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

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LATEST NEWS

Open MIC

powered by Annuity.com Planning. Safety. Retirement.

Our brand can be your brand"

Mistakes are the portals to opportunity...Bill Broich

I normally read 50 or so articles each week for Open MIC, this week there were over 50 just on the DOL Fiduciary rule….BB

Looking for information about the DOL Fiduciary rule? In the Short List at bottom on Open MIC notes, there are 38 articles. A wide and varied opinion on the DOL Fiduciary ruling…

Editorial and Comment

I received this as an agent share from David Albin, this has been a topic several times on Open MIC.

We had predicted that insurance rates would rise based on personal experiences with our own medical re-imbursement from Medicare providers.

See link to the article: *Why Obamacare will destroy the Baby Boomers*.

http://www.retirevillage.com/images/How-Obamcare-will-destroy-the-baby-boomer-generation.pdf

The program is just not sustainable without a severe Medicare financial support system supplied by the American taxpayer. In a recent report, it has been estimated that over 18,000,000 people have benefited from this program, at the same time, those providing the insurance protection are suffering enormous losses. What is the answer? I truly don't know but if the system continues, one of three things will happen:

1. Premiums will escalate high enough that those with the protection will drop the policy and be back to state aid for health protection
2. The American taxpayer will subsidize the insurance company's losses which will be in the billions of dollars.
3. The medical professionals who provide the services will cease.

Below is an article from The Hill that examines the current affect ObamaCare is having on those providing the services. I have marked key points in **red**.

BB

Warning: ObamaCare Premiums Ready To Skyrocket

(Update: UnitedHealth Care estimated 4-19, their estimated losses could reach $680 million this year due to morbidity experience)

Health insurance companies are amplifying their warnings about the financial sustainability of the ObamaCare marketplaces as they seek approval for premium increases next year.

Insurers say they are **losing money** on their ObamaCare plans at a rapid rate, and some have begun to **talk about dropping out** of the marketplaces altogether.

"Something has to give," said Larry Levitt, an expert on the health law at the Kaiser Family Foundation. "Either insurers will drop out or insurers will raise premiums."
"Something has to give," said Larry Levitt, an expert on the health law at the Kaiser Family Foundation. "Either insurers will drop out or insurers will raise premiums."

While analysts expect the market to stabilize once premiums rise and more young, healthy people sign up, some observers have not ruled out the possibility of a collapse of the market, known in insurance parlance as a **"death spiral."**

In the short term, there is a growing likelihood that insurers will push for substantial premium increases, creating a political problem for Democrats in an election year.

Insurers have been pounding the drum about problems with ObamaCare pricing.

The Blue Cross Blue Shield Association released a widely publicized report last month that said new enrollees under ObamaCare had **22% higher medical costs** than people who received coverage from employers.

And a report from **McKinsey & Company** found that in the individual market, which includes the ObamaCare marketplaces, insurers lost money in 41 states in 2014, and were only profitable in 9 states. http://healthcare.mckinsey.com/2015-medicare-advantage-rates-perspectives-payors

"We continue to have serious concerns about the sustainability of the public exchanges," Mark Bertolini, the CEO of Aetna, said in February.

The Aetna CEO noted concerns about the "risk pool," which refers to the balance of healthy and sick enrollees in a plan. The makeup of the ObamaCare risk pools has been **sicker and costlier** than insurers hoped.

The clearest remedy for the losses is for insurers to **raise premiums**, perhaps by large amounts — something Republicans have long warned would happen under the healthcare law, known as the Affordable Care Act (ACA).

"The industry is clearly setting the stage for **bigger premium increases in 2017**," said Levitt of the Kaiser Family Foundation.

Insurers will begin filing their proposed premium increases for 2017 soon. State regulators will review those proposals and then can either accept or reject them.

Michael Taggart, a consultant with S&P Dow Jones Indices, pointed to data from his firm showing per capita costs for insurers are spiking in the ObamaCare marketplaces.

One factor helping to prevent a death spiral is ObamaCare's tax credits, which cushion the impact of premium increases on consumers.

"What we're likely to see is more of a market correction than any kind of death spiral," Levitt said. "There are enough people enrolled at this point that the market is sustainable. The premiums were just too low."

Dr. Mandy Cohen, the chief operating officer of the Centers for Medicare and Medicaid Services (CMS), said in an interview that there is "absolutely not" a risk of a death spiral or collapse in the ObamaCare marketplaces.

While acknowledging that "companies are needing to adjust" to the new system, she pointed to the 12.7 million people who signed up this year, 5 million of whom were new customers, as a sign of success.

“What brings us the most confidence about the long term stability and health of the marketplace is its growth,” Cohen said.

Another risk, should regulators reject large premium increases, is that insurers could simply decide to cut their losses and drop off the exchanges altogether.

“Given that most carriers have experienced losses in the exchanges, often large losses, it only makes sense that most exchange insurers will request significant rate increases for 2017,” said Michael Adelberg, a former CMS official under President Obama and now a consultant at FaegreBD.

“Market exits are not out of the question if an insurer is looking at consecutive years of losses and regulators are unable to approve rates that get the insurer to break-even.”

