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

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tony@annuityagentsalliance.com

OR VISIT OUR WEBSITE

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AGENT RECRUITER: Location to be determined based on qualified applicant.

Please submit a resume and proof of production to tony@annuityagentsalliance.com.

- Phone sales and cold calling skills are a must.
- Willing to handle high volume of inbound and outbound calls.
- Must have high level of ambition, energy, integrity, and dependability.
- Six figure earning potential.
- Annuity product info and industry knowledge a plus. Will train otherwise qualified applicant.
- Work from home possibilities.
- Applicant can also sell annuities as long as business goes through us.

***"It takes a village to raise an annuity agent"*.....Bill Broich**

It's Open MIC Time!

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

Words of Wisdom

"Zombies hate fast food"....as seen on a t-shirt in Calistoga, but still wise words...lol....BB

Congress at lowest approval rating in history, 10%.

Politics at Civil War level says **Iowa Senator Tom Harkin** (he killed 151A and is our hero) say he believes..... *"We are at one of the most dangerous points in our history right now. Every bit as dangerous as the break-up of the Union before the Civil War."*

Government shutdowns, have they happened before?

Yes, a government shutdown, which spanned over 28 days between November 1995 and January 1996. Until the issue is settled, many **blips of the stock market** will be seen through the lens of the budget battle (and debt ceiling debate).

Government shut down and continual fight in congress continues. Your clients and prospects may have questions; here is some help, I highlighted a few points in red, things I think might be important.....BB

The Government Shutdown

Basic information and frequently asked questions.

As you have no doubt heard, the United States government shut down at midnight (Eastern) October 1, 2013. There are many questions and concerns about this situation, but here are some basics.

What happened? In short, Congress did not pass any of their appropriations bills. These bills provide money to various to federal agencies. Federal law requires agencies without these funding laws in place to close.[1]

How long will this last? As with other shutdowns, this is largely up to the **two major parties** and their abilities to reach whatever deal is necessary to get the bills passed. If we look to history, the two most recent government shutdowns happened in the Clinton administration. One only lasted five days. The other lasted three weeks.[1]

What's closed, what's opened? Not every public service is shut down entirely, as not every agency requires appropriations to function. **Social Security and Medicare are not affected**, active duty military continue to function, as does the Department of Defense, as do intelligence, law enforcement, and our embassies overseas. Some are only partially closed; U.S. Courts will be open for 10 days, for instance.[1,2]

CNN has a frequently updated list of shutdowns at:
http://www.cnn.com/interactive/2013/09/politics/government-shutdown-impact/index.html?iid=article_sidebar

How is this different from the debt crisis? They are different situations, but one can affect the other. The debt crisis relates to the separate matter of establishing how much money the U.S. Government can borrow in order to fund its various agencies and programs. However, Treasury Secretary Jack Lew says that the crunch is coming soon – no later than October 17.[4]

With the shutdown a fluid situation, it's difficult to say when this will be resolved. Whether you are a government employee or an ordinary citizen, it's only natural to be concerned. It may be a good time to contact a financial professional and inquire if and how the shutdown may affect you.

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More

Here is more info which could be helpful to your clients and prospects….BB

What If America Shatters Its Debt Ceiling?

The global economic consequences could be severe.

In October, America may risk running out of cash. Treasury Secretary Jacob Lew recently urged Congress to lift the federal debt limit before October 17. Secretary Lew claims that if nothing is done by that date, the Treasury will have only about $30 billion in available cash to pay down as much as $60 billion in daily net expenditures. The nonpartisan Congressional Budget Office has a slightly different opinion: it believes that the government will run out of free cash sometime between October 22 and November 1 if a stalemate persists on Capitol Hill.[1,2]

Many Americans may confuse the impasse over the debt ceiling with the sparring over the federal budget, which has made headlines all September. October 1 was set as a deadline for Congress to pass a stopgap funding measure to avoid possible shutdowns of certain federal agencies. The debt ceiling could be breached in mid-October. Technically speaking, the debt limit was already hit on May 19, with the Treasury Department taking what Secretary Lew calls "extraordinary measures" to keep enough cash on hand, such as dipping into exchange-rate funds.[1,2]

