought this article was significant, early contractual promises made in the variable annuity contract are still considered risks (actually an expanding risk because people are living longer). If they could only get rid of them, they could make so much more money....right?.....BB

<http://insurancenewsnet.com/oarticle/2015/03/25/am-best-special-report-variable-annuities-legacy-blocks-still-represent-tail-a-608102.html#.VRhSq2c5CmE>

A.M. Best Special Report: Variable Annuities: Legacy Blocks Still Represent Risk

By a News Reporter-Staff News Editor at Economics & Business Week -- According to a new A.M. Best special report, U.S. life/annuity companies benefited from increased fee income from higher assets under management, reserve releases and **lower net amount at risk in their variable annuity (VA) blocks** as equity markets reached new highs in 2014. However, **legacy** VA blocks remain a tail-risk concern, given that

the ultimate risk remains subject to a potential equity market correction, the direction of interest rates, realization of lapse rate assumptions and policyholder benefit utilization.

This Best's Special Report, titled, "Variable Annuities: Legacy Blocks Still Represent Tail Risk," states that A.M. Best has observed significant charges taken by carriers post-financial crisis due to changes in policyholder behavior assumptions, as lapse experience differed from pricing. A.M. Best notes that companies continued to take charges in the second half of 2014, although the size diminished relative to prior-year charges. These legacy VA blocks possess more generous features than what is offered today.

For a full copy of this special report, please visit:

http://www3.ambest.com/bestweek/purchase.asp?record_code=234622.

After all this time, this is the mandate!, 14 months.....BB

New Rules Proposed On 401(k) Plan Fee Disclosures

WASHINGTON – Administrators of 401(k) and similar plans will be allowed up to **14 months to disclose investment fees and other information to plan beneficiaries**. That's according to a new rule published by the agency within the Department of Labor (DOL) that oversees such plans. The new rule is effective June 17, although the DOL [...] The post New Rules Proposed On 401(k) Plan Fee Disclosures (<http://www.loktowink.com/2015/03/new-rules-proposed-on-401k-plan-fee-disclosures/>) appeared first on Wink (<http://www.loktowink.com>) .

Two weeks ago, I wrote about focusing part of your target market on the female market. I recently found this article which might be of help to you. Links are live for you to find more information...BB

6 Planning Differences for Female Clients

Women aren't so different from men when it comes to their financial goals, a new Pershing study notes: They want to live comfortably while maintaining their lifestyle, and want to be able to cover their health-care costs for both their families and themselves.

Yet women face some challenges that men do not. The study, titled "*Women: Investing With A Purpose*," calls out six planning differences that advisors should consider when working with female clients. (It also identified one thing the industry is **getting wrong** about female clients.)

1. Women live longer than men.

OK, you all knew this one. But understand that this statistic has wide-ranging consequences.

On average, a 65-year-old woman is likely to live longer than a man of the same age by an average of 2.3 years, according to the study. At the most basic level, this suggests that single female clients need to put aside more money for retirement than a single man would. But advisors should go beyond the basic level ...

2. Women face higher tax rates.

Now let's talk about those consequences. Because of that longer life expectancy, the study notes, **80% of women will be single during their final years** -- and among married couples, women are more likely to be the surviving spouse. This means they will have a higher tax rate at the end of their life than married would.

For many older couples, the husband managed the finances on his own -- which means a surviving female spouse may need extra help after her husband's death.

3. Women can experience higher medical costs.

Another consequence of longer life expectancy could be higher health care costs. Expenses brought on by chronic or terminal illnesses can add extra pressure on a female client's retirement savings.

And even wealthy women are less likely to have long-term care policies. Only **18% of high-income women have a long-term care policy**, compared to 27% of all other investors, according to the study.

4. Women still make less.

In addition to longevity challenges, women face a second set of issues tied to income and employment. The average working woman makes 82% of the average working man's

salary, the study notes. And women still earn nearly one-third less compensation than their male counterparts throughout their lifetimes.

But there's change on the horizon: The hourly earnings of women aged 25-34 are now 93% those of men -- and single, childless women in metropolitan areas out-earn men by 8%, the study reports. Income parity may not come soon enough for some of your current clients, however.

5. Women experience gaps in employment.

One issue affecting lower career compensation is employment gaps. Some women take off time to care for their families or aging parents; others may take time off to search for exciting employment opportunities. Often, women seek employment arrangements that allow them to take time off without penalty, the study says.

The implication for advisors: You may need to develop a plan that provides female clients with a financial cushion -- one that can give them more freedom and choice when considering work opportunities.

6. Women have lower account balances.

Partly as a result of these workplace trends, women have less in their accounts, the study finds. That's a challenge, because they will actually need more than men will, on average. Women who retired in 2012 are expected to spend 20.5 years in retirement -- 15% more time than men will (17.9), the study reports.

Then there is this Stat!

The Not So Nuclear Family

What will happen to the kids?