The most prominent insurer eyeing the exits is UnitedHealth, which made waves in November by saying it was considering whether to leave ObamaCare in 2017 because of financial losses. The company last week announced that it is **dropping** its ObamaCare plans in **Arkansas and Georgia**, and more states could follow.

The Department of Health and Human Services argues that the attention on UnitedHealth is overblown, given that the insurer is actually a fairly small player in the marketplaces.

It’s more important to watch what happens with Blue Cross Blue Shield plans, which are the backbone of the ObamaCare marketplaces.

There have been some rumblings of discontent from Blue Cross plans. The plan in New Mexico already dropped off the marketplace there last year after it lost money and state regulators rejected a proposed 51.6 percent premium increase. Now, Blue Cross Blue Shield of North Carolina says that it might drop out of the marketplace because of its losses.

Blue Cross of North Carolina CEO Brad Wilson said in an interview that the company had **lost $400 million** due to its ObamaCare business.

“We're not alone, and I think that that also is evidence to suggest that there are systemic and fundamental challenges that we all need to have a civilized conversation about,” Wilson said.

He said a key factor in the decision on whether to stay in the market next year will be whether regulators approve whatever premium increase the company ends up proposing so as to try to make up for its losses.

Asked about the risk of a death spiral, Wilson said he is not worried about that happening "tomorrow," but has concerns if the situation does not change over time.

There's not going to be something magical happen that will cause this to turn around," Wilson said. He is pressing for changes like further tightening up extra sign up periods that insurers say people use to game the system and repealing the Health Insurance Tax, which could help lower premiums.

Here is the entire article: http://thehill.com/policy/healthcare/276366-insurers-warn-losses-from-obamacare-are-unsustainable

More on Obamacare: *"Cadillac Tax"* starts 2020….

The tax is a **40%** excise tax on the combined employee and employer share of health care coverage when the cost of coverage reaches **$10,200 per employee** for those with self-only coverage, or $27,500 for employees with family coverage. In determining whether they reach that threshold, employers have to include contributions to flexible spending or health savings accounts when workers' contributions are pre-tax. Retirees' health care costs would also be included.

Sales and Marketing

Questions this week regarding leads. BTW…**Thanks for the questions**, they help all of us!

Q: Bill, can you give me an update on the IRA (and 401k) rollover rules?

A: You are in luck today; our guest is an expert….

Chad Kopser

Advisor Consultant | Team Aspen

Chad is dedicated to providing his advisors with the most comprehensive concierge service possible. Chad's concierge service model has been developed through 16+ years of hard work, loyalty, and industry experiences, and is consistently applied as he naturally goes the "extra mile" for his advisors. Chad also prides himself on his ability to use his market knowledge to assist his advisors in becoming more successful with their business. As a University of Northern Colorado graduate with an emphasis in Finance, Chad has made valuable contributions within the industry as a Financial Advisor with Morgan Stanley, Portfolio Manager with the University of Northern Colorado, and as an independent bond and commodities trader. Working with Chad yields excellent product knowledge, and a deeper understanding as to how products will impact clients in different market environments. Having been an advisor himself, Chad has worked with a variety of clients and situations and is able to translate those experiences into great case design. Chad loves spending time with his wife Mindy and their two boys, Riley and Dresden. Any time he can spend with his family he takes full advantage of it, especially if it involves taking his boys golfing.

Senior Tax Solutions LLC

Our guest today: Mark Courtney

We are planning on covering the difference in Indirect vs Direct transfers due to the new laws. We are also going to talk about the potential pitfalls with those changes.

"IRA Rollovers"

30 Years of Income Tax Experience

After completing an accounting course of study at Simpson College in Indianola, Iowa in 1975; Mark worked with several companies in Retail Management before entering into the Sales and Marketing profession.

In 1980, Mark started the Mark Courtney Agency which focused on life, health and annuity sales. In 1985 he expanded his company's business realm by becoming the owner and operator of an H&R Block Tax Office. In 1995 he purchased his 2nd H&R Block Tax Office. His experience in tax preparation is "hands on" and extensive. His H&R Block offices, over the 16 years he owned them, did thousands of tax returns for the people of Central Iowa.

In 2001, Mark moved his tax practice to his home and accepted a position with one of the nation's largest insurance wholesalers. In that position, Mark supported insurance professionals nationally by advising them of the different tax implications regarding annuities and qualified plan distributions. Mark also conducted a monthly seminar educating insurance professionals on how to properly help their clients reduce their income tax liability. Mark also helped conduct seminars for CPA's educating them on tax planning and its implications.

In 2005, Mark started Senior Tax Solutions, to work with insurance and financial professionals, and their pre-retired or retired clients. With this service, Mark provides tax consulting and support services for financial and insurance professionals nationwide to help identify possible areas on the clients' tax return where overall tax liability may be reduced or managed more effectively.