America has never defaulted on its debt before; what would happen if it did? No one particularly wants to find out. "Any delay in raising the debt ceiling would have dire economic consequences," respected Moody's Analytics economist Mark Zandi testified in front of Congress last week. "Consumer, business and investor confidence would be hit hard, putting stock, bond and other financial markets into turmoil."[1]

If the debt ceiling shatters, the Bipartisan Policy Center estimates that America would have enough cash on hand to pay 68% of its debt through the end of October. It would have to borrow to meet the $42 billion in Social Security and Medicare payments due in November.[2]

Global markets might get a **systemic shock** if America defaulted on bond payments. Investors might have one of their core assumptions upended – the assumption that Treasuries are the safest investment on earth.[2]

Couldn't the government just partially pay its debts for a while? Could the Treasury pay off $30 billion in select debts each day and let other debts linger? This approach – known as prioritization – sounds reasonable, but it may not be doable.

The *Washington Post* reports that Treasury Department computers receive upward of 2 million invoices per day. Software confirms the math on them and green lights the payment for each one of them, and this all happens dozens of times per second. According to the BPC, the federal government makes almost 100 million different monthly payments on its debt this way. Secretary Lew dismisses the approach; as he wrote in a letter to House Speaker John Boehner, "Any plan to prioritize some payments over others is simply default by another name."[2]

Aren't there some "end runs" the Treasury could make around the problem? In the (very) short term, the Treasury could simply let invoices pile up and delay payments for a particular day until it had enough cash to pay every debt obligation for that day. Or, the Office of Management & Budget could tell assorted federal agencies to slow down the rate of invoices headed to the Treasury, informing them that they would have to wait until later in the year to spend certain monies allocated to them (this is called "apportionment").[2]

Two beyond-the-left-field-fence fixes have also been suggested: the possibility of President Obama declaring the debt ceiling unconstitutional under the 14th Amendment, and the idea to mint a $1 trillion coin.

Section 4 of the 14th Amendment says that "The validity of the public debt of the United States, authorized by law, including debts incurred for payments of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned." In 2011, White House legal advisers told President Obama that this 1868 reference to the repayment of Civil War liabilities had dubious value as a tool to lift the debt limit.[3]

Georgia lawyer Carlos Mucha gained fame in 2012 by proposing that the Treasury authorize the U.S. Mint to make a $1 trillion platinum coin which could be deposited at the Federal Reserve. Once deposited, Mucha claimed, the Fed could credit the federal government's account for $1 trillion and everything would be solved. An obscure passage in the 1997 Omnibus Consolidated Appropriations Act supposedly provides a rationale for this; according to its author, Rep. Mike Castle (R-DE), the passage was written to help coin collectors. In January, Treasury Department spokesperson Anthony Coley told the *Washington Post* that "neither the Treasury Department nor the Federal Reserve believes that the law can or should be used to facilitate the production of platinum coins for the purpose of avoiding an increase in the debt limit."[4,5]

The world waits & watches. As we get into October, the debt limit will become more and more of a global concern – one that will hopefully fade through negotiation and compromise.

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Inflation could rear its head with the increase in higher yields. How much more federal deficit would we have if interest rates rose just ¼ of a percent? Half? Higher interest rates could be good for our industry, but good for America?.....BB

If you clients are concerned about inflation, Here is a good website for inflation data, www.inflationdata.com It also has historical data. **Free**.

Current Consumer Price Index (CPI-U) 233.877
Current Inflation Rate **1.52%**
Released September 17, 2013 for August 2013 Provided by InflationData.com