The typical American family isn't so typical any more.



1/3 of single mothers have no life insurance

3 agents last week, don't you need help?

One case last week resulted in a \$280,000 annuity premium closing.

We can help:

Need help on case prep? Have questions about mutual funds, stocks, bonds? Need help fact finding? We can help you put you case together.

Sometime just a little adjustment is all you need; sometimes just knowing where to find specific information is all you need. We can help!

Call or email me. 360 701-6209.....bbroich@msn.com

A couple weeks GO, Eric Hutter (a recent guest on Open MIC) called me about a case, the prospect had numerous assets which included an old variable annuity. The prospect had no need for the VA; he had numerous businesses from which to draw more than sufficient income.

The VA had a basis of about \$200,000 and a current value of \$500,000. If cashed in or received by a beneficiary, would be a tax issue.

I suggested a different approach in dealing with the prospect, one I have used numerous times. The idea is to make him a client and then over time, figure out the best approach for all his assets.



Here is my line: “*Mr. Jones, don’t blame me, I didn’t start you down the annuity trail, someone else did. But now that you are there, you have to manage your annuity.*”

“*I can show you what I would do if I were you.*”

This throws the broker under the bus. You then discuss the fees associated with the VA, why jumping to a FIA with guarantees might make sense...then complete the fact finder....grab the low hanging fruit.

Sales and Marketing Topic:

<http://www.nasdaq.com/article/what-happens-when-an-annuity-goes-bad-cm459699>

FDIC, that wonderful protection of bank deposits so flaunted at the entrance or every bank in America....Annuities are safe also. We are not allowed to even mention the guarantee fund to a prospect. Then all of a sudden in **Kiplinger Magazine**...ta da!!!!

I would think this might be a good resource....use at your own discretion, Kiplinger will provide you with permission and copies (small fee I assume).....BB



What Happens When an Annuity Goes Bad?

By [Kiplinger](#), March 27, 2015, 12:00:01 AM EDT

Many retirees buy annuities to protect themselves from an economic downturn and to provide guaranteed income for the rest of their lives. But what happens if the insurer you're counting on to provide those lifetime guarantees ends up in financial trouble itself?

State guaranty associations provide a safety net to protect money in insurance policies and annuities if the insurer becomes insolvent. But the amount of protection varies by state. And it can be complicated to calculate how much coverage you'll get, especially if you're receiving lifetime payouts.

(Guess how many banks failed after the 2008 meltdown?.....189)

Only **six insurers** licensed to sell annuity and life insurance have entered receivership since 2008, says Peter Gallanis, president of the National Organization of Life and Health Insurance Guaranty Associations. Most were small regional companies. Still,

understanding the safeguards in place and the steps you can take before you buy an annuity can give you some peace of mind.

If an insurer starts to have financial troubles, the insurance regulator in the company's home state works with the guaranty association to find another company to take over its business. The transition can be seamless if the regulator steps in early.

But if the company's failure is sudden, your money may be temporarily inaccessible while the guaranty association and state regulators find a new insurance company. "They never interrupt scheduled annuity payments," says Gallanis. The regulator, however, may place restrictions on lump-sum payouts, he says.

If regulators can't find another insurer, the guaranty association coverage kicks in. Benefit limits vary based on your state of residence. Most states cover **\$250,000** in annuity benefits, but New Hampshire has a limit of just \$100,000 (as does Puerto Rico). Twelve states and the District of Columbia have limits of \$300,000 or more. Go to the Web site of Gallanis's group at www.nolhga.com for links to your state association.

(find your states limit at the link above....BB)

Coverage Varies by State and Type of Annuity

Coverage could differ based on the type of annuity you own. If you have a deferred fixed annuity, the guaranty association limit applies to the **cash surrender value of the account** -- the amount of money you could receive, after surrender charges, if you cashed out your annuity. With a deferred fixed annuity, your investment grows tax-deferred until you start making withdrawals or turn it into an income stream.

Money in variable annuities is generally invested in mutual funds in your own account. But any money covered by the insurer's general account could be at risk if the insurance company becomes insolvent. That could include any guaranteed value that exceeds the actual value of your investments.

If your annuity is worth more than the guaranty association limits, you could get back some more money after the insurer is liquidated.

The calculation gets more complicated if you are receiving, or are due to receive, lifetime payouts from the annuity. Coverage would be based on the value of the future income stream in today's dollars. If the annuity's net present value is less than the limits, your payouts would continue as they have been. If its value is more, the payouts would continue up to the limits and you could get additional payments once the insurer is liquidated.

Know your **state's coverage limits** before you invest. Mark Cortazzo, a certified financial planner in Parsippany, N.J., looks for insurers with an A.M. Best financial strength rating of B+ or higher. He then often splits large fixed annuity investments between two companies to stay below the state's limits, especially if they both offer similar interest rates.