Mark can be contacted at: 515.729.7102 or **mark@seniortaxsolutions.com**

https://www.bogleheads.org/wiki/IRA_rollovers_and_transfers

I found this chart without a date on it, I am sure Mark will review it with us. ....BB

Rollover Chart[4]

Roll From	Roll To: Roth IRA	Traditional IRA	SIMPLE IRA	SEP-IRA	Governmental 457(b)	Qualified Plan[1] (pre-tax)	403(b) (pre-tax)	Designated Roth Account (401(k), 403(b) or 457(b))
Roth IRA	YES[2]	NO	NO	NO	NO	NO	NO	NO
Traditional IRA	YES[3]	YES[2]	NO	YES[2]	YES[4]	YES	YES	NO
SIMPLE IRA	YES,[3] after two years	YES,[2] after two years	YES[2]	YES,[2] after two years	YES,[4] after two years	YES, after two years	YES, after two years	NO
SEP-IRA	YES[3]	YES[2]	NO	YES[2]	YES[4]	YES	YES	NO
Governmental 457(b)	YES[3]	YES	NO	YES	YES	YES	YES	YES[3,5]
Qualified Plan[1] (pre-tax)	YES[3]	YES	NO	YES	YES[4]	YES	YES	YES[3,5]
403(b) (pre-tax)	YES[3]	YES	NO	YES	YES[4]	YES	YES	YES[3,5]
Designated Roth Account (401(k), 403(b) or 457(b))	YES	NO	NO	NO	NO	NO	NO	YES[6]

[1]Qualified plans include, for example, profit-sharing, 401(k), money purchase and defined benefit plans

[2]Beginning in 2015, only one rollover in any 12-month period. A transitional rule may apply in 2015.

[3]Must include in income

[4]Must have separate accounts

[5]Must be an in-plan rollover

[6]Any amounts distributed must be rolled over via direct (trustee-to-trustee) transfer to be excludable from income.

I found this article about poor (or casual) advice on a RMD which caused a taxable rollover, this could be of consequence.

FINRA Award Goes to Client After Advisor's Tax Oversight

Subpar tax advice from advisors can lead to big rewards for clients — but not the kind of rewards you want them to reap.

In a recent FINRA case, an elderly woman and her daughter were awarded more than **$50,000** for what an arbitrator deemed insufficient advice regarding the tax consequences of an IRA distribution.

The payment was awarded even though the claimants had only suffered an increase in taxes of about $9,000 as a result of the total distribution of a roughly $30,000 IRA CD, and despite the fact that no investment had been purchased from the advisor in question.

How did this happen?

Marilyn Green, the elderly woman in question, owned a **CD in an IRA** that was held with Bank Atlantic. As Marilyn was already in her 80s and suffering from dementia and depression, her financial affairs were largely tended to by her daughter, Melissa Green, who had been granted power of attorney.

Sometime close to the CD's maturity date, Melissa Green discussed her mother's CD with Samuel Izaguirre, a Fort Lauderdale-based registered representative of LPL Financial. LPL and Izaguirre had entered into an agreement with Bank Atlantic to provide investment advice and brokerage services to its clientele.

THE RECOMMENDATION

During Melissa's conversation with Izaguirre, he recommended that Melissa withdraw the approximately $**30,000 held in the maturing IRA CD and place the funds in a personal checking account. He did not provide any information with respect to the potential tax consequences of such a transaction**.

Following Izaguirre's advice, in August of 2014 Melissa closed the IRA CD and transferred the funds to her mother's personal checking account.

The following year, when Melissa visited her mother's tax preparer to complete her 2014 return, she learned that the $30,000 IRA distribution resulted in roughly $9,000 of additional income taxes. Melissa was not happy, and the Greens filed a complaint that ultimately made its way to a FINRA arbitrator.

The FINRA case also alleged a number of **causes of action, such as negligence, gross negligence, breach of duty of good faith, and fair dealing and negligent misrepresentation/omission.** Obviously, none of these are terms any advisor or firm wants associated with their name.

The Greens sought a veritable laundry list of awards and remuneration, including:

- Compensatory damages of $9,000.
- All costs and expenses associated with the FINRA arbitration.
- All attorneys' fees incurred in connection with the arbitration proceeding.
- Punitive damages of at least three times compensatory damages.
- Additional amounts to cover the tax bill resulting from any award.

For their part, LPL and Izaguirre vehemently objected to the Greens' claims. Amongst other requests, they asked the arbitrator to deny the Greens' claims in their entirety, expunge the incident from Izaguirre's record and to award reasonable attorneys' fees, arbitration costs and other expenses.

The Arbitrator's Decision

Amazingly, the Greens were awarded a grand total of more than $50,000.

The award included $10,260 in compensatory damages, $20,202 in attorneys' fees and $21,240 in treble damages pursuant to a Florida state law preventing the "exploitation of an elderly person," additional words that no advisor wants to see anywhere near their name.

Izaguirre was not accused of recommending an investment gone awry. He was not accused of providing the Greens with incorrect tax information or advice. Instead, Izaguirre was accused of "failing to notify claimants regarding the adverse consequences" of his recommended transaction.

So the question becomes, **did Izaguirre really have a responsibility to address the tax consequences of his recommendation with clients?** This arbitrator certainly thought so.