InflationData.com	Current Annual Inflation Rate												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2013	1.59%	1.98%	1.47%	1.06%	1.36%	1.75%	1.96%	1.52%	NA	NA	NA	NA	NA
2012	2.93%	2.87%	2.65%	2.30%	1.70%	1.66%	1.41%	1.69%	1.99%	2.16%	1.76%	1.74%	2.07%
2011	1.63%	2.11%	2.68%	3.16%	3.57%	3.56%	3.63%	3.77%	3.87%	3.53%	3.39%	2.96%	3.16%
2010	2.63%	2.14%	2.31%	2.24%	2.02%	1.05%	1.24%	1.15%	1.14%	1.17%	1.14%	1.50%	1.64%
2009	0.03%	0.24%	-0.38%	-0.74%	-1.28%	-1.43%	-2.10%	-1.48%	-1.29%	-0.18%	1.84%	2.72%	-0.34%
2008	4.28%	4.03%	3.98%	3.94%	4.18%	5.02%	5.60%	5.37%	4.94%	3.66%	1.07%	0.09%	3.85%
2007	2.08%	2.42%	2.78%	2.57%	2.69%	2.69%	2.36%	1.97%	2.76%	3.54%	4.31%	4.08%	2.85%
2006	3.99%	3.60%	3.36%	3.55%	4.17%	4.32%	4.15%	3.82%	2.06%	1.31%	1.97%	2.54%	3.24%
2005	2.97%	3.01%	3.15%	3.51%	2.80%	2.53%	3.17%	3.64%	4.69%	4.35%	3.46%	3.42%	3.39%
2004	1.93%	1.69%	1.74%	2.29%	3.05%	3.27%	2.99%	2.65%	2.54%	3.19%	3.52%	3.26%	2.68%
2003	2.60%	2.98%	3.02%	2.22%	2.06%	2.11%	2.11%	2.16%	2.32%	2.04%	1.77%	1.88%	2.27%
2002	1.14%	1.14%	1.48%	1.64%	1.18%	1.07%	1.46%	1.80%	1.51%	2.03%	2.20%	2.38%	1.59%
2001	3.73%	3.53%	2.92%	3.27%	3.62%	3.25%	2.72%	2.72%	2.65%	2.13%	1.90%	1.55%	2.83%
2000	2.74%	3.22%	3.76%	3.07%	3.19%	3.73%	3.66%	3.41%	3.45%	3.45%	3.45%	3.39%	3.38%
Note: Red indicates Deflation, NA indicates data not yet released.													

October 1st is the opening of the (sign up by state of residence) health indexes; actual coverage begins January 1, 2014. Concern is everywhere, mostly because of misinformation and no clear understanding of what is actually going to happen.....here is info for you.....BB

Obama Care and the ACA

You will be asked by your clients and prospects about the new health care system which allows sign ups to begin October 1 with a start date of January 1, 2014.

There is a huge amount of info, in doing research I found this site at CNNMoney which covers most topics and allows you to get a handle on the program and its issues. Lots of links at CNNMoney for details.

http://money.cnn.com/2013/09/25/news/economy/obamacare-premium-rates/index.html

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This topic first caught my eye last year with a bank in Panama, now maybe Europe? Worth having some low level background info, more info at the link below....BB

Bail Ins: Can this actually be true?

It has happened before in other countries.

Previously the federal government has taken taxes from consumers, or borrowed the money, to hand out to **troubled banks**. But the next time may be a little different, and could allow banks to reach **directly into consumers' bank accounts** for their cash. Authority to allow bank "bail-ins" would be in lieu of approving any future taxpayer bailouts of banks that would be in dire need of recapitalization in order to survive. Nothing would surprise me anymore.

With the United States facing a $17 trillion debt and an acidic debate in Washington over raising that debt limit on top of a potential government shutdown, Congress could mimic recent European action to let banks initiate a “bail-in” to blunt future failures, experts say.

Previously the federal government has taken taxes from consumers, or borrowed the money, to hand out to troubled banks. This could be a little different, and could allow banks to reach directly into consumers' bank accounts for their cash.