Cortazzo also keeps an eye on the financial strength of variable-annuity companies for clients who have income guarantees or money in the insurer's general account. If the guaranteed amount gets close to exceeding the state limits, his clients may start to withdraw some money from the annuity.

I had a call from an agent with this question, as I always recommend, never practice tax advice unless you are licensed and authorized to do so.
But....you can provide information to their tax preparer; they can make the tax decision....BB

Q. Does the surrender of a deferred annuity contract ever result in a deductible loss?

A: In general, a loss deduction can be claimed only if the loss is incurred in connection with the taxpayer's trade or business **OR** in a transaction entered into for **profit**. Fortunately, the purchase of a personal deferred annuity contract is typically considered a transaction entered into for profit. Consequently, if a taxpayer sustains a loss upon surrender of a deferred annuity contract, the taxpayer may claim a deduction for the loss as a loss on an investment (a transaction entered into for profit).

The amount of the loss is determined by subtracting the **cash surrender value** (i.e., the net proceeds received after all final charges) from the taxpayer's "basis" for the contract. "**Basis**" is investment in the contract (e.g., premium paid, less any dividends received and the excludable portion of any prior annuity payments). The loss is an **ordinary loss**, not a capital loss (which means it does not have to be and should not be netted against capital gains).

<http://www.lifehealthpro.com/2015/03/30/life-insurers-increasing-exposure-to-triple-b-corp?>

Recently a large annuity company suspended sales of its popular product. Because of the very low interest rate climate we are in, it is becoming difficult for insurance companies to find the right asset combination to maintain ratings as well as any return to investors.

Some companies have decided to blend in lower rated bonds which have a higher rate of interest as an effort to increase overall return on investment. The result of this strategy could be a greater exposure to risk, but a risk some seem worthwhile because of the need for greater yields.

Warren S. Hersch recently wrote about this issue and the possible downside to this asset allocation. I have made comment in his article in red for you and I have left his links live for you to research additional information. I consider Mr. Hersch a qualified authority.

Please bear in mind that I am not an expert on this topic, I am very interested party in understanding exactly how our industry is maintain in this low interest rate climate.

Here is a definition of bond rating for BBB.

Moody's	Standard & Poor's	Fitch	Credit worthiness ^{[4][5]}
Aaa	AAA	AAA	An obligor has EXTREMELY STRONG capacity to meet its financial commitments.
Aa1	AA+	AA+	
Aa2	AA	AA	An obligor has VERY STRONG capacity to meet its financial commitments. It differs from the highest rated obligors only in small degree.
Aa3	AA-	AA-	
A1	A+	A+	
A2	A	A	An obligor has STRONG capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.
A3	A-	A-	
Baa1	BBB+	BBB+	
Baa2	BBB	BBB	An obligor has ADEQUATE capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.
Baa3	BBB-	BBB-	

BBB: Adequate, however adverse economic conditions....see above

BB

Life insurers increasing exposure to Triple-B corporate credit

Mar 30, 2015 | By [Warren S. Hersch](#)

An exclusive focus on **Triple-B** corporate credit may be to the detriment of other investment concerns.

Cash and corporate bonds continue to account for an overwhelming percentage of U.S. life insurers' investable assets, according to new research.

Market research firm Conning discloses this finding in a new report on investing trends at [**U.S. life insurers**](#). Conducted with the American Council of Life Insurers (ACLI), the study highlights the concerns of 50 U.S. life insurance CEOs, noting **declining investment income** and the need for capital appreciation as primary concerns.

The report reveals that [**cash and bonds**](#) accounted for **84 percent** of U.S. life insurers' investable assets at the close of third quarter of 2014. This is the same percentage as Conning recorded in 2013, as well in 2011 and 2010.

The report indicates that U.S. life insurers are addressing continuing income needs by adding Triple-B corporate credit exposure and extending out the **yield curve**, despite declining risk premiums. The study cautions, however, that an exclusive focus on Triple-B credit may be to the detriment of other investment concerns, including the need for diversification and proactive risk management.

Ownership of permanent life insurance among the high net worth fell to 34 percent in 2013 from 61 percent in...

“The insurance industry, including life insurers, needs to consider a more holistic approach to enhancing portfolio performance,” says Mike Haylon, Managing Director at Conning. “We strongly believe that companies that incorporate strategies involving diversification, expertise in alternative investing, and a comprehensive risk management approach can position

themselves more strategically for growth in the current investment environment.

Conversely, over-concentration in certain investment strategies is likely to weaken the outcome,” he adds.