SLIPPERY SLOPE

The arbitrator's decision in this case could create a slippery slope. Although the decision says that the explanation is "for the parties only and is not precedential in nature," that may not be the case in reality.

Also worth keeping in mind is that, while the Greens themselves claimed that Izaguirre's failure to provide them with adequate tax information led to a $9,000 tax bill, their ultimate award was for more than $50,000. That's more than the entire IRA CD in question was worth. That raises the question, what if the investment in the CD hadn't been $30,000 but instead was $300,000? Instead of a $52,000 award, it could have been a $520,000 award.

The Case for Private Pensions

By Bill Broich

David March had worked for a trucking company in Ohio for 33 years. He and his will Sarah had saved and planned for their retirement, being a member of the blue color labor force has meant Dave and Sarah were planning on his company retirement plan. His company had put in place a benefit to add to Dave's other assets to entice Dave to commit his working career to their company. The company is not huge, it is about 150 employees based in the Midwest, they focus on personalized deliver of large (20,000 pound) die casts. Dave and Sarah had calculated that they could retire at age 66, which is exactly what they did. Dave's retirement in 2014 would include the retirement pension of $2,050 a month for as long as either of them lived.

Then this happened: *Multiemployer Pension Reform Act*. Dave's pension benefit was cut from $2,050 a month to $1,150.

Dave's company had decided to outsource the management of the pension plan to an administrator who handled many other trucking companies, *Central States Pension Fund*. Each year, the trucking company would make the needed pension deposits to the administrator and fund manager, life seemed to be ok. Then several things happened, the financial meltdown of 2007, the redirecting of actuarial tables and the failure of the fund manager and the administrator to calculate how much money was going to be needed to meet retiree obligations.

Many companies are in the same situation, many plan administrators and money managers have failed to perform as estimated. Fortunately for workers, we have the *Pension Benefit Guaranty Corporation* (http://www.pbgc.gov which allows underfunded pensions to be turned over the federal government (through PBGC) to make the workers whole. This guarantee is like an umbrella over the pension obligation which makes sure the retirees never get wet. It is a system that has worked for many years, when the PBGC was in need of more money to cover pension obligation, congress was there with our checkbook.

The problem with PBGC is simple math, congress over the years has failed to address pension obligations promised by employers to employees. Literally 1000s of corporate pensions remain poorly of underfunded. Instead of addressing the problem, congress has allowed a back door hatch for many pension funds to relieve their overall obligations.

The bill at the center of the controversy, the *Multiemployer Pension Reform Act*, was largely intended to protect the *Pension Benefits Guaranty Corporation*, which was at risk of being pushed into insolvency by large numbers of pension failures. In other words, let's just screw over the retirees instead of appropriating enough money or regulations to fix the problem.

The bill allowed trustees of multi-employer retirement plans to slash benefits if a pension fund's failure was likely to overwhelm the underfunded *PBGC*, the federal government's main insurance program for pension plans.

In essence the bill does this: any pension which may overpower the ability of the *PBGC* to meet obligations can simply chance the amount of the obligation. In other words, workers who were retired have had their pension benefit cut, in some cases drastically. Dave's company was part of the *Central States Pension Fund*, a fund that was too big to fail due to the simple issue that the PBGC would not be able to meet the obligations.

Thousands of retirees have been affected by this bill, the funny thing about it is this, it was a short amendment added to a greater end of year spending bill and was simply lost in the overall 2000 pages. Members of congress were given little time to read the Omnibus Bill before voting was called, many congressmen and women, have after the fact now stated they would never have voted for it had they known.

- How much trust do you place in your pension fund?
- Is your fund fully funded?
- Have you ever examined your pension funds' assets?

These are questions that every worker should be asking. To leave everything to trust simply does not work anymore.

One alternative is to remove the fund management from the pension fund administrator and money manager. Unless you are absolutely confident, an alternative might be a possibility. Many pension funds allow you to remove the lump sum of their obligation and move it to a private pension plan. By using annuities with an income rider attached to it might be a good choice. You would have removed the obligation from the pension to an insurance company who does nothing but manage future payment obligations. At the same time your account would fall under a completely different guarantee system, the state guarantee fund.

Being aware of your personal situation and carefully weighing your choices might make a world of difference in your retirement years.

Like all things, use common sense. Many pensions are very solid and fully funded (Boeing). Do NOT use this a a scare tactic, instead use this iformation as an opportunity to examines your prospects situation deeper while conducting a complete fact finder.

Remember: **FFF** (Fact Finder First), product second.

Here is a good article for your Retire Village database…or use it as a handout

Q: How Do You Spell Annuity? A: S-e-c-u-r-i-t-y

In the news, almost daily, there is more and more talk about annuities. So what exactly is an annuity?

Simply, an annuity is an agreement (contract) between an organization (insurance company) to pay another an agreed upon benefit. The benefit can be in the form of periodic payments or a lump sum. Annuities are issued by insurance companies and are regulated by state and generally federal laws.