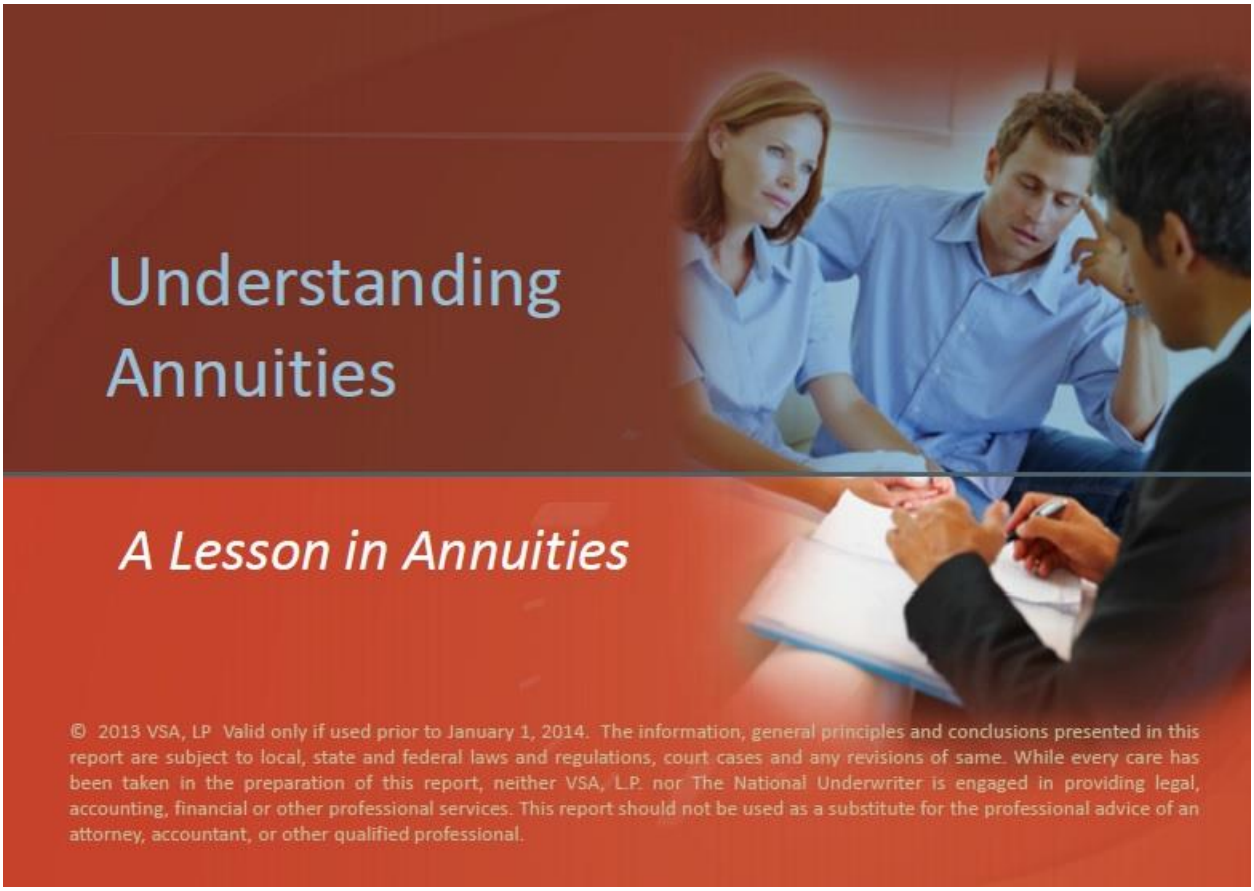
Authority to allow bank "bail-ins" would be in lieu of approving any future taxpayer bailouts of banks that would be in dire need of recapitalization in order to survive.

Some financial experts contend that banks already have the legal authority to confiscate depositors' money without warning, and at their discretion.

Read more at http://www.wnd.com/2013/09/americans-warned-bank-bail-ins-coming/#yCCy4RsiSuFQIllw.99

I have long been a fan of Virtual Assistant, they provide tons of info at reasonable prices....here is their website www.fsonline.com I suggest they might help you with presentations, such as the one below about explaining the basics of annuities....BB

http://fsonline.com/Lesson-In-Annuities-Slides.pdf


Understanding Annuities
A Lesson in Annuities
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Recently I visited with a referral from a long term client of mine. They asked me this question point blank, ***"Should we invest in an annuity?"***

My answer was simple and resulted in a full and complete fact finder. During the fact finder I asked my power question (below) and their answer resulted in a $250,000 annuity sale.

Their answer? *"They told me the purpose of their IRA and what they hoped to accomplish."*

Should I Invest In An Annuity?

Should you invest in a house? An IRA? Stocks and bonds? How should you invest your important money?

The answer is actually quite simple if you can answer just one question.

"What is the purpose of your money and what do you want it to accomplish?"

