



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

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CALL OR EMAIL

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888-74**AGENT** (24368)

tony@annuityagentsalliance.com

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

**LATEST
NEWS**

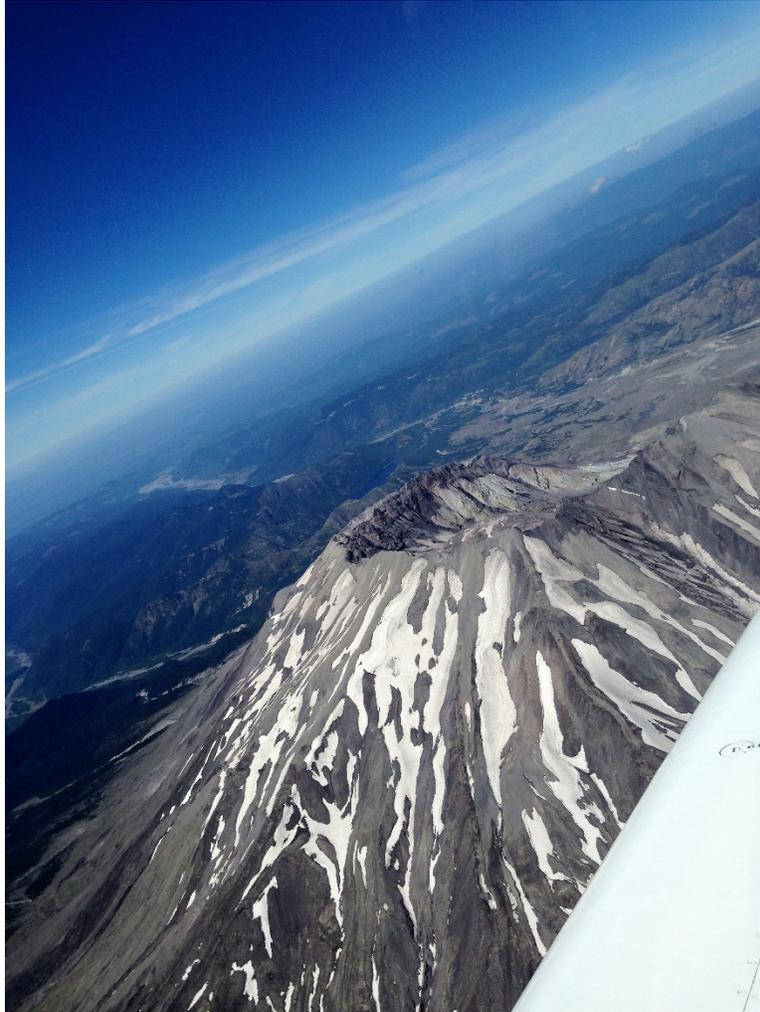


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Mt. St Helens from about 1000 feet above dome, our grandson Jonathan took pic, 14 and his first airplane ride. (Thanks to Doug McArthur)

Summer Hiatus



Open MIC will be on Summer Hiatus until
September 15th

see you then!

BTW: In October, Open MIC will begin it's 23rd year...can you imagine!

Editorial:

Note (Open MIC will not ever take a political stand; we respect each individual's right to their own opinion)

But, recently, a candidate for president suggested that the top percent of earners pay even more in taxes so the funds would be available to create jobs for those less fortunate. Does anyone really believe that that would actually happen especially with our current deficit and the way congress runs things?

For me, I just can't assume any more tax responsibility, it is currently overwhelming. Our government has found ways to create more and more tax income.

One recent way was the ruling that municipal bond interest (not subject to income tax liability) would be included in gross income when calculating the surtax on Medicare Part B. This led me to truly believe that there is little I can do to reduce taxes, therefor the only answer is to make more. My partner is and has always been the IRS, you?...BB

Muni bond interest is calculated into the new Medicare surtax and impacts how much a client pays in Medicare Part B monthly premiums.

<https://www.irs.gov/businesses/small-businesses-self-employed/questions-and-answers-for-the-additional-medicare-tax>



Victory Tax: Phelps owes \$55,000 in taxes

BTW, in watching the Olympics I learned that athletes are taxed for their medals by the IRS. If you win gold, estimated tax due is \$9,900 (medal worth \$25,000).

Comment



Open MIC will be on hiatus when the first court hearing on the DOL ruling takes place, call any of us for updated information.

My view is just as it has been, never going to happen. That being said, Warren Hersch has a terrific article about **WHY** the DOL rule will fail.

I have posted it here for you along with the link for more information. I highlighted key points and made a few notes for you.

ARTICLE IS EDITED, USE THE LINK FOR THE ENTIRE ARTICLE.
BB

By [Warren S. Hersch](#)

<http://www.lifehealthpro.com/2016/08/16/dol-fiduciary-rule-on-a-collision-course-with-the?>

DOL fiduciary rule: On a collision course with the law?

Chief among the shared charges in three lawsuits: that the DOL overstepped its authority in crafting the conflict of interest rule, starting with its expanded definition of fiduciary.

If the Department of Labor's final fiduciary rule were an infrastructure project, perhaps the best analogy would be to a **catastrophically leaky dam**.

Like their peers in the civil engineering world, insurance and financial services experts assessing the legal foundations of the DOL's hole-ridden edifice — a **1,000-plus-page document that stretches definitions, makes new jurisdictional claims and defies historical precedent** — have to ask themselves this question: When (not if) will the department's paper dam break?

That's the conclusion to be drawn if a growing number of critics are right in their assertion that the department **badly overstepped** its authority in promulgating its "conflict of interest final rule" last April. Those critics are now fighting back in the courts, and it's a fair bet that the rule will meet its demise there, potentially this month.

A litany of grievances

The three lawsuits differ on some counts, notably in respect to alleged **constitutional violations**: NAFA contends the DOL's rule's definition of reasonable compensation is "unduly vague" and infringes on the 5th's amendment's due process clause; the 9-party Texas suit argues the rule's best interest contract exemption (BICE) runs afoul of the first amendment's right of free speech (i.e., by prohibiting "truthful, non-misleading" communications with clients and prospects outside the confines of a fiduciary relationship).