Among the study’s other key findings:

- 77 percent of surveyed CEOs say investment yield is critically important to **maintaining profitability**.
 - More than 80 percent of CEOs are diversifying portfolios beyond traditional fixed income assets as a strategy to drive **investment yield** and returns.
 - Spreads between Triple-B bonds and treasuries have narrowed dramatically since the financial crisis, so much so that companies have been **taking more risk** every year, but are getting paid less to do so.
 - The life insurance industry has less than 1 percent of invested assets in emerging market debt, though EM countries are contributing to over 50 percent of global GDP.
 - When looking at government debt to GDP, debt in developed countries represents over 106 percent of GDP, whereas debt in emerging markets countries now represents 33 percent of GDP.
 - Emerging markets debt credit ratings have been on a steady incline. According to Barclay’s Emerging Markets Debt Index, the **weighted average rating of this asset class is now in the Triple-B**.
-



Welcome Joe LOGOUT

Home My Contacts My Groups The Drip System Lead Reports FAQ's My Account About Us

Frequently Asked Questions

How are my Contacts Validated when I enter them in my RetireVillage website?

RetireVillage.com validates contacts instantly when they are **added or edited**. Due to server resource considerations, **contacts that are uploaded through our CSV Tool are validated every weekend**, and if it is a weekend that our auto-drip is scheduled, they are always validated prior to initiating the mailing.

You can view your **Contact's Status** once you have added or edited it as either red (invalid) or green (valid) - on rare occasions, if our validation service is experiencing long processing times, you may see a yellow (quarantined) status for your contact.

The screenshot shows the 'My Contacts' section of the RetireVillage dashboard. At the top, there are statistics: Total Contacts: 5, Valid: 2, Blocked: 2, Quarantine: 1. Below this is a search bar and a 'SEARCH' button. To the right is a 'Contact Status Key' legend:

- Green circle: Email has been verified and active.
- Yellow circle: Any edited and new emails will be quarantined until they are run through the verification tool which is done once a week.
- Red circle: Email has been flagged as invalid due to inactivity, being blocked, bad or unverifiable.

First Name	Last Name	Email	Phone	Date Entered	Status
retire	guy	helpdesk@recreationalvillage.com	home: cell:	03/26/2015	●
guy	admin	guyguy@outlook.com	home: cell:	03/26/2015	●
guy	sysop	sysop@outlook.com	home: cell:	03/26/2015	●
you	shutup	valerie@outlook.com	home: soft cell	11/23/2014	●

Link - but you must be logged into your RV agent Dashboard to see:

<http://www.retirevillage.com/dashboard/agents/rvadmin/index.php?mod=faq-contact-validation>

RetireVillage.com now validates contacts instantly when they are added or edited. Due to server resource considerations, **contacts that are uploaded through our CSV Tool are still validated every weekend**. If it is a weekend that our auto-drip is scheduled, they are always validated prior to initiating the mailing.

We are also adding the next RV Video on retirement for women into the system.

FAQ

Question 6:

How are my Contacts Validated when I enter them into my RetireVillage website? How can I improve email validation and reduce invalid emails?

Agent Share:

Crew! Send me your shares and we will put them on Open MIC notes, that way we help each other in our **Agent Community!**

Carl Muehlemeyer shared this article, which had been on Open MIC a few years back, in re-reading the information it seems as current as anything, a great share, I encourage you to open the link and read it....good stuff.

BB

Bill,

Attached is an article that may be of use to everyone. It's a great article from a non-biased source, Boston College Center For Retirement Research, that talks about the importance of guarantees in the distribution phase in retirement and the only option that does that is annuities. They also plug index annuities as a way to hedge against inflation and then compare annuities to other, traditional options like living on the interest from the asset (4% rule) and the pitfalls they found in their research with that.

Only problem is the article is over 4 years old.

CM

The National Retirement Risk Index (NRRI)

OCTOBER 2010

NRRI FACT SHEET NO. 2



THE NRRI AND ANNUITIES

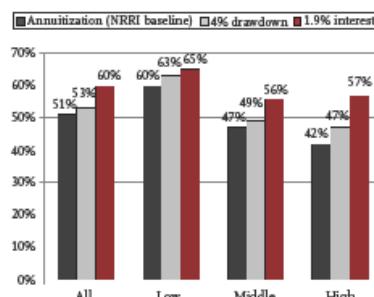
The National Retirement Risk Index (NRRI) measures the share of American households 'at risk' of being unable to maintain their pre-retirement standard of living in retirement. The Index is calculated by comparing households' projected replacement rates – retirement income as a percent of pre-retirement income – with target rates that would allow them to maintain their living standard. To make the estimates as conservative as possible, the calculation assumes that households derive the maximum possible income from the assets they hold at retirement. A crucial component of that exercise is the assumption that they access their home equity through a reverse mortgage, and then combine the proceeds of the reverse mortgage with their other financial assets to purchase an inflation-indexed annuity. The annuity purchase ensures that households will not outlive their assets. In fact, very few households buy annuities and therefore either draw down their assets on their own or live off the interest that their assets generate.¹

This fact sheet examines the impact on the NRRI of not annuitizing financial wealth. The exercise explores two alternatives: 1) households draw down their assets at a rate of 4 percent per year, as suggested by financial planners;² and 2) households live off the interest on their accumulated wealth (including the proceeds of a reverse mortgage).³ The results are displayed in Figure 1. As one would expect, the impact of non-annuitization strategies increases with income, because high-income households are more dependent on accumulated wealth to finance retirement consumption.