Life Insurance companies issue annuities and are contractually guaranteed by the insurance company and most life insurance companies sell annuities. A deposit is made to an insurance company either lump sum or periodic payments. The type of annuity you choose determines whether your money earns a fixed amount (interest or fixed indexed) or an amount that depends on market volatility in equities and bonds. (variable annuity) At a designated time chosen by you the insurance company will send you regular distributions from the annuity's account, the term of the payment can even be for lifetime, regardless of how long you live. Other options can include to leave your funds intact and never touch them or to remove your funds in a lump sum.

Annuities have numerous benefits but an important one for many people who choose an annuity is the tax deferral aspect of the contract. The interest earned in an annuity grows tax deferred until it is removed. The interest is credited to your annuity and the tax liability is deferred.

There are several different kinds of annuities. Some of the more common types of the annuities:

- Single premium immediate annuity: You deposit with an insurance company a lump sum now and begin to receive withdrawal distributions for a period of time you specify. The amount you receive will vary according to the length of time the payments are to last and whether anyone will receive the remaining balance at your death.
- Single premium deferred annuity: You deposit with an insurance company a lump sum now and defer receiving withdrawals until later. The amount of those distributions will depend on the value of your account at the time your payments begin, the length of time the payments are to last, and whether anyone will receive the remaining balance at your death.

- Annual premium deferred annuity: You deposit money with the insurance company usually monthly, quarterly, or annually. Your money earns interest and you defer your withdrawals to a later date.

There are many categories and many reasons to consider an annuity. They can be classified by:

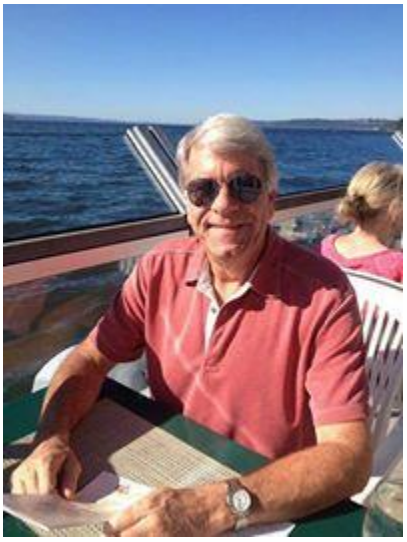
- Nature of the underlying investment – *fixed* or *variable (securities)*
- Primary purpose – accumulation or pay-out (*deferred* or *immediate*)
- Nature of pay-out commitment – *fixed period*, *fixed amount*, or *lifetime*
- Tax status – *qualified* or *nonqualified*
- Premium payment arrangement – *single premium* or *flexible premium*

Numerous other benefits can be provided with the contractual guarantees of an annuity. These benefits can include:

- Avoidance of probate with the funds being delivered immediate and without delay to a named beneficiary.
- Income options exist to provide numerous choices in how and for how long to receive funds. Lifetime income is always an option and is generally available on all annuity contracts.
- In some states, the proceeds from an annuity are protected from creditors. The rules governing this protection vary from state to state.
- Safety and security (guaranteed against market risk) is a solid reason for considering an annuity. Numerous guarantees are in place to assure the annuity owner that their funds are guaranteed.

When considering an annuity make certain you fully understand the contractual features of the contract including any surrender penalty period and how the interest (yield) is calculated. Selecting an annuity depends on matching the benefits it provides with your intended goals.

Product Information:



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Annuity.com

David Townsend

Videos: Life Insurance as a Financial Tool

253-381-2328

Email Me

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Help clients understand how permanent life insurance is a key tool in each phase of life (accumulation, distribution, and estate maximization) with these new consumer videos. Learn more.

4 Winning Accumulation Strategies

Taxes, low growth and market volatility could be getting in the way of your clients reaching their top priority: accumulating sufficient assets for retirement. Lincoln has retirement planning strategies and solutions tailored to your client's concerns to help them get where they want. Click below to learn more about strategies for risk-averse clients, high net worth clients and couples, and clients how max out retirement plan contributions. Read more.

Uncover Assets Using "Now and Later"

Learn how to use this profiling technique to determine if an annuity could help balance your clients' current portfolio. Read more.

The Cost of Waiting

This training flyer explains how to engage people in a discussion about the cost associated with waiting to purchase LTCi. There's also a postcard and brochure agents can use to reach out to potential customers. Read more.

A Crowd Favorite Returns

Life Insurance Needs Analysis Brochure now updated with 2016 Social Security info – see for yourself why it's a fan favorite with producers and clients. Read more.

Integrating Life Insurance Into Financial Strategies

Securian is proud to announce several new additions to our "Life Insurance as a Financial Tool" (LIFT) campaign. Use our LIFT microsite, consumer videos and calculator to help you show clients how life insurance can be a useful tool throughout life's phases. The new LIFT microsite is your one-stop-shop to learn about LIFT sales strategies and view client materials. Visit LIFT site.

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Every week, we send you an 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.

NEW ANNUITY CARRIER UPDATES

Forethought

Forethought's Elite Agent Program eligibility and thresholds have changed. Here is the new bonus table structure. There will be a "grandfathering" process for agents already in the qualification ranks.