But the lawsuits also have much in common. Chief among the shared charges: that the **DOL overstepped its authority** in crafting the conflict of interest rule, starting with its expanded definition of fiduciary. The Texas suit (to which the Insured Retirement Institute, Financial Services Roundtable, and Securities Industry and Financial Markets Association (SIFMA), among others, are also parties) is detailed on this count.

"The DOL has given 'fiduciary' a meaning that's **unrecognizable** — one different from how Congress and the securities laws intended," said Eugene Scalia, the attorney and a partner at Eugene Dunn. "So we start out [in the complaint] by pointing out the legal error of the DOL in formulating an overbroad definition of fiduciary."

The DOL's **"arbitrary" and "capricious"** missteps mount from there. And many of them — from the department's BIC exemption requirements to its folding of non-ERISA IRAs and fixed indexed annuities into the rule — amount to an "impermissible departure" from the industry's historical understanding of fiduciary, the Texas suit

contends. Add to this a larger perceived transgression: the DOL's fundamental misreading as to what falls under its purview.

Tug of war over FIAs

But craft it did — and in the process felled jurisdictional walls once thought to be set in stone. Among the Texas complaint's allegations: that ERISA granted the DOL regulatory authority over qualified employee benefits, but **not to non-ERISA**, tax-favored plans like IRAs; and that the DOL exceeded its mandate (and violated Congress' intent under Dodd-Frank) in extending the fiduciary rule to sales of fixed indexed annuities.

The latter move was a particular shock to FIA players, and not only because the **DOL left the products out of earlier versions the rule**.

Industry veterans will recall the bruising battle over the SEC's proposed **Rule 151A**, which sought to regulate FIAs as securities, rather than insurance products. Thanks to a 2010 decision of the U.S. Court of Appeal in D.C., that rule was vacated; a subsequent amendment to the Dodd-Frank Act sought to ensure that regulation of indexed annuities remained with the states.

So more than a few state insurance commissioners (not to mention the insurers, agents and brokers they oversee) were **surprised** to learn that FIAs, like other products now subject to the DOL rule, will fall under federal jurisdiction after all.

The Texas plaintiffs aren't the only ones crying foul over the DOL's perceived power grab. The NAFA lawsuit takes direct aim at the department's inclusion of **FIAs under the BIC exemption**. One bone of contention: that ERISA plan fiduciaries (insurance agents and brokers, among others) will no longer be able receive a commission under ERISA's prohibited transaction exemption (PTE) 84-24.

“One of the issues we have is the last-minute switch to put fixed indexed annuities under the BICE and to treat FIAs as securities, which is contrary to law,” said NAFA Executive Director Chip Anderson during the roundtable. Added Pamela Heinrich, an attorney for NAFA: “It's clear from the [PTE-to-BICE] switch that [DOL staffers] don't really understand what fixed annuities are or how they differ from variable annuities. They offer **no evidence** there is a problem that needs solving in regard to fixed-indexed annuities.”

What's reasonable compensation?

Also lacking in the DOL's handiwork, the roundtable participants noted, is guidance as to what constitutes “reasonable compensation” for advisors under the BICE. Industry associations commenting on DOL's revised/pre-final rule repeatedly requested specifics. They got only (as the NAFA complaint alleges) a “bald statement that the essential question is whether [an advisor's] charges are **reasonable** in relation to what the retirement saver receives.”

The issue is hardly academic. Compensation, among other perceived violations, could **spur class action suits** against advisors and their companies under the rule. For many industry stakeholders, not least insurers, this is the truly scary part of the new regulatory regime.

Potentially costly, too, and not only due to court-ordered damages for which they may be liable. Also to weigh is a rise increase in errors and omission (E&O) insurance premiums that have advisors may have to cough up to guard against greater legal exposure under a fiduciary standard.

Such **heighted financial risk**, combined with other increased compliance costs anticipated under a fiduciary regime, may be for too much for many advisors to bear. The result could be an exodus of insurance and financial services professionals from the retirement space.

And one potentially comparable in magnitude to the England's experience. Between 2011 and 2014, during which time the U.K.'s Financial Conduct Authority imposed its Retail Distribution Review, an estimated 9,000 advisors left the profession — nearly a quarter of the pre-RDR field force. One reason: the **banning** of commissions on sales of insurance and investment products.

If only the DOL had listened

Did it have to come to this? Many think not. Representatives of several of the organizations participating in the Texas lawsuit have long supported a harmonized fiduciary standard for RIAs and broker-dealers. Identifying problems with the DOL's revised proposed rule, they sought changes — through nearly **3,000** comment letters and in public hearings the DOL held with 90 industry and consumer groups — to simplify the rule's mechanics and make it compatible with existing business models. Among the requested changes was a broad “seller's exception” disclosing that the financial professional is acting a salesperson, not a fiduciary, thereby addressing potential confusion among investors as to financial conflicts of interest.

The DOL proved unaccommodating on this and many other requests. As a result, the department will have **to respond to a long list of alleged offenses** in the upcoming litigation. In addition to the aforementioned, they include violation of the Administrative Procedure Act; a failure to provide adequate notice and sufficiently consider/respond to industry comments; a prohibition on arbitration agreements in class action waivers for advisors relying on BIC and PTE exemptions; and the DOL's “arbitrary” and “capricious” assessment of the final rule's benefits, consequences and costs — a point repeatedly made by the Texas suit plaintiffs.

“The Financial Services Institute...has supported the uniform fiduciary standards since 2009 — before Dodd-Frank,” said FSI President and CEO Dale Brown at the media

conference call. “Being pro-fiduciary is not new to us or our members. But the DOL's complex and unworkable rule will only **harm** the smaller investors it claims to protect.

“Contrary to what supporters of this rule will claim, this legal challenge is solely about insuring that the rules governing retirement advice work for all retirement investors,” he added. “This rule does not pass that test. There's no compelling evidence this rule is necessary to achieve a uniform fiduciary standard.”