Of the two alternatives, drawing down assets under the 4-percent rule has the smaller impact compared to the NRRI baseline.⁴ The overall percent 'at risk' increases from 51 to 53 percent. The relatively small magnitude of the change can be explained by the fact that annuities in the NRRI (which vary by marital status, gender, and age) have an average annual payout that is only modestly higher – 5 percent of the households' annuitized assets. That said, the overall percentage of households 'at risk' in the top tercile increases from 42 percent to 47 percent.

Now consider the second scenario in which households merely live off the interest generated by their financial assets. The interest rate applicable varies with the age of the household: older households experience the current rate, younger households experience the

FIGURE 1. PERCENT 'AT RISK' BY INCOME TERCILE AND SCENARIO, 2009



SOURCE: CRR calculations.

historical rate, and households in the middle experience a blended rate.⁵ The average interest rate – after inflation – is 1.9 percent. Not surprisingly, reducing households' annual draw on their assets from 5 percent in a world of annuitization to 1.9 percent has a much larger impact on the NRRI; the overall percent 'at risk' jumps from 51 percent to 60 percent.

When looking at households by income tercile, the group most affected by not annuitizing is the top third of the income distribution. This result is to be expected given that higher income households depend on the return on assets to a much greater extent than their lower income counterparts, who instead rely on Social Security for most of their retirement income. Thus, more high-income households fall below their target replacement rates and into the 'at risk' zone.

Since annuity rates fluctuate with interest rates, households will realize different payouts depending on current interest rates (see Figure 2 on the next page). While securing a high annuity rate is obviously optimal, it is important to remember that when annuity payout rates are lower, alternative drawdown strategies that rely on interest rates also provide less.

Big Truck Partners



Annuites Safeguard Against Calamities

Tuesday, 12 Nov 2013 02:07 PM

By [Ben Stein](#)

My favorite word in the English language is “Alex.” That’s the contraction for “Alexandra,” my wife’s first name. It’s the name that encompasses the finest human being I have ever known, the one indispensable creature on this planet, as far as I am concerned. We have been together since 1966, and I am still seeing glorious new elements in her.

For example, I looked very intensely into her brown eyes in the sunset at an outdoor restaurant in Hope, Idaho, one starry night recently. I saw in them a softness and understanding that was new even to me who has known her since Lyndon Johnson was president. (As deep and sympathetic a brown-eyed look as my dog, Julie, a German shorthaired pointer, has, although obviously with far greater intelligence and humor in the eyes of the human than in the eyes of the dog.)

<http://www.newsmax.com/BenStein/Annuities-Calamities-stock-market/2013/11/12/id/536204/>

MONEY Master the Game: 7 Simple Steps to Financial Freedom by Tony Robbins

Chapter 5.3 - CREATING YOUR LIFETIME INCOME PLAN

"Lifetime Income Stream Key to Retirement Happiness" —TIME, July 30, 2012

"I have enough money to retire comfortably for the rest of my life. Problem is, I have to die next week." —ANONYMOUS

Email Anthony for more information....BB

Hello Partners,

Not sure how this article slipped through the cracks but I just found it online. One of my favorite celebrities, and a very well respected economic and political genius, **Ben Stein** talks about how annuities are an important part of his personal finances.

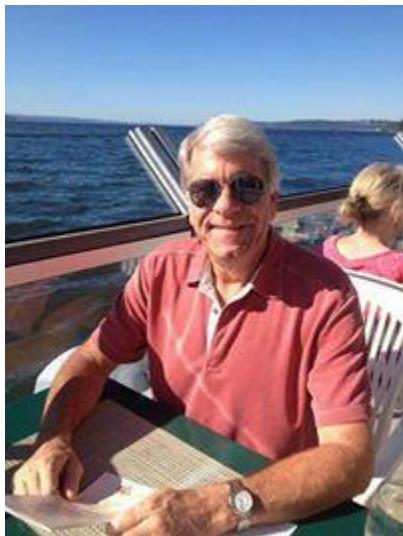
I have also included an excerpt from **Tony Robin's** book, "Money – Master the Game" where he talks about annuities.

I will be adding this to the Safe Money Kit and including it in a new Safe Money Radio Marketing script, "Celebrities Endorse Annuities".

Thanks for the biz,

Anthony R. Owen

Product Information:



David Townsend

Subject: Weekly Summary of Major Carrier News



Videos of real, relatable life insurance stories you can share with clients, a new No-Lapse Guarantee product and more in this week's newsletter.

Phone: 253-381-2328

Week of March 30, 2015

[View in Browser](#)

Marketing Concepts

Based on a True Story

Increase lead generation by allowing clients to identify with real life stories and facts available via videos, flyers and infographics. Click the following link to learn more and access AIG's powerful tools.