Bonus Table

Old Scale: 4/30/16 and before	Scale Effective 5/01/16	
Paid Premium	**Paid Premium**	**Bonus**
$750K-$1mm	$1.0mm-$1.5mm	50bps
$1mm-$2mm	$1.5mm-$2.5mm	100bps
$2mm-$3mm	$2.5mm-$3.5mm	150bps

$3mm+	$3.5mm+	200bps

Phoenix

Phoenix is increasing suitability and will now require the completion of a pre-issue telephone survey for any proposed owner age 80 and above.

ONGOING ANNUITY CARRIER NEWS

Guggenheim

1% Commission Bonus on TriVysta business issued from 4/4/2016 to 6/30/2016. Maximum case size is $1,000,000. Click here to download the new production bonus information.

The Short List: Articles of interest for the working agent

If you want a wide and varied opinion on the DOL Fiduciary ruling…38 articles are available

Attorney: No Reasoning Behind DOL Treatment Of FIAs In Fiduciary Rule

The future of fixed indexed annuity sales is up in the air after the Department of Labor added an unexpected wrinkle to its fiduciary rule. And a Washington attorney said he believes the rule should be re-issued as a result. […]

DOL rule puts new restrictions on indexed annuities

Sales of indexed annuities could be adversely affected under new rules released this week by the U.S. Department of Labor, according to a local annuity expert. Several insurers specializing in indexed annuities are based in or have operations in Greater […]

Industry insiders react cautiously to DOL fiduciary rule

Insurers, and their trade groups in general, appear to be adopting a wait-and-see approach to the Department of Labor's publication of its new fiduciary standard rule. However, unlike previous comments about the potential impact of the rule, none used the [...]

Surprise: DOL Rule Targets Indexed Annuities

Advisors and agents who sell fixed indexed annuities (FIAs) to retirement account owners on a commission basis will have to pledge to act in the "best interest" of the purchaser under the final version of the Department of Labor's fiduciary [...]

Variable and fixed-indexed annuities feel sting of DOL fiduciary rule

Fixed indexed annuities lost a favorable exemption they enjoyed under the proposed rule, and the impact on variable annuities likely won't be much changed from original forecasts Those who thought fixed indexed annuities would be a benefactor of the [...]

Annuity Industry Caught Off-Guard By DOL Rule

They didn't make it, and the annuity industry was caught off-guard. Fixed indexed annuities (FIAs), which had originally been left out of a draft proposal of the Department of Labor's new fiduciary rule, were added to variable annuities as the [...]

Observers Worry DOL Rule Change Could Hurt Fixed Indexed Annuities

WASHINGTON – Although the new conflict-of-interest fiduciary rule adopted a broad swath of insurance industry-friendly language, trade representatives continue to harbor misgivings that the standards on fixed indexed annuities could hurt sales, reduce commissions and disrupt the annuity marketplace. The [...]

Twitter reactions to the finalized DOL fiduciary rule #SaveYourSavings

April 6th was the day we've all were waiting for: The Department of Labor released its finalized fiduciary rule. Many people voiced their opinion and followed along as the DOL shared a live announcement on the rule. Twitter blew up with reactions about the [...]

Indexed Annuity Leadership Council Releases Statement on New DOL Regulations

WASHINGTON, April 6, 2016 /PRNewswire-USNewswire/ — The Indexed Annuity Leadership Council (IALC) today reacted to the release of new regulations by the Department of Labor (DOL) that will significantly expand the reach of the pension law's fiduciary obligations. The new rules [...]

Final fiduciary rule: the benefits and burdens for indexed annuities

The final version of the recently released Department of Labor (DOL) fiduciary rules contained some changes to the rules governing fixed annuity products that may have surprised some advisors who deal in these products. Certain types of fixed annuities will now be subject to [...]

How will the DOL enforce its fiduciary rule?

Changes will be felt most markedly in the retail market, where investors will serve as their own enforcement agents The Labor Department released the final version of its fiduciary rule last week, bringing about major structural changes for [...]

Symetra Introduces Symetra Income Edge Fixed Indexed Annuity with Guaranteed Lifetime Withdrawal Benefit

Latest addition to Symetra's growing suite of market-leading fixed indexed annuities seeks to combine upside potential, transparency and flexibility April 12, 2016 01:00 PM Eastern Daylight Time BELLEVUE, Wash.–(BUSINESS WIRE)–Symetra Life Insurance Company announced the introduction of Symetra Income Edge, [...]

The ABCs of the DOL fiduciary rule

The Department of Labor released its final rule to amend the definition of fiduciary under the Employee Retirement Income Security Act (ERISA). The

DOL first shared copies of the new rule with the Federal Register. According to Labor Secretary Tom Perez, [...]

National Association for Fixed Annuities Responds to DOL Fiduciary Rule

NAFA, the National Association for Fixed Annuities, and Executive Director Chip Anderson released the following statement in response to the U.S. Department of Labor's issuance of its fiduciary duty rule WASHINGTON, D.C. (PRWEB) APRIL 08, 2016 On April 6, the [...]

Trouble Ahead! Baby Boomers' Retirement Outlook on the Decline

Study: Few boomers are confident in attaining financial security in retirement; Many not Saving or planning WASHINGTON, D.C. – The Insured Retirement Institute (IRI) today released a new research report that found less than a quarter of Baby Boomers, 24 percent, are [...]