The DOL will contend otherwise in court. But whether the arguments the department will put forward (broadly, that the rule's provisions comply with existing statutory authority, regulations and judicial rulings) will be enough to convince the presiding judges is an open question. The hope and expectations of the suits' plaintiffs — organizations representing the combined might of an industry that oversees \$3 trillion of IRA assets and \$19 billion of wealth management revenue — is that the **DOL will fall well short, and that its fiduciary rule be relegated to its proper place: the dustbin.**

Here is a link to consumer groups who are supporting the DOL ruling: <http://www.lifehealthpro.com/2016/08/15/consumer-groups-reject-dol-lawsuits?>



More:

Aetna to cut back 70% on Obamacare plans in 2017

<http://www.msn.com/en-us/money/healthcare/aetna-to-cut-back-70percent-on-obamacare-plans-in-2017/ar-BBvFIOq?li=BBmkt5R&ocid=spartandhp>

Aetna (**AET**) is sharply cutting its participation in Obamacare exchanges for 2017. The health insurer said it will offer individual Affordable Care Act (ACA) exchange plans in just four states, down from 15 this year, in an effort to reduce its losses.

The insurance giant says it will offer ACA exchange plans in [Delaware](#), [Iowa](#), Nebraska and [Virginia](#), slashing its Obamacare footprint by 70 percent next year. It will offer ACA plans in just 242 counties, nationally, down from nearly 780 this year.

Aetna's announcement comes two weeks after the company booked **\$200 million in ACA-related pre-tax losses** in its Q2 earnings report and nearly one month after the Department of Justice's anti-trust division sued to block the health insurer's acquisition of rival Humana (**HUM**).

Humana has also announced it will cut back sharply from the exchanges. Their pullback, in the wake of UnitedHealth (**UNH**)'s departure from all but a **handful** of exchanges, means that hundreds of thousands of Obamacare plan members will no longer have access to plans from the nation's three major insurers in 2017.

More:

Are you a member and receiving the latest news, news that can help you make sales? (sorry, crew members only)

**LATEST
NEWS**



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Bill Broich bbroich@msn.com David Townsend david@annuity.com

It is a mystery?

It continually is a mystery to me how security salespeople can reinvent their investment options in an attempt to do what our wonderful products do automatically. A recent article in *ThinkAdvisor* is just more of the same.

The **5 Deadly Sins of Investing** is such an effort.

Cash, bonds, dividends, indexed funds and the best of all: **Market Timing** are all included. Marketers and Agents may benefit from this article.

It brings to mind such a simple question. Why? Why go through the effort when a FIA with an Income Rider provides it? Oh yeah, I forgot, they make money every time a client makes a change.

Enjoy, here is the link:

<http://www.thinkadvisor.com/2016/08/16/the-5-deadly-sins-of-investing?>

More: Lead cost for annuities is a BARGAIN!

Google's entry in auto insurance leads was an extension of its core business... online advertising. Auto insurance is steadily the **most searched and expensive keywords**. Google had a chance to further monetize that traffic by also selling the auto policy. It seems that it did not work as expected.

We may never know the true reason for Google's exit from our industry. But, there are a lot of possibilities as to why they decided to shut down.

Cannibalizing pay per click revenue.

Auto insurance keywords average **\$54 per click**. So, Google makes a significant amount of money off the insurance industry already.

Calculate the cost of leads for auto insurance if it takes 10 clicks to get a lead? 5 clicks?

This makes our scrubbed leads a real bargain, PLUS, we are now seeing results making our leads becoming a lower “*cost of goods sold*”

Assume a worst case scenario that it takes **10 leads to make 1 sale**, (our ratios are better) that means scrubbed annuity leads would have a cost of **\$2500** per sale, our study agent has averaged **\$249,000** per sale, use a lower comp rate of 6% and what is the gross income?

\$14,940 earned for a “*cost of goods sold*” of **\$2500**. What would Boeing, GMC, Campbell’s Soups give for those ratios?

More information? Call any of us.

More: Share from George Harmer CPA

(Asset protection is state specific....BB)

From the Kiplinger Tax Letter Vol 91 No 16, Aug `12, 2016

Bankruptcy creditors can't grab a couple's annuities; an appeals court says. A couple who filed for bankruptcy in **Wisconsin** exempted from claims of creditors three annuities worth close to \$300,000 which they had bought 18 months earlier.

The bankruptcy trustee argued that the only annuities qualifying for the exemption are those that fall within the realm of tax-deferred retirement plans or accounts. But the appeals court disagreed, ruling that the annuities were out of creditors' reach.

It interpreted Wisconsin law to allow the exemption for annuities purchase by the debtor in addition to traditional retirement alternatives (Wittman v. Koenig, 7th Circuit)

Sales and Marketing

PLEASE WELCOME OUR GUEST TODAY, JENNY LEWIS, EXECUTIVE VICE PRESIDENT, FIRST ANNUITY.



WHAT IS ANNUITY MAXIMIZATION?

Annuity maximization is a leveraging technique in which annuity assets are used to purchase life insurance. The goal is to provide a greater death benefit for heirs. Though annuities may be an excellent tax deferred growth vehicle, they are not designed to transfer wealth. Life insurance may be an ideal wealth transfer solution for your clients.

The Annuity Max concept is geared toward providing a **greater death benefit** for heirs using annuity assets. First, consider these key points:

- **Recognize the client:** Someone who is financially secure in retirement and has annuity assets he or she wants to leave for heirs. The ideal client is age 45-85 and has an annuity that isn't needed for current income. That client also wants to leave money to heirs and/or access cash value down the road.
- **Understand the objective:** Typically, there are two possible objectives: 1) maximize the death benefit and 2) access to cash value.
- **Know the product:** Depending on the objective, consider a low cost, guaranteed death benefit product or a life insurance product with the potential to generate cash value growth.