Most people can't answer that question immediately. The reason is simple; it is a very hard question to answer. The funds could be for a new car, a vacation home, retirement, education. The answer is dependent on the goals of the person asking the question.

Should you invest in an annuity?

I believe that the basis of all long term investing that concern funds for retirement should be in something safe and secure and free of risk. I also believe that a portion of your long term retirement funds should have some degree of risk. With risk comes the possibility of gain, gain can help offset inflation and add to the retirement pot.

My father didn't invest in the stock market; he kept his money in the bank. Did he make a mistake being so conservative? Did it cost him money in the long term by not investing more aggressively? No, he didn't lose money by investing in banks; he lost the "opportunity" to make more money. That was his downside, he lost an opportunity, but he didn't lose his money, it was still safe and secure.

Consider a plan that includes an annuity as your choice for your safe and secure funds for one simple reason. Insurance companies who provide annuities do not care how long you live, they will accept the responsibility of providing you income, income you cannot ever outlive, regardless of how long you live.

Once you base is in place, then add investments which can have some risk but also some larger rewards. Then as you age and get closer to retirement time, slowly convert your risk investments to the safe and secure side, the annuity side. A simple and easy approach to managing your own retirement plan.

Should you invest in an annuity? Yes, as the foundation of your retirement plan.

More VA nonsense, investors scurrying (like rats) to hedge their bets.....BB

http://www.investmentnews.com/article/20130929/REG/309299994#

Some could break even with Axa's latest VA buyout offers

Some advisers, clients could come close to breaking even with the deal

By **Darla Mercado**
Sep 29, 2013 @ 12:01 am (Updated 10:04 am) EST

Financial advisers and clients are getting Axa Equitable Life Insurance Co.'s second wave of variable annuity buyout offers, and the verdict is mixed.

This is an actual case from a good friend and crew member, it is in regards to competing against a variable annuity which had a life insurance rider attached, there are a couple of parts....BB

Originally I had the company, the type of VA and all other info, but I took them out strictly because the prospectus to look everything up (to be fair to the VA company) was 890 pages....this is a real policy.....BB

I have a new client with an xxxxxxxxxxx Series Fixed and Variable Annuity with Joe's Annuity Company. I do not understand the fees:

- *Mortality and Expense Charge – 1.55% per year*
- *Administration charge – 0.15% per year*
- ***Total asset-based charges – 1.7% per year***

Is this too high?

According to the SEC, your fees are slightly above average. M&E fees are usually about 1.25%. Your administrative fees are at the average of 0.15%. But typically, you're charged fees on top of M&E and administrative fees. In December 2012, the average expense ratio for variable annuities (M&E + Admin + Fees) was **2.28%.**

6% death benefit rollup of	**1.60%**
Money management fee (average)	**1.00%**

Could overall fees actually be close to 4.5% to 5%? Yes!

6% rollup death benefit has annual fee of 1.60% per year of accumulated value

Fund management fees vary but probably average 1%

I found this info in the offering prospectus, please refer to any prospectus for precise information, I have summarized….BB

The 6% rollup intrigued me, it sounds so good until you have a deep look at it. 6% annual simple interest would increase $100,000 starting value to $179,000. If I die my family would receive $179,000 guaranteed form my original deposit of $100.000.

Wow!

Let's have a closer look and assume the policy earned 3% over the 10 years in growth. The value of $100,000 over 10 years at 3% is $135,000.

I have paid 1.6% of my accounts value for the death benefit of $179,000.

1.60% of a 10 year average account value of $1,880 a year. $1,880 a year times 10 years is $18,880.

Now what would my net be? **About $25,000**. I have been paying high rate premiums (probably class 6 or higher) for a small amount of net death benefit.

Now do you understand why I will never sell variable annuities and why I oppose their fees?

Explain this math calculation to your next prospect who may be considering a variable annuity, add the d=fees up.

Q. How much do you need to earn to net a reasonable return for your money if you pay 4.5% in annual contract fees?

A. More than anyone should have to accept risk to make.

The premium for the amount of insurance is excessive, in my opinion.

Our friend Stan is after the banks now, go get them! I have made a few marks in red for emphasise, if you go to www.lifehealthpro.com you can sign up for his articles. Worth it.....BB

http://www.marketwatch.com/story/be-wary-of-local-banks-selling-annuities-2013-10-01?link=MW_latest_news

Be wary of local banks selling annuities

By Stan Haithcock

About Stan . You can learn more at stantheannuityman.com.