Athene USA Launches New and Redesigned Annuity Suite of Products

West Des Moines, IA (April 11, 2016) – Athene USA, a leading provider of products in the retirement savings market, today announced the launch of an ambitious initiative, centered around a dynamic suite of both new and enhanced products focused [...]

FIA sales spotlighted in DOL rule

Fixed index annuities appear to be the product most affected by the Department of Labor's new fiduciary standard regulation, according to analysts. Keefe, Bruyette & Woods analysts called the decision to reclassify FIAs as eligible for sale under federal regulation [...]

DOL rule: Expect changes to products, distribution & compensation

With the Department of Labor's much anticipated conflict-of-interest or fiduciary standards now finalized, industry stakeholders are offering varying assessments on the regulatory impact. Among the prognosticators: Fitch Ratings. The international credit ratings agency stated in a comment letter issued shortly [...]

RIAs expect to make some changes to comply with DOL fiduciary rule

They will need to marginally modify their policies and procedures, adjust client agreements and other documents, as well as provide additional client disclosures Brokers aren't the only ones who will have to make changes as a result of the "best [...]

The Fiduciary Rule Impact on Compensation Explained

Now that the Department of Labor has finally published its fiduciary rule, it is time for advisors and firms to consider how their lives will change. Take compensation, for example. Plenty of accusations and hypothetical situations were bandied about during [...]

New Retirement Rules: Winners and Losers

Last week, the Labor Department issued a new set of rules mandating that stockbrokers, insurance agents, and financial advisors must choose investments with their clients' best interests in mind. Sounds like a no-brainer, right? It should be, and for registered [...]

Fiduciary Opponents to DOL: See You in Court?

Opponents and analysts of the Department of Labor's controversial fiduciary rule long predicted litigation would greet its publication. Now that the final rule is out, insiders are even more convinced that lawsuits are on the way. "While the Department of [...]

New DOL rule will force insurers to adapt

(Washington) — The Department of Labor's new market conduct rule will have a long-term impact on insurers and agents in the life insurance

business, according to a new report by Standard & Poor's. It specifically eyed variable and fixed index annuities, [...]

Being a woman will cost you $430,480 over your working lifetime

What's the individual damage from gender inequality in the workplace? For the average U.S. woman, it's more than $430,000 over the course of her career, according to an analysis by the National Women's Law Center, a non-profit advocacy group. The gender [...]

Annuities' alphabet soup: choosing the best option

Despite the fact that annuities are uniquely designed to provide guaranteed income for life, over the last 30 years, they have been used mostly as a means to provide tax-deferred accumulation. The commonly held belief has been that as the [...]

Insurance Industry Seeks Major Edits to NAIC Cybersecurity Model Draft

NEW ORLEANS – Insurance groups are asking a National Association of Insurance Commissioners' cybersecurity task force if they could meet to re-write or discuss significant portions of its draft cybersecurity model law, but North Dakota Insurance Commissioner Adam Hamm, the [...]

Social Media Hot Takes on Final DOL Fiduciary Rule

Everyone from legislators to individual financial advisors to concerned investors weighed in on the final Department of Labor fiduciary rule, which was released today. The rule, which requires advisors overseeing retirement accounts to act under a fiduciary standard to put their clients' interests [...]

Lawyer: Why FIA Sellers Can Challenge the DOL on Fiduciary

The Department of Labor did what everyone expected with its fiduciary rule: came out swinging, took in comments and criticism with a smile, then

backed off in the final rule. It's classic, tried-and-true policymaking. So how does that explain the [...]

New Fiduciary Standard Hardly a Pox on Advisors

The Obama administration unveiled the final version of its long- anticipated "fiduciary rule" that will govern the way advisors help their customers invest for retirement. By most press accounts, it's pretty clear that advisors from Wall Street to Walla Walla, [...]

DOL acting before SEC on fiduciary rule is 'failure in public policy'

The SEC had a mandate to set a fiduciary standard, but failed to do so before the DOL The Department of Labor's move to set a uniform fiduciary standard on investment advice before the Securities and Exchange Commission represents a [...]

CHART ILLUSTRATING CHANGES FROM DEPARTMENT OF LABOR'S 2015 CONFLICT OF INTEREST PROPOSAL TO FINAL

The changes in the retirement landscape over the last 40 years have increased the importance of sound investment advice for workers and their families. The Department's conflict of interest final rule and related exemptions will protect investors by requiring all [...]

Industry Mobilizes Over DOL Fiduciary Ruling

LIMRA /LOMA Secure Retirement Institute creates Resources for members; NAIFA President Gaudreau responds WINDSOR, Conn., April 7, 2016—In response to the Department of Labor's (DOL) final fiduciary rule published today, LIMRA LOMA Secure Retirement Institute is developing a number of [...]

The Final DOL Move Shocked the Indexed Annuity Industry

We've been anticipating the finalized DOL fiduciary rule for months now and it has finally been revealed. The Department of Labor's final ruling was

released yesterday and it contained some surprises for the fixed indexed annuity industry in particular. This [...]