MAXIMIZE YOUR CLIENT'S ANNUITY FUNDS BY USING LIFE INSURANCE

Even the best financial plans can run into unforeseen problems with taxation that could leave your client's heirs with less than planned. By using life insurance to maximize annuity funds, you can help provide your clients with the most value for their annuity funds, without the limitations of income or estate taxes.

WHO CAN BENEFIT?

Many of your clients have used annuities as a savings vehicle. Some of your clients may no longer need the money in the annuity for themselves. Instead, they plan to pass the money on to their heirs.

But did you know that the gains on your client's annuity (the portion that exceeds the original investment) could be taxable income to heirs? In addition, the full value of the annuity is includible in your client's taxable estate, which could result in a diminished inheritance.

To maximize your client's annuity dollars, one strategy is to purchase a life insurance policy with the annuity funds. The beneficiaries of the policy would then be paid a generally tax-free death benefit and avoid the taxes associated with inheriting annuity funds.

ASKING THE RIGHT QUESTIONS

Selling the right product to your client is often a game of questions. Unless you ask the right questions, you won't uncover the right needs. In the particular situation, great questions to ask to get the conversation started would be:

“Do you have an annuity that in your mind is already set aside for passing on to your heirs at your death?”

“Are you sure you won't need your annuity funds in your lifetime?”

“Would you like to explore how, by using the money in the annuity, you could multiply the amount of financial legacy you leave for your loved ones?”

WHY LIFE INSURANCE?

Annuities are subject to income taxes and estate taxes after the owner dies. An annuity's cash value could be severely reduced after beneficiaries are hit with tax liabilities, often determined by:

- the type of annuity,
- the total value of the annuity,
- the income tax brackets of the heirs,
- the size of the estate.

Life insurance, on the other hand, provides a generally income tax-free death benefit and can be structured to be excluded from the owner's taxable estate, thereby avoiding any potential estate taxes. Using annuity funds to buy a life insurance policy can maximize the value for your client's heirs.

HOW DOES IT WORK?

There are two common ways to use the annuity maximization strategy.

1. Single premium

- Transfer the current annuity to purchase a paid up, guaranteed universal life policy on your client's life. In the event that your client does not want to go through full underwriting, there are many simplified, or point-of-sale options available.
- Leverage lump sum dollars into the largest guaranteed death benefit for heirs.

2. Spread out premium payments

- Annuitize or 1035 exchange the annuity into a Single Premium Immediate Annuity (SPIA).
- Use income stream to fund a life insurance policy.
- Your client retains access to cash accumulation, if needed.
- Heirs receive the life insurance death benefit, generally tax-free.

Both options present different advantages and disadvantages—depending on your client's goals. Talk to your client today about this strategy to maximize annuity funds for heirs. Does Anyone have any questions?

\$ sales Tips

Use these 2 sales aids to explain FIA and to make a sale.

I have been using these two pieces to nail some nice sales, Betty is using them Thursday to sell \$300k, easy to use, easy to explain.

“Mrs. Jones, with the volatility of the economy and the possibility of market risk exposure, possibly you may have an interest in what other people have been doing: **Running to safety.**”

Tip: Call the marketing department at American Equity:

Let me show you what I mean. (show the following chart, ask American Equity to send you printed in color and with all disclosures.

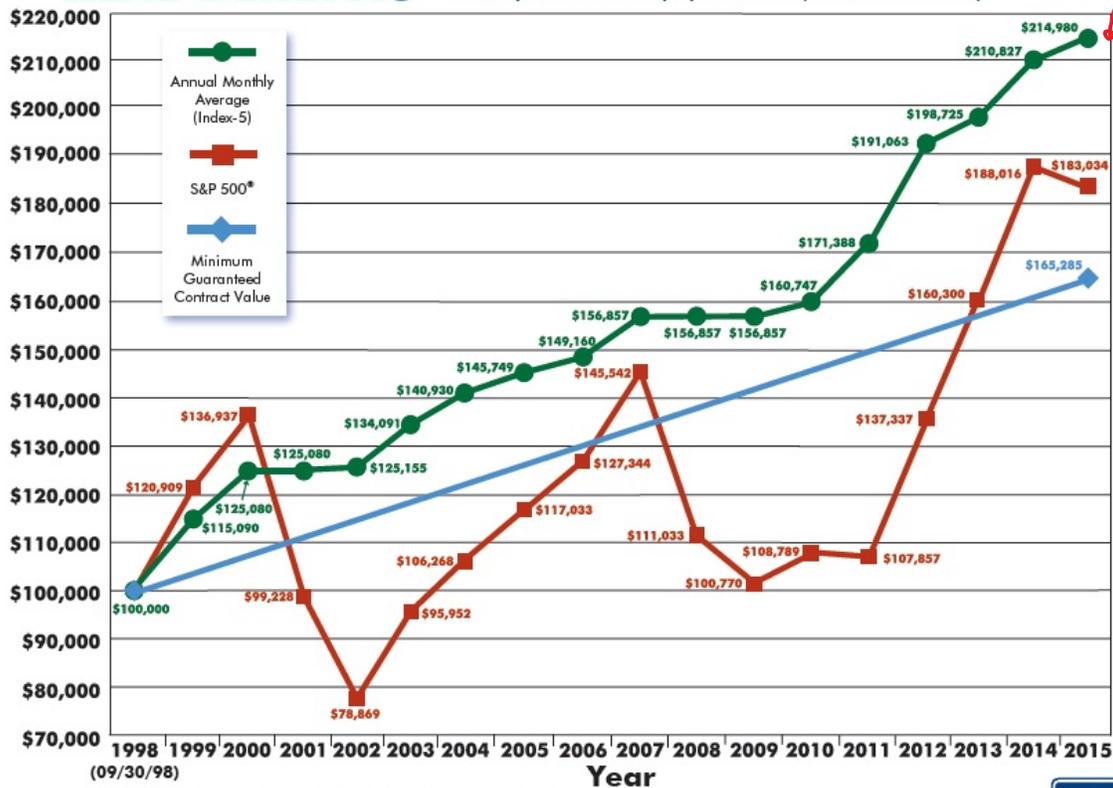
BTW, here is my video page on Retire Village where several videos about FIA are located:

<http://billbroich.retirevillage.com/content/videos>

Chart 1 (has two charts from AE, use both for disclosure)

The "REAL BENEFITS" of Indexed Annuities with the Annual Reset Design

A history of American Equity's Index-5* (9/30/98 - 9/30/15)



*This graph is based on actual credited rates for the period shown on the Index-5 product which is no longer available for sale. Past performance is not an indication of future results. Please call your American Equity Agent for new product information. Check out product disclosure for specific information.