MORE

Can a Positive Attitude Put Your Clients at Risk?

Through life's ups and downs, we tend to underestimate the likelihood of bad things happening in our futures. This new video from Prudential shows how an overly optimistic outlook can prevent your clients from planning appropriately.

Human Life Value

One of your most important assets is your ability to earn a paycheck. This calculator is designed to help you understand today's value of your future earning. Use this calculator to determine your economic value for your loved ones... your Human Life Value.

Calculate

View Report

Human Life Value

Human Life Value Inputs :

Years until retirement:	10	0	16	33	50
Current annual income:	\$40,000	\$0	\$10k	\$100k	\$500k
Return on investments:	7%	0%	4%	8%	12%
Expected annual inflation rate:	3%	0%	4%	8%	12%
Expected income growth:	3%	0%	4%	8%	12%

Value calculated as \$359,845





MORE

Educating Clients About Their Life Insurance Options

Life insurance is a powerful tool that can be used to help clients achieve their financial goals. Now you have the resources to better educate your clients about their individual life insurance choices, including their benefits and considerations. Learn more by reviewing Minnesota Life's new "Your Life Choices" materials.



MORE

Product Updates

Introducing Accordia Life's Innovative New Approach to Lifetime Guarantees

Lifetime Foundation, Accordia Life's newest product, is a first-of-its-kind permanent life insurance product with death benefit guarantees that adjust to your clients' changing needs. This innovative new approach offers more guaranteed coverage early on when their life insurance needs are likely the greatest, while

maintaining a proportional death benefit guarantee in later years when their focus transitions to savings protecting and leaving a legacy.

MORE

Learn About a New Financial Trifecta Solution

While most insurance policies lock-in cash value, Value+ IUL includes two completely unique provisions for accessing excess cash value in the policy without reducing the initial death benefit. Learn more with AIG's Financial Trifecta Video.

MORE

Underwriting Updates

Competitive Underwriting For Clients Not in Optimal Health

The Prudential Rate Reduction program may positively impact the pricing you offer to your clients. It is specific to certain ratable impairments where underwriting experience allows for an improved offer.

MORE

Enhanced Underwriting Program Continues its Success

MetLife's Enhanced Rate Plus program, designed to boost your clients' rating classes without undergoing labs or exams, will be continued thanks to its tremendous success. Since launch in January, 9 of 10 eligible clients who use the program were given best class rating. And Enhanced Rate Plus has reduced the average underwriting decision time from over 20 days to less than 5 days for 70% of clients who apply via tele-app.

MORE

For Producer and Advisor Use Only. Not for Client Use.

WEEKLY Carrier Update

March 30, 2015

Every Monday, First Annuity sends you a weekly update with any recent, important carrier changes to help you prepare for your week ahead so you'll know exactly which carriers to be mindful of. Only those carriers that have changes are listed. Any interest rate adjustments, product changes and even new state product approvals are included with links to receive complete details.

As always, thank you for your business. Please don't hesitate to call us for more information, 888.758.7305.

AIG

Small rate decrease for AIG Power Select Plus Income and Power SElect Builder, effective April 2, 2015. In order to receive current rates, applications must be dated April 1, 2015 and prior.

Strategy	Power Select Builder		Power Select Plus Income	
	<u>New Rates</u>	<u>Old Rates</u>	<u>New Rates</u>	<u>Old Rates</u>
PTP	2.00%	(No change)	1.50%	(No change)
Mo Add	1.00%	(1.20%)	0.50%	(No change)
Fixed Rate	1.00%	(1.20%)	1.00%	(No change)
Mon Avg Spread	5.75%	(No change)	6.75%	(No change)
ML Strategic Balanced Index				
	<u>New Rates</u>	<u>Old Rates</u>	<u>New Rates</u>	<u>Old Rates</u>
Annual PTP Spread	4.50%	(4.25%)	6.50%	(6.00%)
2-Year PTP Spread	1.75%	(No change)	3.25%	(2.90%)

GENWORTH

Genworth is decreasing SPIA rates today and SPDA rates on April 1st.

[Click here for Rates](#)

FIDELITY & GUARANTY LIFE - LEGACY

Rate change across the board for Fidelity & Guarantee Life Legacy products, effective April 2, 2015.

[Click here for Details](#)

The Short List:

What's Behind Allianz's Huge Lead In FIA Sales?

Allianz Life made head-spinning gains in its fixed index annuity (FIA) sales in 2014, according to figures recently published by Wink, Inc. Allianz's sales totaled over \$12.7 billion, more than double its \$6 billion total in 2013, for a market share of 27 percent. The results put Allianz in first place among the 52 companies [...] The post What's Behind Allianz's Huge Lead In FIA Sales?