Perez expresses confidence final DOL rule will survive opposition

The Labor secretary says the regulation that would increase investment advice standards for retirement accounts will withstand challenges from those looking to kill it Labor Secretary Thomas Perez expressed full confidence that a regulation that would increase investment advice [...]

Royal Neighbors Stands Up for Women's Rights... Again

Waiver of premium rider allows for focus on healing (Mesa, AZ) Royal Neighbors of America, one of the nation's largest women-led life insurers, has once again taken a stand to support women. In 2015, the 120-year-old organization made headlines when [...]

Fiduciary rule may be long-run "negative" for life insurers: Fitch

The new regulations could have a "negative impact on the sale of certain annuity products, drive changes in product offerings, distribution strategies and compensation structures and lead to increased operational costs," a Fitch release said. The US Department of Labor [...]

How the final DOL fiduciary rule will impact advisors

With the ink still fresh on the Department of Labor's finalized fiduciary standard for investment professionals who advise on retirement plan accounts, an industry-wide debate has begun as to whether the DOL made enough changes to its earlier draft to [...]

DOL Final Rule Change Could Hurt FIA Sales

While the final fiduciary rule contains plenty of concessions by the Department of Labor, one significant change is expected to hurt fixed indexed annuity sales. The DOL opted to toughen the rule by adding FIAs to the Best Interest Contract [...]

A look at the future of life insurance policy illustrations

(Las Vegas) The topic of illustrations for life insurance product sales and marketing purposes has become a hot button issue among consumers, regulatory groups and life insurance companies. Speaking on the topic at the 2016 LIMRA Life Insurance Conference in [...]

DOL Fiduciary Rule

Final Rule: Read the final rule and associated documents FAQs: Conflicts of Interest Rulemaking Fact Sheet: Final rule to protect retirement savings Chart: Compare the proposed and final rules Final Rule: Read the final rule and associated documents

Adviser fears abound for fiduciary rule fallout

InvestmentNews survey finds all corners of the advice business are expecting to face challenges, but stark differences about the degree of pain are evident among the channels Every corner of the advice business is expecting to incur extra [...]

DOL Did Some Scaling Back On Final Rule

As expected by some people close to the process, DOL scaled back its final fiduciary rule based on extensive consultation with financial services industry groups, consumer advocates and the public. Under the new regulation, a fiduciary is defined as any [...]

Frequently asked questions about the DOL fiduciary rule

Answers to common sources of confusion or misunderstanding about the new regulation Q:What are the significant changes under the new rule? A:Under current rules, some advisers in the retirement industry operate under a standard that requires advice to be suitable [...]

Rules for Indexed Annuities Face an Unexpected Tightening

Move comes as indexed-annuity sales jumped to $54.5 billion last year Just days ago, it appeared that new U.S. rules on retirement-savings advice might inadvertently boost sales of an insurance-company product that has drawn criticism for its complexity and high [...

Inside the Pros and Cons of a New Fiduciary Rule

SIFMA President and CEO Ken Bentsen discusses the pros and cons of a new fiduciary rule. He speaks on "Bloomberg Markets." Click HERE for video "We just think the way the department went about it, at least in their proposal, was [...]

How SEC Lost the Race to Regulate Retirement Advice

A partisan divide among commissioners slowed SEC down WASHINGTON—If there is one big mystery about the tough new rule for stockbrokers who give retirement advice, it is this: Why on earth is it coming out of the Labor Department? [...]

How much time will be needed to comply with DOL fiduciary rule?

The Department of Labor is on the verge of implementing its rule redefining fiduciary on retirement accounts — are advisors and firms prepared for this new ERISA rule? While there are many outstanding questions about what the final rule will [...]

Fiduciary Rule Expected to Spur Industry Upheaval

WASHINGTON – The newly announced fiduciary rule could remake the planning industry, ushering in the most successful, ambitious regulatory effort in more than 40 years. "These new rules will level the playing field so that retirement advisors will compete based [...]

Study Shows Positive Climate For Life Insurance

ARLINGTON, Va. and WINDSOR, Conn., April 5, 2016 /PRNewswire/ — An increase in consumers willing to recommend life insurance to others

contributes to a more positive climate for the product, according to the 2016 Insurance Barometer Study. The study, conducted jointly by not-for-profit research [...]

Survey Finds Vast Majority of Financial Professionals Expect Continued Indexed Annuities Sales Growth in the Next Year

April 06, 2016 10:00 AM Eastern Daylight Time HARTFORD, Conn.–(BUSINESS WIRE)–According to a recent survey conducted by Saybrus Partners, Inc., a vast majority of financial professionals (83%) expect an increase in indexed annuities sales in the next 12 months. Also, [...]

Three ways to take advantage of shortcomings in the DOL fiduciary rule

Advisers can use the rule's deficiencies to rise above the competition in navigating the new landscape Much has been written about the Department of Labor's fiduciary rule, and the issues it does and doesn't address. Opinions within the wealth [...]

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www.annuity.com/agenttools
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There is a ton of info here, it requires no password and it is up to date information.

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