The one who works for you!



8109 10.01.15

Explain the 3 lines. If you need help with the sales language, call any of us.

"Mrs. Jones, the power of our products is safety, security and guarantees without fees, charges and expenses. The following chart shows you how income works with our products, income that is guaranteed, income that you (and your spouse) cannot outlive, income that will guarantee you will never run out of money."

Chart 2

Withdrawal Benefit Details

End-of-Year	Attained Age	Accumulation Period Payment Base	Guaranteed Withdrawal Percentage	Maximum Guaranteed Withdrawal
Issue	59	\$ 110,000.00	n/a	n/a
1	60	\$ 114,400.00	5.00%	\$ 5,720.00
2	61	\$ 118,976.00	5.00%	\$ 5,948.80
3	62	\$ 123,735.04	5.00%	\$ 6,186.75
4	63	\$ 128,684.44	5.00%	\$ 6,434.22
5	64	\$ 133,831.82	5.00%	\$ 6,691.59
6	65	\$ 139,185.09	5.50%	\$ 7,655.18
7	66	\$ 144,752.50	5.50%	\$ 7,961.39
8	67	\$ 150,542.60	5.50%	\$ 8,279.84
9	68	\$ 156,564.30	5.50%	\$ 8,611.04
10	69	\$ 162,826.87	5.50%	\$ 8,955.48
11	70	\$ 169,339.95	6.00%	\$ 10,160.40
12	71	\$ 176,113.54	6.00%	\$ 10,566.81
13	72	\$ 183,158.09	6.00%	\$ 10,989.49
14	73	\$ 190,484.41	6.00%	\$ 11,429.06
15	74	\$ 198,103.79	6.00%	\$ 11,886.23
16	75	\$ 206,027.94	6.50%	\$ 13,391.82
17	76	\$ 214,269.05	6.50%	\$ 13,927.49
18	77	\$ 222,839.82	6.50%	\$ 14,484.59
19	78	\$ 231,753.41	6.50%	\$ 15,063.97
20	79	\$ 241,023.55	6.50%	\$ 15,666.53
21	80	\$ 250,664.49	7.00%	\$ 17,546.51
22	81	\$ 260,691.07	7.00%	\$ 18,248.37
23	82	\$ 271,118.71	7.00%	\$ 18,978.31
24	83	\$ 281,963.46	7.00%	\$ 19,737.44
25	84	\$ 293,242.00	7.00%	\$ 20,526.94

(this is an example of the income benefits of an income rider, show the different income at each year based on one single deposit.)

See how the percentage of payout increases?

See the guaranteed income column?

No fees, fully guaranteed, how simple does it get?

Open MIC News gets this type of marketing help! Want to join in? Email me bbroich@msn.com and I will add you to the list. (sorry crew members only)



“Industry and Marketing news you can use to make more sales!”

Bill Broich bbroich@msn.com David Townsend david@annuity.com

2 Simple Sales Aids to make selling FIA easy.

Need help explaining how a **Fixed Indexed Annuity** works?

Need help showing the power of an **Income Rider**?

TIP: Successful selling is based on successful communication

Use the enclosed link to see how I make lots of **FIA sales** using two simple sales aids.

<http://www.retirevillage.com/download/2-sales-aids-to-make-easy-FIA-sales.pdf>

Bonus: Here is the link to my Retire Village video site, lots of videos about

FIA: <http://billbroich.retirevillage.com/content/videos>



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

Q: Bill, I have been selling annuities for about a year and I have not set up my business as a business, I know taxes are an important part, can you give me some advice? I want to run my business as a professional business.

A: Congratulations on your decision to professionalize your business. Remember this rule, even if you own your business 100%, you will always have a partner, the IRS.

Business Taxes. There are four general types of business taxes. They are income tax, self-employment tax, employment tax and excise tax. Plus, many states have income taxes which must also be accounted for. In Washington we have B&O taxes (business and occupational) that are due monthly, possibly your state has them.

In most cases, the types of tax your business pays depend on the type of business structure you set up, many agents are using a LLC as a way to defend personal liability.

Here is a live link: You may need to make estimated tax payments. If you do, you can use [IRS Direct Pay](#) to make them. It's the fast, easy and secure way to pay from your checking or savings account.

Q: Bill, does it matter what day to call leads, is one day better than another?

A: I think I would be the worst one to ask, however...if you base it on data from 1,000,000 calls compiled by a company called *Inside Sales*.... it looks like Thursday has the highest results...I think Chad would be a far better person to ask.... Saturday morning was always a good time for us to call....but BB

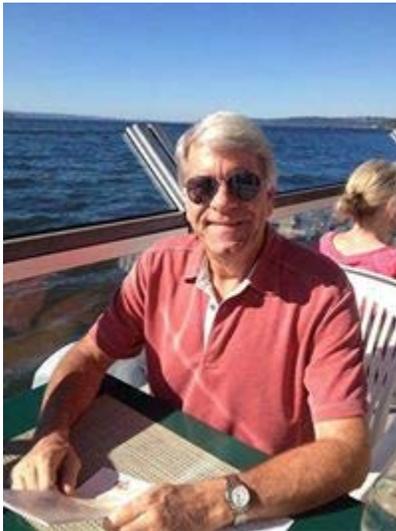
InsideSales Best Days to Make Contact



Here is a link for more info: http://ifn.insurance-forums.net/practice-building/insurance-leads/let-data-tell-you-the-best-day-and-time-to-dial-that-lead/?utm_campaign=Sendgrid-Newsletter&utm_source=sendgrid&utm_term=newsletter&utm_medium=email-newsletter

Product Information:

Hello from David Townsend



[View in Web Browser](#)

ISSUE DATE:
August 15, 2016

Annuity.com

David Townsend

253-381-2328

Email Me

View Website

Planning to Be Healthy After Reaching Old Age?