With interest rates at historic lows, annuities have become a major profit center for many local bank branches across the country.

My parents are the prototypical CD buyers, and appropriately live in the oldest city in America, St. Augustine, Fla. They both grew up in deep south North Carolina, and their investment conversations always focus around interest rates and their current CD holdings. My dad used to love to go to the local bank branches and try to negotiate a little higher rates for the small amount of money that they were trying to grow. He really enjoyed the verbal back and forth between him and the local bankers, and would boast if he got any extra yield on his CD holdings.

My how times have changed. Now my dad avoids the local bank branches like the plague because every time he steps foot in the door, they are trying to sell him an annuity. He's even tried wearing my Stan The Annuity Man logo'd hat and shirt, and they still blindly move forward with their annuity pitch. He even get's calls at home from the banks that "stumble upon" the fact he has a large money market balance to see if he would like to consider talking with one of the branch advisers about an annuity. I give the bank branches credit for sales persistency, but enough is enough.

Annuity sales through banks have risen steadily over the past decade, and that trend will most likely continue. Let's take a look at what has caused your local bank branch to become the next place trying to sell you an annuity.

Starving for yield

With interest rates at historic lows, the traditional "saver" and CD buyer is in a state of yield depression. Typically, a fixed-rate annuity can provide a slightly higher yield than its CD counterpart, but doesn't carry the same FDIC safety that most CD buyers love and feel comfortable with. Fixed-rate annuities are backed at the state level by individual state guarantee funds, but this coverage can't and shouldn't be compared to FDIC.

A growing problem in my opinion is that CD buyers are being convinced to replace that **traditional fixed-rate strategy with variable or indexed annuities**. Judging from the weekly calls I receive from people wanting me to explain the annuity they just bought from the bank, too many of them are confusing an attached benefit income rider percentage with actual yield. Income riders can only be accessed in payment form, and can't be accessed in a lump sum like CD's. The overwhelming majority of deferred variable and indexed annuities purchased today are sold with these attached benefit income riders, but the bottom line is that rider growth isn't yield.

Recent second quarter results from the Bank Insurance & Securities Research Associates (BISRA) reveal the growing popularity of indexed annuities being sold through banks and credit unions. **Over 1 billion dollars** worth of these too often over hyped indexed annuities were sold in that 3 month time period. Just to put that number into a disturbing perspective, sales of variable annuities through bank branches consistently dwarf the sales of both fixed-rate annuities and indexed annuities.

Starving for profits

I understand the need for corporate profits from both the bank side and the annuity carrier side. Annuity companies are starving for the customer base and convenient physical locations that local bank branches have to offer. The bank branches are understandably having a hard time selling CD's during this low interest rate environment, so higher annuity commissions and fees are a welcomed revenue relief.

You can't blame these companies for looking to increase profits, but I think the quest for these bottom line goals could be at the expense of an unsophisticated investor client base that only does their "money shopping" at the local branch.

Shooting fish in a barrel

Most hard working Americans have grown up trusting banks as the place where they keep their money. The majority of people don't feel comfortable with typical Wall Street risk related investments, or interacting with a local brokerage firm or investment adviser. Because most people have their mortgage with the local bank, and have their checking accounts there as well, there is a level of trust that banks have well earned with their customer base.

If my parents didn't have a son who calls himself Stan The Annuity Man and lives and breathes all things' annuity, I'm pretty sure that they would have purchased one or more of the numerous variable and indexed annuities that they have been pitched over the past few years. To this day, my dad will call me and say that "the bank has an annuity paying 7%." My answer is always, "No dad, that's an income rider that you can only use for income and isn't yield." Like most people that are the same age as my dad, they remember the Jimmy Carter days when CD's were at very high levels, and yearn for those days to return.

Some of my friends in the business that actually work within these local bank branches say that "it's like shooting fish in a barrel" because the customers are so loyal and trust the bank implicitly. No long-term CD buyer wakes up wanting to purchase an annuity. Annuities, for now and for the most part, are sold.