(<http://www.loktowink.com/2015/03/whats-behind-allianzs-huge-lead-in-fia-sales/>) appeared first on Wink (<http://www.loktowink.com>) .

Wink CEO: Interest From Nontraditional Distribution Boosts 2014 Sales of Indexed Annuities

PLEASANT HILL, Iowa – Continued interest in indexed annuities from “nontraditional” distribution is helping to boost sales while new companies continue to enter the space, said the president and chief executive officer of Wink Inc. Total 2014 U.S. sales of these retirement savings and income products rose to \$46.8 billion, up 21.3% from the same [...] The post Wink CEO: Interest From Nontraditional Distribution Boosts 2014 Sales of Indexed Annuities (<http://www.loktowink.com/2015/03/wink-ceo-interest-from-nontraditional-distribution-boosts-2014-sales-of-indexed-annuities/>) appeared first on Wink (<http://www.loktowink.com>) .

Deal Reached On Proposed IUL Illustrations

WASHINGTON – Differing sectors of the industry have embraced new rules governing the illustrations to be used in selling indexed universal life insurance (IUL). The compromise is based on the proposal exposed for public comment by the National Association of Insurance Commissioners’ (NAIC) Life Actuarial (A) Task Force (LATF) on Feb. 19, and suggests only [...] The post Deal Reached On Proposed IUL Illustrations (<http://www.loktowink.com/2015/03/deal-reached-on-proposed-iul-illustrations/>) appeared first on Wink (<http://www.loktowink.com>) .

Interest in indexed life insurance spikes

High-income earners shopping for permanent life insurance are being drawn to indexed universal life insurance, a relatively new type of policy that has a defined death benefit, yet also allows its cash value to reap the rewards of the growth in the S&P 500. “Most people who buy this product look to do a couple [...] The post Interest in indexed life insurance spikes (<http://www.loktowink.com/2015/03/interest-in-indexed-life-insurance-spikes/>) appeared first on Wink (<http://www.loktowink.com>) .

What Americans really think about IRAs (in 5 charts)

What most motivates Americans to save for the future? According to a new report, it isn’t building up a nest egg for retirement, but rather things that offer more immediate gratification: money for vacation, buying household appliances and the other big-ticket items. So reports TIAA-CREF in a 4th annual survey on individual retirement accounts and [...] The post What Americans really think about IRAs (in 5 charts) (<http://www.loktowink.com/2015/03/what-americans-really-think-about-iras-in-5-charts/>) appeared first on Wink (<http://www.loktowink.com>) .

Two great Dave Ramsey myths, debunked: Opinion

Last month, I wrote about the seven steps Dave Ramsey followers really need to thrive financially. I was astonished with the amount of interest and debate the piece sparked. To the many who support our voyage, thank you and I’m excited to walk with you down this path, holding America’s Favorite Finance Coach accountable for [...] The post Two great Dave Ramsey myths, debunked: Opinion (<http://www.loktowink.com/2015/03/two-great-dave-ramsey-myths-debunked-opinion/>) appeared first on Wink (<http://www.loktowink.com>) .

New areas for 401(k) lawsuits emerge

If litigation in the 401(k) arena isn’t keeping retirement plan advisers up at night, it ought to be. A panel of experts at the National Association of Plan Advisors 401(k) Summit in San Diego discussed on Sunday developing legal risks that await unwary retirement plans and their advisers. New areas ripe for suits include failure [...] The post New areas for 401(k) lawsuits emerge (<http://www.loktowink.com/2015/03/new-areas-for-401k-lawsuits-emerge/>) appeared first on Wink (<http://www.loktowink.com>) .

5 things the fastest-growing insurance agencies have in common

Insurance agencies are like snowflakes, no two are alike. However, after spending lots of time with agency owners in hyper-growth mode, I learned that there are several traits they have in common. Click HERE for five that stand out, and duplicating these tips can help your firm become a high-performing agency. The post 5 things the fastest-growing insurance agencies have in common (<http://www.loktowink.com/2015/03/5-things-the-fastest-growing-insurance-agencies-have-in-common/>) appeared first on Wink (<http://www.loktowink.com>) .

NAPA's deep reservations about DOL's broker rules

SAN DIEGO – The National Association of Plan Advisors made something really clear Sunday: it has always embraced and will continue to support any government regulation that puts plan participants' best interests first. Period. That, however, doesn't mean NAPA is whole-heartedly supporting the Department of Labor's efforts to push forward with plans to impose the [...] The post NAPA's deep reservations about DOL's broker rules (<http://www.loktowink.com/2015/03/napas-deep-reservations-about-dols-broker-rules/>) appeared first on Wink (<http://www.loktowink.com>) .

What empty nesters don't know about saving for retirement

You might think Americans' ability to retire rests on the health of the economy or on government policy. Wrong. It depends on whether or not parents spend less money and save more when their kids are on their own. Click here to read... The post What empty nesters don't know about saving for retirement (<http://www.loktowink.com/2015/03/24272/>) appeared first on Wink (<http://www.loktowink.com>) .