We tend to think if we're healthy, we'll stay healthy. Dr. Bob Pokorski shares a few positive steps that if taken today may help increase one's chances for a longer and healthier life. [7 Steps for Successful Aging.](#)

JHAM Radio: Why "Irrevocable" Doesn't Necessarily Mean Inflexible

What options do clients have when their existing ILIT does not meet their current needs? Can the ILIT be modified? Terminated? These are the types of questions the Advanced Markets group receives time and again. Due to the popularity of this topic, JHAM is bringing you two shows with two experts to talk about this need. In Part 1, Attorney Martin Shenkman discusses what options are available for clients who have existing trusts and what planning techniques may be available if things change. In next month's show, Attorney Alan Brown will provide another opinion on the options clients have to build flexibility into new trusts as well as how they can work with existing trusts that no longer meet current needs. [Click Here to Listen](#).

Add More Life to Your Clients' Retirement

Challenges we all face, such as taxes, healthcare expenses and market volatility, can send even the best laid retirement plan off the rails. Life insurance is a powerful solution that can help fight them all! Start the conversation today about how life insurance can help meet a death benefit need AND potentially generate a stream of supplemental retirement income to keep retirement plans on track. [These materials](#) will help you.

Sales Materials Made Easy

The North American Marketing Materials website is your one-stop life insurance marketing shop. Put fresh life insurance sales ideas to work. From brochures to videos, access our latest educational and marketing materials—even on the go, including a robust sales concept library, comprehensive product info, social media training and tips, and more. Check out the

[marketing materials website](#).

Build an Income Gap Strategy

Deferring Social Security until maximum retirement age could give clients a 32% gain in benefits. However, waiting to take Social Security benefits may mean clients will need to bridge an income gap until that Social Security income begins ... that's where we can help. [Read more](#).

Every week, First Annuity sends 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

Effective Monday August 22nd Global Atlantic will be lowering their income factors on 150+ ([link](#)), 125+ ([link](#)), 115 ([link](#)) and Choice Income ([link](#)). Bonus changes as well to ForeSpending Select ([link](#)). Applications must be received by the close of business Friday August 19th to receive the current income factors, higher premium bonus. Elite Agent Bonus Program will sunset on Friday 9/30/2016

- Income factors will be reduced on the following products:
 - Income 150+
 - Income 125+
 - Index Bonus 115
 - Choice Income
- The Premium bonus on ForeSpending Select will be reduced from 7% to 5%.
- Applications must be received by the close of business Friday August 19th to receive the current income factors, higher premium bonus.
- Elite Agent Bonus Program will sunset on Friday 9/30/2016

North American

Great news! The North American Benefit Solutions FIA is producing excellent income in the early years, beating most carriers in the first three years. Contact your First Annuity Advisor Consultant for an income rider comparison.

ONGOING ANNUITY CARRIER NEWS

Athene

Effective September 2nd, Athene Annuity will be discontinuing sales of the Target Horizon fixed index annuities in all states. Applications must be received in good order at the home office by September 2nd to receive the product as applied for. Please click [here](#) for additional details.

F&G

Effective on their August 15th buy date F&G will be changing their income roll-up rates to 7% on the Safe Income Plus and 6.25% on the Prosperity Elite Series. They will also adjust the bonus down 1% on the Safe Income Plus and Prosperity Elite 10 product. Policies must be issued (funded and in good order) by August 4th in order to receive the current bonus and roll-ups. Click [here](#) for product updates.

Guggenheim

Elevate your commission with a 1% Commission Bonus on TriVysta Production issued from 4/4/16 to 8/31/16. Hot new rates just released on TriVysta, see August rate sheet [here](#). Click [here](#) for the general rate sheet for 2016.

National Western

National Western Life- Sizzling summer sales efforts will earn you a 1 % comp bonus on all qualifying premium from 8/1/16 - 9/30/16. Please click [here](#) for additional details.

North American

North American will be hosting a webinar on Tuesday the 16th introducing their new Income Choice 7 produce. It will feature the highest income potential of any North American Product, so far, with a 150% stacking roll-up and no income rider fee. If you want to join the webinar, just click [here](#) to enroll.

North American has announced that the Income Pay Plus rider will no longer be available on the Charter Plus II policy. Applications received after August 16th cannot be issued with the rider. Click [here](#) for the availability chart.

Great news! Effective August 16th, the Income Pay optional income rider will be available on the Performance Choice FIA. Contact your Advisor Consultant at First Annuity for more details.



BTW....Check out:

**“On....The....Fly” Marketing
Just past the “short list” on
Open MIC notes.**



The Short List: Articles of interest for the working agent

NAFA Sues the DOL

Annuity Leadership Forum in D.C. a Success and Congress Attempts to Overturn President’s Veto On June 2, NAFA filed a federal lawsuit in the D.C. District Court challenging the Department of Labor’s new “fiduciary rule.” The lawsuit seeks a preliminary injunction to stay the rule, which is currently scheduled to become operational in April 2017. [...]

Principle-Based Reserving To Be Implemented January 1, 2017

When the National Association of Insurance Commissioners (NAIC) adopted the revisions to the Model Standard Valuation Law (SVL – NAIC MDL #820) in 2009, it introduced a new methodology for calculating life insurance policy reserves called Principle-Based Reserving, or PBR. According to the American Academy of Actuaries, which worked closely with the NAIC to develop [...]