So the next time you walk into your local bank branch, be prepared to hear about something other than that CD your are familiar with. Be prepared to see the latest financial craze sweeping the country ... the "**bank branch annuity dance."**

From BB

Banks pay their employees normally on the lower wage end in salary, so here is a question. (what would be the compensation for a Billion dollars for indexed annuities to the bank?.....BB)

Big Truck Partners

Anthony is gone this week

Dave and Shaun

More to Term Life Insurance Than Price

Term life insurance is often viewed by purchasers purely from a price perspective: how low can you go?

Agents and clients alike seem to see term insurance mainly as a way to provide temporary protection with low premiums for a given face value.

However, a term life policy packaged with one or more accelerated benefit riders can help provide clients not only with a death benefit, but also with financial assistance if the insured has a qualifying illness or condition.

Recently, I had an agent ask about how life insurnce was gifted, this is good basic info....always make sure their tax advisor is involved.....see link for more infoirmation

http://www.thinkadvisor.com/2013/10/01/gifting-life-insurance-policies-not-a-simple-matte

Gifting Life Insurance Policies: Not a Simple Matter

Making a gift of a life insurance policy can prove to be anything but simple for clients who may not know what questions to ask in order to ascertain the potential tax consequences of the transaction. Transferring a policy that is subject to a policy loan can prove even more problematic, even if the transferee is a family member and the transfer is intended entirely as a gift.

Though the rule's name might suggest otherwise, the transfer for value rule can create a serious tax trap for a client who transfers a life insurance policy, even if nothing tangible actually changes hands in the transaction. If the transaction is not structured properly, your client may find that the transfer for value rule has stripped the gift of life insurance of its most valuable feature—the tax-free treatment of the death proceeds.

The Transfer for Value Rule

Under the transfer for value rule, if a taxpayer transfers his interest in a life insurance policy for anything of value, the usual exclusion of the policy death benefits from gross income is limited to the sum of:

(1) the value of the consideration transferred and
(2) any policy premiums paid by the transferee.

Therefore, the rule can result in the loss of substantial tax benefits.

There are several exceptions to the rule, including transfers between the insured and himself and transfers where the basis in the hands of the transferee is measured in whole or in part by the basis in the hands of the transferor.

The Trap: Gifts of Life Insurance

Typically, when a client makes a gift of life insurance to a family member, he will not run afoul of the transfer for value rule because the basis in the hands of the transferee will carry over from the client, as transferor. However, if the policy is subject to a loan at the time of transfer, the transaction may be considered part sale and part gift, which, in some circumstances, will trigger the transfer for value rule and could cause the policy death proceeds to lose their income tax exemption.

If you are not a member if RV I urge you to jump on board this lead machine……BB

Retire Village Scores

Rick Taylor called to say that he made his second sale from his RV site drips – **49K and 95K** – he also expressed gratitude for the sales guidance that Tony have given him – this is true testament that it does "Take a Village to Raise an Agent"…. what about all the sales that weren't a direct result of a drip but due to the subliminal messaging of spaced repetition marketing….

Think of the power of this system!

Fees are the culture of the financial services business, so why not charge the RIA agents also? $10,000 a year, how do you pass that expense on to your clients?

http://www.investmentnews.com/article/20130929/REG/309299988?utm_source=issuealert-20130929&utm_medium=in-newsletter&utm_campaign=investmentnews&utm_term=text

Fidelity zaps more RIAs with fee

By **Dan Jamieson**
Sep 29, 2013 @ 12:01 am (Updated 10:03 am) EST
McClatchy-Tribune/Illustration Source

Fidelity Institutional Wealth Services will be charging more of its small registered investment advisers a $2,500 quarterly platform fee, beginning next month.

The firm will begin charging all firms with less than $15 million in assets under custody a **$2,500** quarterly fee.

Previously, the minimum asset level to avoid the fee was $10 million.

More

Easy to understand why this is happening, compliance rules, FINRA, SEC, who wouldn't run?.....BB

http://insurancenewsnet.com/innarticle/2013/09/18/advisor-headcount-still-dropping-report-says-a-393911.html#.UkmReXbn8dI

Advisor Headcount Still Dropping, Report Says

September 18, 2013

By Linda Koco
InsuranceNewsNet

The incredible shrinking advisory force is not a tagline that veteran insurance and financial advisors want to see but one researcher thinks is the way things are going to be.