The 7 biggest announcements from life and health insurers this week

Paradigm shift news roundup: AgentLink, Guardian, Nationwide, PlanSource, BISA and Forethought, MassMutual, New York Life – Click HERE to read... The post The 7 biggest announcements from life and health insurers this week

(<http://www.looktowink.com/2015/03/the-7-biggest-announcements-from-life-and-health-insurers-this-week/>) appeared first on Wink (<http://www.looktowink.com>) .

Annuities: Choosing the right tool for the job

I'm not the handiest person around, so it's no surprise I don't enjoy fixing things around the house. When I do tackle a project however, the experience is completely different when I have the right tool instead of using something that just gets the job done. The right size socket, as opposed to an adjustable [...] The post Annuities: Choosing the right tool for the job (<http://www.looktowink.com/2015/03/annuities-choosing-the-right-tool-for-the-job/>) appeared first on Wink (<http://www.looktowink.com>) .

Whoops! Why you shouldn't use your personal social media accounts for business

As social media use by financial professionals continues to grow, it's not uncommon for an agent or financial advisor to begin by using their personal social media accounts for business-related activity. While this practice already raises red flags for compliance issues (always check with FINRA!), I want to tell you a cautionary tale that might [...] The post Whoops! Why you shouldn't use your personal social media accounts for business (<http://www.looktowink.com/2015/03/whoops-why-you-shouldnt-use-your-personal-social-media-accounts-for-business/>) appeared first on Wink (<http://www.looktowink.com>) .

Become a National Annuity Awareness Month Official Sponsor!

June 2015 marks the second annual National Annuity Awareness Month. NAFA is looking for your support to make it an even bigger and better celebration than the last! When it comes time to register for NAFA's Annuity Leadership Forum (being held June 17-19 on Capitol Hill), you'll have the opportunity to make a donation in [...] The post Become a National Annuity Awareness Month Official Sponsor! (<http://www.looktowink.com/2015/03/become-a-national-annuity-awareness-month-official-sponsor/>) appeared first on Wink (<http://www.looktowink.com>) .

Fewer Than 1 In 5 Contribute To Traditional IRAs

WINDSOR, Conn. March 19, 2014—A new LIMRA Secure Retirement Institute study finds that only 17 percent of American workers currently contribute to a traditional

individual retirement account (IRA) – and only 28 percent contribute to any kind of IRA (i.e., traditional, Roth, or SEP/SIMPLE). While the most cited reason that people give for not contributing [...] The post Fewer Than 1 In 5 Contribute To Traditional IRAs (<http://www.loktowink.com/2015/03/fewer-than-1-in-5-contribute-to-traditional-iras/>) appeared first on Wink (<http://www.loktowink.com>) .

Annunities and sports: What I learned from Coach Bob Knight

I had the great honor of sitting at the end of the bench as a student manager for Indiana University's 1987 NCAA Championship basketball team. There are so many great memories associated with the basketball program and my time at IU. I typically use the basketball season to reflect on things that I learned from [...] The post Annunities and sports: What I learned from Coach Bob Knight (<http://www.loktowink.com/2015/03/annunities-and-sports-what-i-learned-from-coach-bob-knight/>) appeared first on Wink (<http://www.loktowink.com>) .

SEC Chair To Push For Uniform Fiduciary Standard

WASHINGTON – The Securities and Exchange Commission should implement a uniform fiduciary duty for broker/dealers and investment advisors “where the standard is to act in the best interest of the investor,” SEC chairman Mary Jo White said today. White’s comments at a Securities Industry and Financial Markets Association (SIFMA) investment conference in Phoenix will reawaken [...] The post SEC Chair To Push For Uniform Fiduciary Standard (<http://www.loktowink.com/2015/03/sec-chair-to-push-for-uniform-fiduciary-standard/>) appeared first on Wink (<http://www.loktowink.com>) .

The psychology of retirement income planning

I am a sucker for a good retirement income planning study. Whether it's an analysis of various safe withdrawal rate strategies, bucketing, or essential versus discretionary, I enjoy the process of aligning the income puzzle pieces to fit in such a way that income planning success is optimized. Maybe you share in my joy; maybe [...] The post The psychology of retirement income planning (<http://www.loktowink.com/2015/03/the-psychology-of-retirement-income-planning/>) appeared first on Wink (<http://www.loktowink.com>

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And, although all of the articles have been selected for their content, however in the interests of balanced reporting we often publish articles we may not agree with, the publishing of such articles within Open MIC notes does NOT constitute a recommendation of the products or services mentioned or advertised within those articles. Boise State did play in the Fiesta Bowl and end 12-2...another fabulous year.

Did you know that since 2000, Boise State is 92-4 at home?

We make no compensation for the publishing (or hosting) of Open MIC Notes.....in fact it costs us for the phone "call in" system...oh well...