Potential Changes to Fixed Annuity Product Designs After Implementation of the DOL Fiduciary Rule

The life insurance industry is now contemplating what it must do to implement the final DOL fiduciary rule (“the rule”). The April 10, 2017 date is known, circled on most calendars and the race is on to comply with the 1,023 page rule by that date. Most organizations are doing their planning, assuming there will [...]

The New Language of Permanent Life Insurance

Research reveals a better way to engage with consumers so they won’t “turn off” when life insurance is discussed. This issue of Annuity Outlook magazine article excerpts an AXA White Paper: The New Language of Permanent Life Insurance, based on positioning and messaging research by Maslansky + Partners. Life insurance sales have never been easy, [...]

Cash value accumulation test or guideline premium test: a comparison

As life insurance products evolved, particularly in the early 1980s, with the advent of universal life (UL) insurance characterized by flexible premiums, other client considerations came to the forefront. Should permanent life insurance products be designed to emphasize pure death benefit protection or pure accumulation? Death-benefit-focused products have more “levelized” costs, i.e., a shallower expense curve, [...]

MetLife goes for broke in latest SIFI case filing

WASHINGTON — “There is no reasonable possibility” that material financial distress at MetLife would ever pose a threat to the financial stability of the United States, the company argued in a filing to an appeals court on

Monday. The brief was filed in the U.S. Court of Appeals for the D.C. Circuit as MetLife continued [...]

When clients can't afford to retire

A recent study by HSBC shows that 40% of Americans are unable to retire until their 70s, and an unlucky 20% are unable to retire ever. A survey by Willis Towers Watson corroborates that finding, showing that about one in four U.S. employees think that they won't be able to retire until after 70, and [...]

Consumer groups reject DOL lawsuits

WASHINGTON — Three consumer groups are asking a D.C. federal court to deny a trade group's request for an injunction that would bar the Department of Labor (DOL) from implementing its fiduciary standard rule next April, pending further legal proceedings. The friend of the court brief was filed by Better Markets, Inc., Consumer Federation of [...]

Even popular changes to DOL fiduciary rule are proving problematic

A handful of changes the financial advice industry praised when the final DOL fiduciary rule on retirement advice came out in April are turning out to be less advantageous than expected. For one, the rule that allows advisers to use product revenue within the best-interest contract exemption has become difficult when it comes to ensuring [...]

Court tosses fraud complaint against former investment adviser Dick Van Dyke

An Illinois appeals court has ruled that state regulators overstepped their authority in 2013 when they accused Springfield financial adviser Dick Van Dyke of fraudulently marketing retirement products to older clients. In a unanimous opinion handed down last week, three justices of the Fourth District Appellate Court in Springfield found that the Illinois Department of [...]

Be Proactive with Objections – Understanding Fee Products VS. Spread Products

As we embark into new horizons in the insurance industry and potential regulatory changes, we consistently need to remind ourselves the reason we act as financial advisors. For many of us, we want to make a positive impact on our clients' lives so they enjoy a happy and successful retirement. Unfortunately, there are many who [...]

3 must-have digital technologies for today's insurance agents

As the world moves rapidly toward internet- and mobile-based means of advertising and lead generation, the insurance industry is following suit, but perhaps more slowly than other major business categories. Today, only one-third of independent insurance agents in the U.S. have structured programs in-place for online lead generation, according to Quote Wizard, a digital insurance [...]

Annuities as an RMD answer: navigating potential pitfalls

While many advisors have counseled against purchasing an annuity with IRA funds in the past, in today's post-recession world, there are a variety of valid reasons why a client may be interested in the annuity-within-an-IRA strategy. However, as with any retirement income planning strategy, the pitfalls associated with a poorly executed annuity purchase strategy can cause [...]

S&P 500, Dow, Nasdaq all hit record highs

(Bloomberg) — All three U.S. stock benchmarks hit record highs for the first time since Dec. 31, 1999, amid surprisingly strong earnings announcements. Meanwhile, across the pond, European shares erased the slump that followed Britain's secession vote. The S&P 500, Dow and Nasdaq indexes all advanced amid better-than-forecast profits at retailers Macy's and Kohl's. Europe's [...]

BTW...how can you not like this level of marketing?



If you are not using video, re-think that decision.

***“On....The....Fly”* Marketing**

With the recent **Brexit** mess, many clients and prospects are more confused than ever. Many of us have prospects “fence sitting” not quite sure which way to jump. We have added a new feature to our Retire Village marketing services, we have added ***“on the fly”*** marketing. OTF provides you with a message that is currently meaningful, a message that allows you to touch your clients and prospects with a meaningful message. This service is provided for you and allows you to be the first with important information.

A crew member did just that, responded to his prospects and clients (via RV database) and wrote \$1,800,000 form two prospects, prospects that were fence sitters and were moved along by the marketing I am showing you below.

1st: Here is the blog post on Annuity.com.

BREXIT: What volatility!

With the announcement of the United Kingdom (UK) leaving the European Union (EU), markets around the world lost \$2 trillion in value, instantly. The question that everyone is asking, what does it really mean? How does the UK divorce from the EU really affect me?

One thing is for certain, in the short term, **volatility will reign**. The longer term view requires a little more understanding on how trade actually exists between America, Europe and now standing alone, the United Kingdom.

Trade with the US and the UK is not much when measured against our Gross Domestic Product (GDP). It is a mere .31% of our overall economy, less than ½ of a percent. One advantage Americans might have from the EU divorce is the strengthening of the dollar against the Euro, of course the downside might also be less trade with the EU. Less trade could mean less American jobs, and the ripple will begin.

Trade with the UK and the EU is more substantial, almost 5% of all EU GDP. Concern is great in the EU in regards to a stampede, how many more exits from the EU might there be. For years, Germany has been rattling sabers in that direction and an exit of more EU members would certainly lead to economic chaos.

When you consider the market situation and whether it can be monitored in a manner that might be meaningful, that seems a stretch. The wind blowing across the Atlantic might make thoughts of a “bull” market look exactly like a “bear” market. Still a four legged animal but each so different from the other.