In a new report, Cerulli Associates predicts that intermediary distribution firms in financial services will shed more than 25,000 securities-licensed financial advisors in the next four years.

By 2017, the industry will number a little over **280,000** advisors, predicted Sean Daly, an analyst at the research firm in a statement. That's down from **339,920** in 2005.

The advisory channels covered in the study include the insurance broker-dealer channel, with a 29 percent share of market by headcount, the biggest channel in 2012.

This is a result of higher US Treasury rates, basic info for you….BB

http://retirementincomejournal.com/issue/september-19-2013/article/big-outflows-from-bond-funds-persist

Big outflows from bond funds persist

While the monthly outflow has been huge, it is still a recent phenomenon. The year-to-date net outflow of **$28.4 billion** reverses only a tiny fraction of the inflows from 2009 through 2012, which totaled **$1.20 trillion**.

Redemptions from bond mutual funds and exchange-traded funds reached $20.3 billion in September through Friday, September 13. September's outflow is already the fifth-highest in any month on record. Bond funds have redeemed $138.4 billion since the start of June, TrimTabs said.

"We've seen unprecedented redemptions from bond funds since the start of the summer," said David Santschi, chief executive officer of TrimTabs. "The outflow of $68.6 billion in June was the biggest ever, and the outflow of $37.4 billion in August was the third-biggest ever."

"The yield on the 10-year Treasury note has jumped 120 basis points since the end of April, which is an enormous move," said Santschi. "We think the backup in yields has been driven partly by repayment of cheap European Central Bank loans that were used to buy Treasuries and partly by investor fears of 'tapering' by the Federal Reserve."

The very most important thing you can do to cover yourself is a full and complete fact finder, have you heard me say that before?….BB

http://www.producersweb.com/r/pwebmc/d/contentFocus/?pcID=c3513fd89028061bf785911ad01bc823&utm

Advisors: CYA with paper

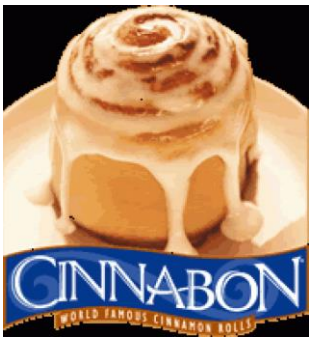
by Bruce Sankin on September 23, 2013

The interpretation of your client's answers on a client account form can make the difference between winning and losing a financial dispute or arbitration with a client. Knowing this information could help you avoid any negative comments in your file or on your U-4.

Who would have thought that a piece of **regulatory paperwork** could rank among an advisor's best friends? But it's true. The piece of paperwork in question is the client account form. It's important because many financial products sold in the financial services industry rely on verbal authorizations of transaction execution orders from clients. You know the process: You explain a product during a phone call or a face-to-face meeting. The client likes the investment and tells you, "OK, let's do it!"

From BB....

Take careful notes. Relying on your memory can be dangerous, even if you're under 30. It's too easy to remember what you *think* someone said, not what they *actually* said.



FORE THOUGHT®
Thinking Ahead℠

Q. What does Cinnabon and Forethought have in common?

A. Both are owned by Private Equity.

http://www.heraldonline.com/2013/09/26/5246819/global-atlantic-financial-group.html

Global Atlantic Financial Group Agrees to Acquire Forethought Financial Group

Published: September 26, 2013

HAMILTON, Bermuda — Global Atlantic Financial Group (Global Atlantic), a multiline insurance and reinsurance company, today announced that it has entered into a definitive agreement to acquire Houston-based Forethought Financial Group, Inc. (Forethought), a financial services company with life insurance and annuity operations throughout the US. Forethought will continue to operate its life insurance and annuity businesses under the Forethought name. As a result, clients will experience a seamless transition and continuity of service. The deal is expected to close early in 2014, subject to regulatory approval. Terms of the deal of the two privately held companies were not disclosed.

Read more here: http://www.heraldonline.com/2013/09/26/5246819/global-atlantic-financial-group.html#storylink=cpy

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.

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