Fortunately, we offer our clients safety and freedom from market risk.

2nd Here is “*on the fly*” marketing.

“On The Fly” Marketing

I would like to share with you a new marketing piece that was sent to agents using the “customized” Retire Village system. For members who wish to upgrade (or have) their Retire Village to customization, we provide customization of the videos and now customization of **news and current events**. This is a new marketing feature to Retire Village.

We have the internal ability to provide these "reports" anytime they are needed. Think of the power of the database containing "fence sitters" or the ability to send this out to radio leads, seminar leads, referrals! Think of the ability to provide key and pertinent information which is fully customized.

Based on current events, we are now able to provide this level of "on the fly" marketing, which means a quick turnaround. You could call with an idea and wham...there it is!

Our custom agents can use this to take advantage of national, international and/or local events.

We currently have 16 videos completed, 3 in production and 9 in queue. Next year we will continue to add a new video a month, available for all RV agents.

There is no charge for the "on the fly" marketing to agents who have joined the custom upgrade. This will help all agents build relationship and retain clients and generate leads.

3rd Here is what was prepared for agents using the customized marketing system. The marketing contains information, a video link, inside the link is a call to action.

Page 1



Safe Money Ladies

Providing honest facts and education about retirement planning with safety and guarantees.

(206) 551-5013

Betty Arellano & Marilyn Clark

safemoneyladies.retirevillage.com

BREXIT

Oil Prices - Corporate Bond Defaults - Market Volatility

Where does it all end? With the recent vote for the United Kingdom to leave the European Union, markets around the world lost \$2 trillion in value.

\$2 Trillion!

What happens to your retirement accounts when volatility that none of us have any control over rocks our account values?

Now add to this

- a massive fine against Merrill Lynch for failure to safeguard investor assets and misuse of client's cash, the largest fine ever imposed by the SEC—\$415 million.
- Corporate bond defaults are expected to be the highest in 2016 since the great depression.
- Oil prices worldwide have dropped to a level that millions of people have lost their jobs.

Where do we turn?

How do we protect our important assets?

If you already own a Fixed Indexed Annuity, then you know how wonderful sleep can be. Fixed Indexed Annuities are safe, secure and guaranteed by insurance companies.

Fixed Indexed Annuities NEVER participate in market losses, only in gains.

1

Notice how Brexit was mingled with other volatile news?



To feel more assured about the options you have available to you in retirement, click the image linked to the left or visit <https://player.vimeo.com/video/171639734> (internet connection required).

Call for our FREE Safe Money Guide and Best Annuity Rates Report so you can also learn about these "safe money" products.



Betty Arellano & Marilyn Clark
(206) 551-5013
Safe Money Ladies

Providing honest facts and education about retirement planning with safety and guarantees.

See the link above? It opens a video driving the call to action:

4th Here is the customized video link for the above email drip

<https://player.vimeo.com/video/171639734>

Here are some snippets of the video:

(volatility)

Is your future safe?

(mine fields for retirement)

Healthcosts Skyrocket

Volatile Financial Market

Retirements in Jeopardy

The Recession Continues

Depressed Home Values

(sadness and despair)



Are you ready for a fixed annuity?



(a solution and hope)

5th (the Call to Action)

(206) 551-5013
Free Personalized Annuity Quote

6th (trust and offer)

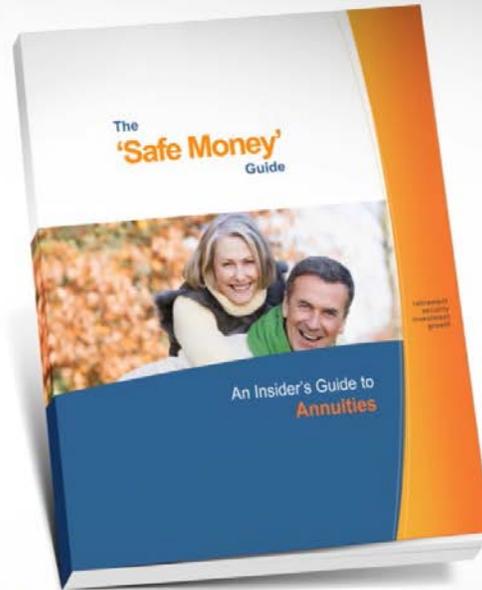


**Betty Arellano
& Marilyn Clark**

(206) 551-5013 call or text

safemoneyladies@retirevillage.com

<http://safemoneyladies.retirevillage.com>



Providing honest facts and education about retirement planning with safety and guarantees.

7th

So.....how did this work out? Any sales?

\$1,800,000

The result, 2 “fence sitters” moved forward and he wrote **\$1,800,000** in premium.

All because of this “*on the fly*” marketing piece. It was prepared for him and delivered for any use he wished FREE!

\$1,800,000 of new annuity premium!

Here is an example of what was prepared for those agents using “customized” **Retire Village** services. This is the drip sent out to the agent’s database.

Here is the live link (as example) for **Safe Money Ladies**:

Here is the link, be sure and click the video in it:

http://safemoneyladies.retirevillage.com/download/betty-arellano-marilyn-clark/NEWS01_BREXIT.pdf

We Recommend:

www.annuity.com/agenttools

If you are not using this "Free" resource you are missing out....did I mention it is free?

There is a ton of info here, it requires no password and it is up to date information.



Annuity Search and Comparisons



Term Life Quotes and Comparisons



Forms Search for Life Insurance



Product Information for Life Insurance



Disclaimer:

David Townsend and I own Annuity.com, but we have a lot of marketing friends, friends that you might be better off if you knew them. Sherilyn Orr at *Retire Village* and *Infofuel*, Chad and Anthony Owen at *Annuity Agents Alliance*, Kevin and Allison at *FinAuction*, Carl, Darin, Tom and all the crew at *First Annuity*....and many more.

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Did you know that since 2000, Boise State is 97-6 at home? In the past 10 years, Boise State is the winningest football team in division 1. 124 wins.

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